



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



House of Representatives

Official Hansard

No. 40, 1948
Tuesday, 28 September 1948

EIGHTEENTH PARLIAMENT
SECOND SESSION—FIRST PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

PARLIAMENT OF THE COMMONWEALTH.

EIGHTEENTH PARLIAMENT—SECOND SESSION: FIRST PERIOD.

GOVERNOR-GENERAL.

His Excellency the Right Honorable William John McKell, Governor-General and Commander-in-Chief in and over the Commonwealth of Australia, from the 11th March, 1947.

SECOND CHIFLEY GOVERNMENT.

(FROM THE 1ST NOVEMBER, 1946.)

Prime Minister and Treasurer	The Right Honorable J. B. Chifley.
Attorney-General and Minister for External Affairs (and Deputy Prime Minister)	The Right Honorable H. V. Evatt, LL.D., D.Litt., K.C.
Minister for Labour and National Service	The Honorable E. J. Holloway.
Minister for Air and Minister for Civil Aviation	The Honorable A. S. Drakeford.
Vice-President of the Executive Council	The Honorable W. J. Scully.
(¹)Minister for Shipping and Fuel (and Leader of the Government in the Senate)	Senator the Honorable W. P. Ashley.
Minister for Defence, Minister for Post-war Reconstruction and Minister in charge of the Council for Scientific and Industrial Research	The Honorable J. J. Dedman.
Minister for Transport and Minister for External Territories	The Honorable E. J. Ward.
Postmaster-General	Senator the Honorable D. Cameron.
Minister for Information and Minister for Immigration	The Honorable A. A. Calwell.
Minister for the Interior	The Honorable H. V. Johnson.
Minister for Health and Minister for Social Services (and Deputy Leader of the Government in the Senate)	Senator the Honorable N. E. McKenna.
Minister for Commerce and Agriculture	The Honorable R. T. Pollard.
Minister for Works and Housing	The Honorable N. Lemmon.
(¹)Minister for Supply and Development	Senator the Honorable J. I. Armstrong.
Minister for the Army	The Honorable C. Chambers
Minister for Trade and Customs	Senator the Honorable B. Courtice.
Minister for the Navy	The Honorable W. J. F. Riordan.
Minister for Repatriation	The Honorable H. C. Barnard.

(¹) Designations changed on the 6th April.

THE MEMBERS OF THE SENATE.

(FROM THE 1ST JULY, 1947.)

EIGHTEENTH PARLIAMENT—SECOND SESSION : FIRST PERIOD.

President—Senator the Honorable Gordon Brown.

Leader of the Government in the Senate—Senator the Honorable William Patrick Ashley.

Deputy Leader of the Government in the Senate—Senator the Honorable Nicholas Edward McKenna.

Chairman of Committees—Senator Theophilus Martin Nicholls.

Temporary Chairmen of Committees—Senators Stanley Kerin Amour, James Jarvist Arnold, William Edward Aylett, Walter Jackson Cooper, M.B.E.

Leader of the Opposition—Senator Walter Jackson Cooper, M.B.E.

Deputy Leader of the Opposition—Senator Neil O'Sullivan.

Amour, Stanley Kerin†	New South Wales
Armstrong, Hon. John Ignatius†	New South Wales
Arnold, James Jarvist†	New South Wales
Ashley, Hon. William Patrick‡	New South Wales
Aylett, William Edward†	Tasmania
Beerworth, Frederick Hubert‡	South Australia
Brown, Hon. Gordon†	Queensland
Cameron, Hon. Donald†	Victoria
Clothier, Robert Ernest†	Western Australia
Collings, Hon. Joseph Silver†	Queensland
Cooke, Joseph Alfred‡	Western Australia
Cooper, Walter Jackson, M.B.E.‡	Queensland
Courtice, Hon. Benjamin†	Queensland
Critchley, John Owen‡	South Australia
Devlin, John Joseph†	Victoria
Finlay, Alexander†	South Australia
Fraser, Hon. James Mackintosh†	Western Australia
Grant, Donald MacLennan†	New South Wales
Harris, John‡	Western Australia
Hendrickson, Albion‡	Victoria
Katz, Frederick‡	Victoria
Lamp, Charles Adcock†	Tasmania
Large, William James‡	New South Wales
McKenna, Hon. Nicholas Edward†	Tasmania
Morrow, William†	Tasmania
Murray, Reginald James‡	Tasmania
Nash, Richard Harry†	Western Australia
Nicholls, Theophilus Martin†	South Australia
O'Byrne, Justin Hilary‡	Tasmania
O'Flaherty, Sidney Wainman†	South Australia
O'Sullivan, Neil‡	Queensland
Rankin, Annabelle Jane Mary‡	Queensland
Sandford, Charles Walter†	Victoria
Sheehan, James Michael†	Victoria
Tangney, Dorothy Margaret‡	Western Australia
Ward, Frederick Furner‡	South Australia

Dates of Retirement of Senators—† The 30th June, 1950.

