**ELECTION SPEECHES - Stanley Bruce, 1925,** <http://electionspeeches.moadoph.gov.au/speeches/1925-stanley-bruce>

*The election was held on 14 November, 1925. For the 1925 election the Nationalist Party under the leadership of Prime Minister Stanley Bruce remained in coalition with Earle Page’s Country Party and the opposition Labor Party continued to be led by Matthew Charlton. Both parties had come to an agreement that they would not field candidates against each other. This was the first election to feature compulsory voting.*

*The election resulted in a convincing win for Bruce where he almost attained a majority in his own right. The Nationalists had won 37 seats, Country Party 14 seats and Labor 24 seats.*

In the past, it has been the practice for the Prime Minister in announcing the policy of his party to recite in the greatest detail the record of the Government, to set out a defence of all its actions, and to make elaborate promises which are designed to attract different sections of the electors to support the Government.

This practice has lead to elections becoming contests in which parties endeavour to outbid each other for the people's favour, and in which an appeal is made to the cupidity and lowest instincts of the people. As a result, great and vital problems upon the solution of which the happiness of the people and the prosperity of the country depend, are lost in the welter of the party struggle.

That course I refuse to follow. The times are too critical. For any national leader today to deceive the people by promises which, either for financial or constitutional reasons, he could never redeem, would constitute a betrayal of the obligations and duties resting upon him which would never be forgiven.

Australia is at the turning point of her national history, and is on the eve of the greatest opportunity ever offered to a people.

I appeal to every man and woman who loves Australia, irrespective of party or past political allegiance, carefully to examine what I say, and what the leader of the Opposition may say, to compare the two policies, and after exercising an independent judgment, to vote as they conscientiously believe to be in the best interests of this country and the happiness and prosperity of its people.

**Australia's national ideals**

The ideals towards which every Australian who loves his country, and believes in its future greatness, would desire to strive might well be stated as being to secure our national safety, and to ensure the maintenance of our White Australia policy; to continue as an integral portion of the British Empire, and to play our full part as a great self-governing Dominion.

To accomplish these things, and to realise the destiny that lies before us, we must be a united people, with a national vision, knowing no distinction between Commonwealth and State, town and country, employer and employed. This deal is the foundation of the Government's policy.

**The great issue**

The birth of the present Government was a practical attempt to unite differences, and sink petty party issues in the interests of the country. Faced with the great task of reconstruction after the War, the Nationalist and Country Parties came together and the Government has received such a measure of support from its followers in Parliament and in the country as should be an example to the whole nation.

We are now going to the country, presenting a united front, on issues which are of such vital importance that we believe they transcend all petty party differences.

The Government points with justifiable pride to the record of the work which it has done, and to the progress which Australia has made under its regime, as an earnest of its sincerity in carrying out its programme for the orderly development of this great country.

It now feels, however, that the time has come when it must demand a fresh mandate from the people.

We feel that when the supremacy of Parliament is challenged, our constitutional and democratic institutions are subverted, and law and order threatened, we should at once appeal to the people, and place the issue clearly before them.

**Captured by extremists**

The circumstances in which we find ourselves today have been made possible only by the capture of the great trade Unionist Organisations by a few extremists An overwhelming majority of the people of Australia, and a vast majority of Unionists are against what is being done. There is no way in which the people can repudiate these men, and their actions, except at the ballot box.

Political labor, which claims to be representative in Parliament of industrial labor, has kept silent in this great crisis, afraid of the strength and power of those who control the organisations. Industrial labor, with its machinery completely captured, is helpless, and the only manner in which citizens of Australia can declare their attitude is at the poll. This opportunity is now presented them, and on such an issue I am prepared to trust their judgment. I have no doubt as to what their verdict will be.

The Government is determined to defeat the nefarious designs of the extremists in our midst, and armed with the mandate of the people will take all necessary steps to accomplish this end.

Recent happenings have clearly demonstrated the existence of actions prejudicial to the peace of the Commonwealth. The time has now arrived when the Commonwealth Parliament should exercise its powers and pass effective legislation to deal with offences against the peace of the Commonwealth, including action against those persons who are actively engaged in associations and propaganda work, having as their object the overthrow of the Constitution, interference with Commonwealth activities resistance to it laws, and generally taking part in unlawful action for the purpose of subverting external and internal commerce and intercourse in Australia. But while the vital and paramount issue at the forthcoming election is the question of the maintenance of the supremacy of Parliament, our democratic institutions, and law and order, it is necessary that the people should know clearly where those who ask to rule over them stand with regard to the other great problems which confront us as a nation.

**Defence**

The greatest of these problems is that of the security of Australia. On this question the Government has a policy which is clear, definite, and unequivocal. The people of Australia desire above all things to see the maintenance of the world's peace by the substitution of peaceful methods in the settlement of he hideous arbitrament of war.

We believe that this can only be brought about by the securing of the safety of all nations, leading to general disarmament. Australia, as a member of the League of Nations has given to the League its fullest support, and has co-operated in all its efforts to ensure world's peace.