‡ The 30th June, 1953.

THE MEMBERS OF THE HOUSE OF REPRESENTATIVES.

EIGHTEENTH PARLIAMENT—SECOND SESSION : FIRST PERIOD.

Speaker—The Honorable John Solomon Rosevear.

Chairman of Committees—Joseph James Clark.

Temporary Chairmen of Committees—The Honorable Joseph Palmer Abbott, M.C., George James Bowden, M.C., Thomas Patrick Burke, Henry Baynton Somer Gullett, M.C., James William Hadley, William Joseph Hutchinson, The Honorable Hubert Peter Lazzarini, Daniel Mulcahy, George James Rankin, D.S.O., V.D., Rupert Sumner Ryan, C.M.G., D.S.O., Thomas Sheehan, Thomas Neil Sheehy and David Oliver Watkins.

Leader of the Opposition and Leader of the Liberal Party of Australia—The Right Honorable Robert Gordon Menzies, K.C.

Deputy Leader of the Opposition and Deputy Leader of the Liberal Party of Australia—The Honorable Eric John Harrison.

Leader of the Australian Country Party—The Right Honorable Arthur William Fadden.

Deputy Leader of the Australian Country Party—The Honorable John McEwen.

Abbott, Hon. Joseph Palmer, M.C.	New England (N.S.W.)
Adermann, Charles Frederick	Maranoa (Q.)
Anthony, Hon. Hubert Lawrence	Richmond (N.S.W.)
Barnard, Hon. Herbert Claude	Bass (T.)
Beale, Howard	Parramatta (N.S.W.)
Beazley, Kim Edward	Fremantle (W.A.)
Blackburn, Mrs. Doris Amelia	Bourke (V.)
Blain, Adair Macalister	(N.T.)
Bowden, George James, M.C.	Gippsland (V.)
Brennan, Hon. Frank	Batman (V.)
Burke, Thomas Patrick	Perth (W.A.)
Calwell, Hon. Arthur Augustus	Melbourne (V.)
Cameron, Hon. Archie Galbraith	Barker (S.A.)
Chambers, Hon. Cyril	Adelaide (S.A.)
Chiffey, Rt. Hon. Joseph Benedict	Macquarie (N.S.W.)
Clark, Joseph James	Darling (N.S.W.)
Conelan, William Patrick	Griffith (Q.)
Corsier, Bernard Henry	Wide Bay (Q.)
Daly, Frederick Michael	Martin (N.S.W.)
Davidson, Charles William, O.B.E.	Capricornia (Q.)
Dedman, Hon. John Johnstone	Corio (V.)
Drakeford, Hon. Arthur Samuel	Maryborough (V.)
Duthie, Gilbert William Arthur	Wilmett (T.)
Edmonds, William Frederick	Herbert (Q.)
Evatt, Rt. Hon. Herbert Vere, LL.D., D.Litt., K.C.	Barton (N.S.W.)
Fadden, Rt. Hon. Arthur William	Darling Downs (Q.)
Falkinder, Charles William Jackson, D.S.O., D.F.C.	Franklin (T.)
Falstein, Sydney Max	Watson (N.S.W.)
Francis, Hon. Josiah	Moreton (Q.)
Fraser, Allan Duncan	Eden-Monaro (N.S.W.)
Fuller, Arthur Neiberding	Hume (N.S.W.)
Gaha, Dr. the Hon. John Francis, M.B.	Denison (T.)
Gullett, Henry Baynton Somer, M.C.	Henty (V.)
Hadley, James William	Lilley (Q.)
Hamilton, Leonard William	Swan (W.A.)
Harrison, Hon. Eric John	Wentworth (N.S.W.)
Haylen, Leslie Clement	Parkes (N.S.W.)
Holloway, Hon. Edward James	Melbourne Ports (V.)
Holt, Hon. Harold Edward	Fawkner (V.)
Howse, John Brooke	Calare (N.S.W.)
Hughes, Rt. Hon. William Morris, O.H., K.C.	North Sydney (N.S.W.)
Hutchinson, William Joseph	Deakin (V.)
James, Rowland	Hunter (N.S.W.)
Johnson, Hon. Herbert Victor	Kalgoorlie (W.A.)
Lang, John Thomas	Reid (N.S.W.)
Langtry, Joseph Ignatius	Riverina (N.S.W.)
Lawson, Hon. George	Brisbane (Q.)

THE MEMBERS OF THE HOUSE OF REPRESENTATIVES—*continued.*

v

Lazzarini, Hon. Hubert Peter	Werriwa (N.S.W.)
Lemmon, Hon. Nelson	Forrest (W.A.)
Lyons, Dame Enid Muriel, G.B.E.	Darwin (T.)
McBride, Hon. Philip Albert	Wakefield (S.A.)
McDonald, Hon. Allan McKenzie	Corangamite (V.)
McEwen, Hon. John	Indi (V.)
McLeod, Donald	Wannon (V.)
Menzies, Rt. Hon. Robert Gordon, K.C.	Kooyong (V.)
Mulcahy, Daniel	Lang (N.S.W.)
O'Connor, William Paul	West Sydney (N.S.W.)
Page, Rt. Hon. Sir Earle Christianas Grafton, G.C.M.G., C.H.	Cowper (N.S.W.)
Pollard, Hon. Reginald Thomas	Ballaarat (V.)
Rankin, George James, D.S.O., V.D.	Bendigo (V.)
Riordan, Hon. William James Frederick	Kennedy (Q.)
Rosevear, Hon. John Solomon	Dalley (N.S.W.)
Russell, Edgar Hughes Deg	Grey (S.A.)
Ryan, Rupert Sumner, C.M.G., D.S.O.	Flinders (V.)
Scullin, Rt. Hon. James Henry	Yarra (V.)
Scully, Hon. William James	Gwydir (N.S.W.)
Sheehan, Thomas	Cook (N.S.W.)
Sheehy, Thomas Neil	Boothby (S.A.)
Spender, Hon. Percy Claude, K.C.	Warringah (N.S.W.)
Thompson, Albert Victor	Hindmarsh (S.A.)
Turnbull, Winton George	Wimmera (V.)
Ward, Hon. Edward John	East Sydney (N.S.W.)
Watkins, David Oliver	Newcastle (N.S.W.)
White, Hon. Thomas Walter, D.F.C., V.D.	Balaclava (V.)
Williams, Thomas Francis	Robertson (N.S.W.)

THE COMMITTEES OF THE SESSION.

JOINT.

BROADCASTING.—Senator Amour (Chairman), Senator Finlay, Senator Rankin, Mr. Burke, Mr. Falkinder, Mr. Hadley, Mr. Hutchinson, Mr. Spender, and Mr. Watkins.

HOUSE.—The President (Chairman), Senator Amour, Senator Aylett, Senator Cooper, Senator Fraser, Senator O'Sullivan, Senator Rankin, Mr. Speaker, Mr. Burke, Mr. Corser, Mr. Francis, Mr. Holt, Mr. Mulcahy, and Mr. Watkins.

LIBRARY.—Mr. Speaker (Chairman), the President, Senator Arnold, Senator Cooke, Senator Cooper, Senator O'Sullivan, Senator Rankin, Senator Tangney, Mr. Abbott, Mr. Beazley, Mr. Brennan, Mr. Duthie, Mr. Hutchinson, and Mr. White.

PARLIAMENTARY PROCEEDINGS BROADCASTING.—Mr. Speaker (Chairman), the President, Senator Arnold, Senator O'Sullivan, Mr. Corser, Mr. Fraser, Mr. Haylen, Mr. Holt, and Mr. Sheehan.

PRINTING.—Mr. Daly (Chairman), Senator Beerworth, Senator Cooper, Senator O'Byrne, Senator O'Sullivan, Senator Rankin, Senator Sandford, Senator Ward, Mr. Adermann, Mr. Conelan, Mr. Haylen, Mr. McDonald, Mr. O'Connor, and Mr. Ryan.

PUBLIC WORKS.—Senator Lamp (Chairman), Senator Nash, Senator O'Sullivan, Mr. Beale, Mr. Conelan, Mr. Howse, Mr. McLeod, Mr. Rankin, and Mr. Russell.

SENATE.

DISPUTED RETURNS AND QUALIFICATIONS.—Senator Clothier, Senator Cooper, Senator Harris, Senator Nicholls, Senator O'Flaherty, Senator O'Sullivan, and Senator Rankin.