Until that great ideal is accomplished, however, the Government stands for the greatest measure of defence compatible with the man-power and financial resources of the nation. Our defence must be in co-operation with the rest of the Empire, and particularly with the British Navy. Our problem of defence is primarily a naval one.

Recently the Government laid down a five years' programme to ensure continuity, and in order that, at the end of that period, a definite objective might be reached in a co-ordinated plan for the defence of Australia. This programme provides for an additional defence expenditure in each year, over and above the amount spent in 1923-24, of £1,000,000; in addition to an expenditure of £6,250,000 on naval construction.

**Army and navy**

The naval programme includes the provision of two 10,000 ton cruisers, two ocean-going submarines, a seaplane carder, a floating dock, and an oil depot in the Northern Territory.

The army programme contemplates the provision of five infantry divisions, and two cavalry divisions, with the necessary munitions, and equipment.

The late war showed that the two vital necessities for an army in the field are an efficient staff, and an adequate supply of munitions. Steps are being taken for the adequate training of the staff; and a progressive scheme for the provision of munitions by the establishment of factories with nucleus staffs, and the co-operation of our manufacturing industries, has been inaugurated. In addition, reserves of munitions are being acquired annually, in order to reach a definite objective at the expiration of the period of the programme.

The air programme contemplates the provision of the units essential for co-operation with the sea and land forces, together with the necessary depots, workshops hangars, and other buildings. The great advance which has been made in aviation since the five years' programme was laid down has shown the necessity for an expansion in this arm of defence, and the Government proposes to submit to Parliament suggestions for an increase in the expenditure in this direction.

The question of coastal defence has also been receiving the earnest consideration of the Government, and an additional expenditure will be requisite in order to render it effective.

**Australia and the Empire**

The Government stands whole-heartedly for the maintenance of the British Empire. We consider it a privilege to belong to that great federation of self-governing nations, and to share in the glorious traditions of the British race. We are proud of British institutions and of British justice, which to-day stand firm, tranquil and inspiring in a world rent and riven by the aftermath of war.

It is impossible to imagine Australia outside the Empire. Throughout our history we have been sheltered by the majesty and might of the British Navy—our prestige in the councils of the world is the reflection of the light of Britain.

We realise that in this outpost of Empire our chief task is to keep alive the traditions of our race, and protect its free institutions of Government. We shall protect them if necessary from foreign aggression. We shall play our part in assisting Britain to keep our sea communications free. And we shall, inside our own borders, preserve inviolate from internal aggression those institutions of liberty, of constitutional and democratic Government, which characterise the British race.

Our community is comprised almost exclusively of British stock—we will repudiate those vainglorious fools whose watch-word is “To Hell with the Empire.”

**Must be consulted**

The last great war involved us because Britain was a party to a Treaty which guaranteed the integrity of Belgium. Australia was never consulted in regard to that Treaty and few of our citizens had ever heard of it. Never again must we be involved in a war arising out of foreign policy in which we have had no voice. We declare for the British Empire, with all the privileges and responsibilities that it involves, but within the Empire we demand freedom, independence, and the fullest consultation.

Only two courses are open to the citizens of Australia. Either we remain an integral part of the Empire enjoying its privileges and sharing its obligations, or we get out.

The Government declares unequivocally for the unity of the Empire, for that great concourse of free people embracing all colors, nationalities and creeds, which has done more to maintain the peace of the world and promote the progress and happiness of civilisation than any Empire which the world has known. The time has come when clear-thinking is requisite, and a determined effort must be made by the people of Australia to visualise exactly where we stand and how we can progressively go forward towards the realisation of the ideals which we have set ourselves.

We have in this new country determined to establish a civilisation which will eliminate from our national life those tragedies and that suffering and privation whch have been and are today an indelible blot upon older civilisations.

We are determined to provide for our people a standard of living which gives to our workers and those dependent upon them a reasonable measure of comfort and of happiness.

**Australia's greatest need-industrial peace**

These things, however, cannot be accomplished unless we have industrial peace. If great vital services are held up production will be retarded, industry stagnant, unemployment rife, and inevitably the standard of living which we have built for ourselves will be destroyed.

Today there is a great opportunity for the Australian workers to show to the world that that standard of living and measure of comfort which they have fought for and achieved can be enjoyed without economically crippling the nation in competition with the world.

Industrial peace and the enthusiasm of the Australian workers, however, depend upon our assuring to the worker a fair wage, and conditions of reasonable comfort for himself and those dependent upon him.

Bolshevism and Communism are obviously against the workers' interests, and have inevitably brought degradation and suffering to those who have adopted them. The only antidote to these evils is a happy, contented and adequately remunerated people.

Unfortunately, we have in our midst men who strive to foment industrial strife, class war and direct action. They are methods foreign to all our instincts, and they have no application to Australian conditions. Unhappily, these men have gained influence far beyond what their numbers warrant.

If we are to ensure the industrial peace and the progressive advancement of the condition of our people, the influence of these men must be ruthlessly destroyed. Just as the canker of these men advocating Communistic doctrines must be cut out of our national life; so must the efforts of those reactionaries be fought with un-relented hostility.

**Working hours**

The question of hours is one which has considerably agitated the minds of the workers of this country during recent years. Unhappily, although the interests of the workers and of the whole community are vitally conceited in this question it has become the football of party politics.

Party has contended with Party and promises have been made by those striving for power, that they will bring about a reduction of hours by legislation, quite irrespective of what the effect upon the workers and their opportunities of employment would be. We have had the fight for 48 hours, we have had those who stood for 44 hours; there are those who are agitating for 40 hours, and it is time that a halt was called.

The workers of this country have a high standard of education, and they have a right to good wages, reasonable hours and decent conditions of labour, but the average worker does not desire unreasonably short hours. He recognises that if his hours of work are reduced too far, industry will be seriously handicapped, the cost of production augmented and unemployment increased

What he desires is reasonable hours adjusted according to the industry in which he is engaged and with due regard to maximum health and efficiency so that production may be stimulated, employment increased, high wages paid, and the cost of production reduced with a corresponding reduction in the cost of living and an enhancement of the purchasing power of his wages.

This question is one of vital importance, but unfortunately it has not received the serious consideration which it deserves. It is a matter which can only be dealt with on a national basis, not only because of its fundamental importance, but also because varying hours in different States must destroy the equality of competition in interstate trade.

The Government desires a solution on a basis most advantageous to the workers, to industry and to the nation as a whole, and considers that whatever determination is arrived at, should be uniform throughout the Commonwealth.

It therefore proposes to suggest to the States that this question should be submitted to the Commonwealth and State Arbitration Judges who have for some years been dealing with the matter, with a view to. their making recommendations for uniform hours throughout the Commonwealth which would be considered by a Conference representative of the Commonwealth and State Governments.

**Child endowment**

The question of child endowment is also of vital importance.

The man with a family is the greatest asset to the community and it is essential and desirable that the greatest encouragement and assistance should be given to such men.

This matter can only be dealt with nationally and by co-operation between the Commonwealth and the States.

It is proposed to refer this question also to the Commonwealth and State Arbitration Judges, with a view to their recommendations being considered at a Conference between the Commonwealth and State Governments in the hope of evolving a national policy.

**Social insurance-homes for the people**

One of the main causes of industrial unrest is the ever-present dread which haunts the workers of the privation and suffering which will be brought upon his dependents in the event of sickness, unemployment and old-age. It has to be recognised that even under the conditions existing in Australia, the wages of our workers are not sufficient to enable them to safeguard themselves against these evils.

My Government recognises the duty of the nation in this regard. A Royal Commission was appointed to consider these questions and has reported on old-age and invalidity.

The Government proposes to introduce legislation for a national scheme of social insurance, covering the questions of old-age and invalidity which have already been reported on and as soon as the further report on unemployment is received will legislate on such lines as will enable the worker to be insured against this most deadly cause of his anxiety and rest.

The difficulty surrounding the possession of a home and the onerous terms upon which they too often have to be acquired, is another cause of unrest amongst our workers. In too many instances the worker has had to submit to exploitation by unscrupulous persons.

The Government proposes to introduce legislation for the purpose of utilising the machinery of the Commonwealth Bank, giving assistance not only to manual workers, but to those of small means, to acquire their homes on a basis of repayment extending over a long period of years.

The savings of the people entrusted to the Commonwealth Bank could be utilised for no better purpose. In giving effect to these proposals, the Government will not duplicate the existing machinery provided by the States, but will fill in the gap that now undoubtedly exists.

**Arbitration**

We in Australia have pioneered many social reforms and have indeed done more than any other people. Compulsory Arbitration has been on the Statute Book for many years. For these efforts a distinct measure of success can be justly claimed. Our efforts, however, have not finally solved this great problem.

My Government stands firmly for the principle of the peaceful settlement of industrial disputes within the law. Freedom of contract and direct action are the methods of barbarism, whilst the bringing of industrial disputes under the reign of law is in accord with the first principles of human progress. Any other attitude by a responsible Government in Australia today is unthinkable.

We must set ourselves resolutely to the solution of this problem and by our action set an example to the world for the establishment of the rule of law, both in the national and international spheres.

**Control unions**

In approaching this problem it is necessary to consider the circumstances which have led up to our present difficulties. The basic principle in the establishment of the rule of law, and the settlement of industrial disputes is that of collective bargaining. This principle has led to the enormous expansion of organised trade unions. These great bodies of organised workers have tended to become more and more undemocratic. In their form of self-government their increased activities and greater financial strength have immensely increased the numbers and status of paid officials.

The very success of trade unionism has tended to destroy control by the individual worker over the affairs of his union, and has increasingly made him the servant of his paid official. Particularly has this been the case in those unions of the transport industries, where the conditions of his occupation make it difficult for the worker to have an effective voice in the control of his own union affairs.

The communist and extremist has seen in these great organisations a ready instrument by which to effect his illegitimate purposes. He has bored into and White-anted many of them and is today endeavouring to use them not for the advancement of the interests of the worker, but for his own nefarious purposes.

It is significant that no such action has been attempted in those other great beneficent bodies, the friendly societies. I believe the explanation is that the legislation of the past has wisely provided for the regulation of friendly societies in the interests of their members, and ensured that they be conducted for the legitimate purposes for which they were formed.

The Government proposes to introduce legislation which will restore to the trade unionist control over his union, its officials, its funds and its acts, which he at one time had, but which today he has largely lost. By means of the provision of a secret ballot, democratic control of unionism will be restored to the workers of this country. It is also proposed to strengthen the powers of the Commonwealth Court of Conciliation and Arbitration.

It is realised that if this Court is to command respect and inspire due authority it should be placed in the position of a Court invested with judicial power as originally intended by Parliament. The Government, therefore, proposes to introduce legislation providing for judicial appointments for life as required by the Constitution vesting the Court with judicial power to enable it to enforce its awards and heifer control the parties under its jurisdiction.

Provision will also be made to prevent the duplication and overlapping of awards by Commonwealth and State industrial authorities.

When these amendments of the law are made we believe that compulsory arbitration will be shown to be an effective means for the promotion of industrial peace, and that it will be demonstrated that industrial disputes can be settled within the domain of law in the same way as civil and commercial disputes are determined.

**Progress based on sound economics**

The time has now come when the progress in our development has reached the point when our production has so expanded that no longer can we look to the sheltered home market to absorb our production at prices rendered possible by the artificial conditions which we have treated for ourselves, but have to face the stern competition of the markets of the world.

That we should overcome the problems that now confront us is of vital importance to every citizen of Australia, because upon their solution depends the maintenance and improvement of the general standard of living that our workers enjoy. If we are successful, our industries will expand and new industries be established. As we increase the volume of our production, and by improved methods lessen its cost, there will be a greater sum available for labor as its share of the reward.

By these means only can we hope gradually and continuously to improve the economic conditions of our people. One fundamental economic fact that cannot be gainsaid is that you can only take out of industry what you put into it. If you expand your industry, you increase the amount that is available for the payment of those employed in industry. It is therefore vital that our people should understand how their interests are wrapped up in the progress and development of Australia.

We must cease from making these issues the football of party politics and as a nation set ourselves unitedly to the task of populating and developing our country and stimulating our commerce and industry. That is the only sound road to prosperity; elsewhere lies disaster.

The necessity for these things has been rcognised by the Government ever since it assumed office and it has worked continuously and consistently towards this great national policy.

**Men, money and markets**

Australia's problem of development is bound up in the three great essentials which I referred to at the Imperial Conference as Men, Money and Markets. The greatest of these is, perhaps, markets, and the policy which the Government has pursued in the past and which it proposes to follow in the future is to try and secure for Australia those markets which are necessary for her today and which her expanding production will increasingly demand.

The two markets to which we have to look for the consumption of our production are the home market and the market outside our borders. In the home market, under the policy of protection, which is accepted by an overwhelming majority of the people of Australia, we have protected our producers—both primary and secondary.

We have provided, through a tariff, against unfair competition from outside.

The Government recently found it necessary to submit proposals for an amendment of the tariff, in respect of certain of our industries. These alterations were only submitted after the most exhaustive examination by the Tariff Board and Government, and are based upon the principle of sane and reasonable protection to efficient Australian industries.

The Government stands for this principle, but recognises that the incidence of a protective tariff, based upon the determination of the Australian people to maintain a high standard of living for our workers, places our primary industries with an exportable surplus at a disadvantage when selling abroad in competition with the cheaper labor production of other countries.

This fact renders it necessary that the fullest consideration should be given to the effect upon our exporting industries of the standard of wages and conditions existing in Australia, with a view to rendering an equivalent measure of assistance to producers selling in external markets as is afforded to those who find a market within our own borders. Only in this way can justice be done to the different sections of our people and a well-balanced development assured.

**Overseas markets**

In the overseas markets to which we must increasingly look for the disposal of our surplus production, much has already been accomplished. We have recently obtained a valuable measure of preference in Great Britain for certain of our exporting industries. We have also entered into a reciprocal trade treaty with Canada, which places certain of our producers in a most advantageous position.

The Imperial Economic Committee, established as a result of my representations at the Imperial Economic Conference, has been considering the problem of how best to ensure a greater consumption of Dominion production in Britain to the benefit of the Dominion producer and the British consumer. The most important of their recommendations to date is that all produce sold in Britain should be branded, whether of Empire or foreign origin.

By means of exhortation, education and control of through the customs, a higher standard has been achieved and a better export product assured. This has removed the greatest handicap that we suffered in the past—the low standard and unreliability of our production.

We are, however, faced with great and powerful rivals in the British market, and we have to recognise that our advent will be fought with unremitting and unscrupulous hostility. The

Government has also, through the establishment of Export Control Boards, ensured the more orderly marketing of our produce, continuity of supply, and retention of the identity of Australian production.

By assistance in finance, through the *Export Guarantee Act*, and the Rural Credits Department of the Commonwealth Bank which has now been established, producers have, been enabled to retain control over their own produce to the elimination of the speculator.

This system of providing for the control of the export in industries, together with the provision of the necessary finance ensures that the producer will fully control his own produce, enables orderly marketing to be carried out, while obviating Government control which has so many inherent defects and which usually operates to the detriment of the producer.

This system the Government has already introduced in regard to certain of our industries and is prepared to extend it to others, where the producers so desire.

The Government believes that in this scheme which they have inaugurated is the germ of a great co-operative movement for the handling of our export surplus on a national basis. The speculator will be eliminated and the taking of an undue toll for services rendered will be prevented.

**Scientific and efficient production**

The next problem which has to be considered is that of production, the methods by which we should stimulate and expand it, and the direction which our expanding production should take.

Too often in the past, because of the unscientific manner in which we have been attempting to develop this country; great efforts have been made to stimulate production in directions which were not the natural lines for us to follow, and in other cases to encourage production of things for which there was no market in the world. The Government has already taken steps towards the stocktaking of our resources, and proposes to carry but an investigation into the forms of production for which the most ready market will be available. Assistance will be given to stimulate the right form of production, and has already been given in some instances.

The Government is making available an amount of £6,000,000 to the States for the provision of wire netting to enable further lands to be brought under sheep, there being an assured demand in the world for wool.

Simultaneously, the Government is giving assistance to the establishment of the cotton industry by way of a guarantee which it is now contemplated to change into a bonus, so as to stimulate the production of cotton. Assistance has also been rendered to industries of national importance which have been passing through a period of temporary difficulties, such as Dried and Canned Fruits and Meat, all of which now are on the road to permanent stability.

The great sugar industry, upon which the maintenance of our White Australia policy so vitally depends, has also been safeguarded.

**Science and industry**

The Government considers the question of efficiency of such national importance that it is prepared to co-operate with the States, within whose jurisdiction this matter really falls, in assisting our producers to achieve a higher standard of efficiency.

It is also essential that the aid of science should be brought to the assistance of industry. The Commonwealth Institute of Science and Industry has been established for some time, but the

Government is not satisfied that the greatest results possible have been achieved. Recently a conference of commercial, scientific and industrial experts from all the States was called by the Government. This Conference has submitted a series of suggestions for the re-organisation of the Institute, so that it may, in co-operation with other organisations, more effectively deal with the scientific problems facing the primary and secondary industries of the Commonwealth.

The Conference also indicated the different matters on which efforts should be concentrated immediately. These included investigations regarding forest products, liquid fuels, cold storage of food, stock diseases and pests, plant diseases and pests, and insect diseases and pests. An amount of £100,000 has been made available under the financial proposals of the present year, and the Government proposes to submit a measure to Parliament for the reorganisation of the Institute so that it may render effective service towards obtaining a solution of the many scientific problems which so seriously affect our primary producers and those engaged in secondary industries.

**Transport**

Another factor essential to efficient production in a country with the vast extent of Australia is the question of transportation. This matter also concerns the great question of opening up and developing the country. Owing to its magnitude, and national importance, the Government believes that it can only be solved by co-operation between the Commonwealth and the States.

This co-operation has already been effected between the Governments of the Commonwealth, New South Wales and Queensland in regard to Railways, and the work of carrying out the line from Kyogle to Brisbane on the standard gauge is at present in hand. Unfortunately, the Governments of the other States have not seen their way to co-operate in the performance of this necessary work.

The Government proposes to hold a further Conference with the States at an early date, with a view to arriving at some scheme which, within the financial resources available, will enable further progress to be made in connection with the provision of the uniform gauge.

The question of the extension of the Railway to Alice Springs has been the subject matter of negotiation between the Commonwealth Government and the Government of the State of South Australia. The construction of this line is an obligation of the Commonwealth under the *Northern Territory Surrender Act*, which was passed in 1910, the carrying out of which has been too long delayed.

Agreement has now, however, been arrived at between the two Governments, and,subject to the concurrence of the Parliaments of the Commonwealth and South Australia this work will be proceeded with in accordance with the Agreement.

The connection of Adelaide with Port Augusta by standard gauge railway is also provided for under the agreement, and this will constitute a further step in the carrying out of the unification of gauge proposals. The Government proposes to submit the agreement with the South Australian Government to Parliament at the earliest possible date for its ratification, in order to enable the work to proceed.

**£20,000,000 for roads**

The revolution which has taken place in road transport with the development of the internal combustion engine has produced a new problem. In the past, the question of roads has been one exclusively within the jurisdiction of the States.

This question has now, however, become one of national importance, and of too great a magnitude for the States to handle by themselves.

This factor has been recognised by the Commonwealth Goverment, and for the past two years a grant of £500,000 has been made to the States on a £ for £ basis for the construction of main development roads. This grant was increased in the present year by an additional amount of £250,000 to be spent on the re-construction and strengthening of existing main roads.

The Government, however, now feels that the time has come when a progressive forward movement must be made in connection with a roads policy for Australia.

The Government proposes to make available to the States a sum of £200,000,000 spread over a period of 10 years, such amount to be provided out of the revenue derived by the Commonwealth from taxation to be collected from motor users through the Customs Department.

The provision of this amount is, of course, subject to a policy of national road development being evolved at a Conference between the Commonwealth and the States which is acceptable to the Commonwealth.

One fundamental principle which will have to be embodied in any scheme which can be approved by the Commonwealth is that provision must be made for the permanent maintenance and upkeep of roads constructed or reconstructed under the scheme.

The Government believes that the time has come when a national scheme must be laid down for the development and control of Ports and Harbours throughout the Commonwealth. A distinguished expert recently visited Australia on behalf of the Commonwealth Government, to report upon our Ports and Harbours, and their control. As soon as his report is received the Commonwealth Government proposes to invite the States to discuss this matter with a view—by co-operation between the Commonwealth and the States—to laying down a national policy on this important question.

When I was in Britain at the Imperial Conference I made certain proposals to the British Government which have now taken a concrete form in the Migration Agreement which was recently entered into between that Governmnt and the Commonwealth.

The principle which is embodied in that agreement, is we believe the basic one for the populating and developing of Australia. Today the power of economic absorption without destroying the standard of living which we have established for our people, is limited in Australia. Only by opening up and developing the country, and its resources can that absorption power be increased. The extent of such increase is only limited by the amount of money which is available for that purpose.

Every thinking Australian recognises that it is imperative, in the interests of our national safety and if we are to retain this country, that we should rapidly increase our population, and develop our resources.

Under the Migration Agreement recently entered into, loan moneys are made available to the States, or to any authority approved by the States at an interest rate of 1 per cent. for five years, and one third of the interest rate which the money costs for a further period of five years, for developmental purposes, such as roads, railways, factories, etc., that will increase the absorption power of Australia.

In consideration of this interest concession, the State concerned undertakes to absorb one British migrant for every £75 upon which the interest rebate is received, or a family comprising 5 persons in respect of every £1,000 employed for the purpose of establishing a farm. The money can be employed to settle an Australian citizen on a farm, equally as well as a British migrant, and by this provision one of the objections to the land settlement agreements which exist in the States of New South Wales, Victoria, and Western Australia is overcome.

**Millions available**

When it is remembered that the States of Australia have over the past three years absorbed an average of 25,000 assisted migrants annually, which would entitle them, were the numbers maintained—and they are certain to be increased— to nearly £2,000,000 annually with the interest concession, it will be seen how advantageous the present agreement is.

The Government believes that once the advantageous terms of the present agreement are appreciated by the Governments and people of the different States, schemes will be submitted which will fully absorb the amount of £34,000,000 at present available. When that point is reached, I am confident that it will be possible to make a further agreement with the British Government on terms as good, if not even better, than the present one—to an unlimited amount.

The Government believes that this Agreement is the greatest step forward that has ever been taken in the solution of the problem of populating and developing Australia. How great will be the benefits that will flow from it no one can measure. If in this country we have stable government, and are freed from those disturbing factors which are driving capital from most of the countries of the world to-day, there will be a flow of capital to our shores resulting in the establishment of new industries, increased employment, and an augmentation of the prosperity of all our people.

**Health**

While it is necessary and desirable to encourage the British migrant to make his home in Australia, it is even more important to ensure the health of our citizens if we are to solve the problem of populating this continent. The Government believes there is no more important question to the people, of Australia than that of national health.

In the past this question has been dealth with by the States individually, and although the Commonwealth has co-operated with State Governments in investigating certain diseases, has subsidised cancer research in some of our universities, and has established a chain of laboratories in which much valuable work has been done, it feels that the efforts made so far fall far short of what is necessary.

It accordingly appointed a Royal Commission to enquire into the whole ?eld of public health and to make recommendations for co-operation between the Commonwealth and the States in the carrying out of a great national health policy. The report of this Commission will be received in the near future, when steps will be taken to consult the States with a view to immediate action.

**Finance**

Sane governmental finance must take into account every interest in the community, and will be reflected by the prosperity of the country, the progress of industry and the well-being of the citizens. Sound government finance assists to maintain the standard of living for all classes in the community.

Taxes must be kept well below the bearable maximum, in order that as much money as possible may be left in the pockets of private citizens for the development and expansion of industry and employment. This policy will attract capital to aid our development. The expenditure has been arranged in such a way, that the Government, in spite of the heavy annual burden of War Interest and pensions amounting to £29,000,000, has been able to live within its income, and grant remissions aggregating £5,690,000 of annual taxation.

These remissions are:-

* Indirect Taxation £830,000
* Income Tax £3,400,000
* Entertainment Tax £360,000
* Land Tax on Crown Leaseholds £100,000
* Post Office Charges £1,000,000
* Total Annual Reduction £5,690,000

This reduction of taxation and charges has been so spread that it may fairly be said that every person in the community has received a share of the remissions.

At the same time, the burden of interest has been lightened by the redemption of more than £15,000,000 of War Debt. The Government's policy has been that new loan expenditure shall be made only in respect of services which will stimulate the production of the country, and permanently extend the avenues of employment. The redemption of the Debt has been provided for by the creation of a permanent sinking fund placed under independent control.

**The Commonwealth Bank**

When the Commonwealth Bank was brought into existence, a cardinal mistake was made in not placing the control of the currency in its hands, and so enabling it to function as a Bank of issue, discount, reserve and exchange. This mistake has now been remedied, and the Commonwealth Bank has been made a Central Bank, given complete management of the note issue, and a Board of Directors has been substituted for the previous one-man control. The right to issue currency brings with it predominant power in connection with discount and exchange, and the Bank has now been converted into a very powerful institution, which must materially assist in the development of Australia.

The effect of the altered status of the Bank has been illustrated in two critical financial periods during the last eighteen months. The declaration by the Commonwealth Bank in 1924 to the trading Banks that it was prepared to stand behind them in the handling of their finance for export enabled the wool sales to be resumed after a stoppage which threatened the whole financial fabric of Australia.

In April last year, the Commonwealth Bank led the way in advocating the restoration of the free export of gold, and by that action brought about a reduction in the rates of exchange from the previous high rate of £4 or more to the nominal rate of five shillings, which has existed during the last six months.

These actions alone have saved Australia, otherwise inevitable losses of millions of pounds would have resulted which would have struck a smashing blow at commerce and industry and would have brought unemployment, privation and suffering upon the whole of the people.

To our industrial workers, these things may appear far from their everyday lives, but they affect them vitally.

The development which the Government believes is surely going to take place in the immediate future of Australia will benefit every class in the community. Our national wealth will be increased, the wage fund upon which our workers are dependent will be augmented. By increased efficiency, the cost of living will be reduced, wages will be increased, employment will be plentiful and continuous, and the whole people will be benefited.

**Relations between Commonwealth and States.**

We are approaching the completion of the first quarter of a century of federation, and it is essential that we should now consider whether that great historic instrument, the Constitution, meets the needs of to-day in the light of the developments which have taken place.

The ideal which the framers of the Constitution had before them was to weld Australia into one great nation, while preserving to the States their rights of self-government.

The question of Commonwealth and State finance was dealt with by the States surrendering to the Commonwealth sources of revenue far in excess of the requirements of the Commonwealth. Of this revenue, for the first ten years three-quarters was handed back to the States, and since the expiration of that period a per capita grant of 25/- has been made by the Commonwealth to the States. The whole basis of these arrangements, however was destroyed by the war.

The financing of Australia's great effort in that struggle undertaken by the Commonwealth is carrying an annual burden of nearly £30,000,000 to meet the obligations incurred at that period. In addition, the Commonwealth has undertaken to provide for old-age pensions and invalidity, as well as the maternity bonus. These obligations to-day amount to over £8,000,000. The result of these fundamental changes is that the Commonwealth today is raising revenues in order to provide the per capita payments to the States.

This is contrary to the basic principle of national finance, that every Government shall have the responsibility of raising the revenue which it is expending.

**States to be helped**

The development of Australia as a nation, and the necessity of dealing with many great questions on a national basis, such as that of road transport, to which I have already referred, also renders necessary a re-examination of the financial relations between the Commonwealth and the States.

Such action is also demanded by the circumstances of individual States, particularly Western Australia and Tasmania. Their difficulties spring from different causes—in that Western

Australia is overwhelmed by the vastness of its territory, and Tasmania is handicapped by its smallness.

The population of Western Australia is approximately 350,000, and yet this handful of people is faced with the obligation of developing one-third of this great Continent. The task is hopelessly beyond their powers, and yet it is vital to the whole of the people of Australia that this vast area should be developed.

In the past it has been necessary to give assistance to the States of Western Australia and Tasmania, and it will be necessary in the future to give consideration to the position of the citizens of these States, if they are to receive justice at the hands of the Australian people.

In order to overcome one of the handicaps suffered by Tasmania, as a result of her geographical position, the Government proposes to introduce legislation which will permit overseas vessels to engage in the tourist traffic during the periods when that traffic is not adequately provided for.

Recently the Government appointed a Royal Commission to examine the position of Western Australia inside the federation. The Government is giving careful consideration to the questions raised, and proposes, in the near future, to invite the States to attend a Conference for the purpose of re-considering the financial relations between the Commonwealth and the States.

Pending the holding of this Conference the Government proposes to submit to Parliament legislation to provide for the payment to the State of Western Australia of the subsidy of £450,000 recommended by the Royal Commission for a period of one year.

After this Conference has been held, the Government proposes, if necessary, to hold a constitutional session of the Federal Parliament. From time to time, suggestions have been made that a Convention should be held to review the constitutional position in Australia, but after the closest examination the Government has come to the conclusion that this idea is impracticable, and has rejected it. It believes that the national Parliament of the Commonwealth representative of the whole people is the proper body to consider these fundamental questions, and proposes to invite it to undertake this great task.

**The government's record**

When the present Government assumed office it was faced the aftermath of the war, and had to undertake the difficult task of finalising the activities of government in connection with the many matters which during a period of crisis it is necessary for governments to handle, but which form no part of their functions in times of peace. This work has now been carried out, and the many difficulties which confronted us have been surmounted.

A progressive policy has been earned out in connection with the postal, telegraphic, and telephonic services of the Commonwealth. I content myself by stating that the policy of postal finance on a business basis, inaugurated by me when I was Treasurer, has been continued by the present Government, and during the past three years and the present year there has been and is contemplated to be spent on new works an amount of £3,500,000 in excess of the expenditure for the preceding twenty-one years.

When it is remembered that the whole of this expenditure is revenue producing to an extent which provides interest on the capital, and a thirty years redemption fund, it will be seen that the postal administration has been upon a sound basis.

In order to solve the problem of the effective development of the North of Australia, the Government has already submitted a measure to Parliament which provides for the establishment of a Developmental Commission, with full power to carry out necessary works, such as railways, roads, water supply, ports and harbours. The Commission is given power to borrow and expend money.

Provision is also made for an element of local self-government for North and Central Australia, which will eventually lead to the establishment of two new States. The action which has been taken constitutes a great step forward towards the development and utilisation of the many resources of this vast territory.

**Many activities**

With a view to encouraging the development of Papua and the Mandated Territory, the Coastal Trade provisions of the *Navigation Act* have been suspended as far as these territories are concerned.

It is proposed, by a system of preferential customs duties, and by the payment of bounties, to encourage the agricultural development of these territories.

The Federal Capital Territory has been placed under a Commission, and the construction of the necessary buildings to enable the Government and Parliament to function there is being expeditiously proceeded with.

Encouragement has been given for the discovery of oil in payable quantities, and for the development of the gold-mining industry. The amount of £100,000 has been made available for this purpose.

Recognising the importance of forestry to Australia, the Government has established a central Commonwealth Forestry School for the training of foresters. It also proposes to establish a Forestry Bureau to advise and assist the State Governments in all matters relating to the development and utilisation of our timber resources.

During the period that the Government has been in office, the pension benefits to ex-soldiers and their dependents have been further liberalised; the War Service Homes Department has been re-organised, and the Act has been amended providing for the more liberal treatment of ex-soldiers.

In view of the importance of the question of migration and the provision of markets for our exportable surplus, a new Department has been created to deal with these matters. The passage money agreement with the British Government was recently revised, and under the new agreement more generous assistance is afforded to British migrants coming to Australia. This Department has also dealt with questions affecting many of our exporting industries, and its activities have been of great benefit to the industries concerned.

**Public works-aviation**

The works under the Murray River agreement are being pressed on with. Three weirs and locks have already been completed, and brought into operation, and work is proceeding on six others. The Hume Dam, which is being constructed to provide for a reservoir of 2,000,000 acre feet capacity, is progressing rapidly. The Lake Victoria storage, which will provide for South Australian irrigation requirements is approaching completion.

The Government has taken effective steps to develop civil aviation, recognising that this matter is of paramount importance to Australia. From Derby to Perth; Adelaide to Brisbane; Cootamundra to Charleville, and thence to Darwin permanent landing grounds have been constructed, with emergency grounds between at lesser intervals, and these are being maintained in a constant state of efficiency.

The airway from Perth to Derby, a distance of 1,442 miles, is the longest aerial passenger route in the world. Consideration is now being given to representations which have been made to extend this service to Wyndham, a distance of 500 miles.

An extension of the aerial service that now traverses the Western Plains of Queensland is also contemplated. No less than 7.400 miles are flown each week in Australia by aeroplanes carrying mails, passengers and freights over long distance routes where other communications are inefficient or non-existent.

Our record speaks for itself. Representative of all sections of the community, the Government has sunk all party differences and legislated in the interests of Australia: The city worker, the farmer, the manufacturer, the exporter, the sick, the aged, and the infirm, have all been benefited during our term of office. Australia has progressed at home and abroad. The savings of the people have increased, more homes have been built, our trade-internal and external-has expanded. Given industrial peace, sane and sound finance, and wise government, we shall enter an era of prosperity hitherto unknown in our history.

We point with justifiable pride to that record, and ask you to again entrust us with the reins of government. You know what we have done; and you know exactly where we stand.

We are for the Empire; for and adequate measure of Defence; for the maintenance and protection of a White Australia. We are for sound finance; for the production and development of our primary and secondary industries. We are for a vigorous policy of migration combined with internal expansion. We are for the rule of Law; for justice to all citizens, and special privileges to none.

**Challenge to democracy**

But the paramount issue in this campaign is the maintenance of Law and order, and the supremacy of Constitutional Government.

No more important issue can ever come before a Democratic people. The laws of the country have been defied, and constitutional authority challenged. An attempt has been made to subvert Democracy to domination by a few extremists. At the period of our greatest prosperity and most glowing opportunity, there are wreckers who would plunge us into the chaos and misery of class war.

I ask you to consider well how far we have come along the road of progress, and how far under sane leadership, wise government, and industrial peace, we yet may go. It is for you, now to decide whether our free institutions of Government, our advanced civilisation, our enlightened industrial system, and our prestige within the Empire and abroad, are to be preserved, or whether they are to go down beneath the feet of men who care nothing for this country. I have no doubt of your verdict.