REGULATIONS AND ORDINANCES.—Senator Nash (Chairman), Senator Arnold, Senator Cooke, Senator Cooper, Senator Katz, Senator O'Sullivan, and Senator Rankin.

STANDING ORDERS.—The President (Chairman), the Chairman of Committees, Senator Cooper, Senator Critchley, Senator Devlin, Senator Harris, Senator O'Sullivan, Senator Rankin, and Senator Sandford.

HOUSE OF REPRESENTATIVES.

PRIVILEGES.—Dr. Evatt (Chairman), Mr. Abbott, Mr. Clark, Mr. Harrison, Mr. Sheehan, Mr. Spender, and Mr. Williams.

STANDING ORDERS.—Mr. Speaker, the Prime Minister, the Chairman of Committees, the Leader of the Opposition, Mr. Fadden, Sir Earle Page, Mr. Riordan, and Mr. Williams.

PARLIAMENTARY DEPARTMENTS.

SENATE.

Clerk.—J. E. Edwards.

Clerk-Assistant.—R. H. C. Loof.

Usher of the Black Rod.—W. I. Emerton.

HOUSE OF REPRESENTATIVES.

Clerk.—F. C. Green, M.C.

Clerk-Assistant.—A. A. Tregear.

Second Clerk-Assistant.—S. F. Chubb.

Sergeant-at-Arms.—A. G. Turner.

PARLIAMENTARY REPORTING STAFF.

Principal Reporter.—W. J. M. Campbell.

Second Reporter.—H. H. Temperly.

Third Reporter.—B. A. Goode.

LIBRARY.

Librarian.—H. L. White.

Assistant Librarian.—L. C. Key.

JOINT HOUSE.

Secretary.—R. H. C. Loof.

THE ACTS OF THE SESSION.

(SECOND SESSION : FIRST PERIOD.)

ACTS INTERPRETATION ACT 1948 (ACT NO. 79 OF 1948)—

An Act to amend the *Acts Interpretation Act* 1901–1947.

APPROPRIATION ACT 1948–49 (ACT NO. 40 OF 1948)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and forty-nine, and to appropriate the Supplies granted by the Parliament for that year.

APPROPRIATION (WORKS AND SERVICES) ACT 1948–49 (ACT NO. 41 OF 1948)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and forty-nine for the purposes of Additions, New Works and other Services involving Capital Expenditure and to appropriate the Supplies granted by the Parliament for that year.

ALIENS DEPORTATION ACT 1948 (ACT NO. 84 OF 1948)—

An Act to provide for the Deportation of certain Aliens.

AUDIT ACT 1948 (ACT NO. 60 OF 1948)—

An Act to amend the *Audit Act* 1901–1947.

AUSTRALIAN BROADCASTING ACT 1948 (ACT NO. 64 OF 1948)—

An Act to amend the *Australian Broadcasting Act* 1942–1946, and for other purposes.

AUSTRALIAN CAPITAL TERRITORY REPRESENTATION ACT 1948 (ACT NO. 57 OF 1948)—

An Act to provide for the Representation of the Australian Capital Territory in the Parliament of the Commonwealth.

AUSTRALIAN SOLDIERS' REPATRIATION ACT 1948 (ACT NO. 39 OF 1948)—

An Act to amend the *Australian Soldiers' Repatriation Act* 1920–1947, and for other purposes.

COAL PRODUCTION (WAR-TIME) ACT REPEAL ACT 1948 (ACT NO. 80 OF 1948)—

An Act to provide for the repeal of the *Coal Production (War-time) Act* 1944, for the Collection of Statistics in respect of Coal, and for other purposes.

COMMONWEALTH AID ROADS AND WORKS ACT 1948 (ACT NO. 91 OF 1948)—

An Act to amend the *Commonwealth Aid Roads and Works Act* 1947.

COMMONWEALTH BANK ACT 1948 (ACT NO. 68 OF 1948)—

An Act to amend the *Commonwealth Bank Act* 1945.

COMMONWEALTH CONCILIATION AND ARBITRATION ACT 1948 (ACT NO. 77 OF 1948)—

An Act to amend the *Commonwealth Conciliation and Arbitration Act* 1904–1947, as amended by the *Judges' Pensions Act* 1948.

COMMONWEALTH EMPLOYEES' COMPENSATION ACT 1948 (ACT NO. 61 OF 1948)—

An Act to amend the *Commonwealth Employees' Compensation Act* 1930–1944, and for other purposes.

COMMONWEALTH PUBLIC SERVICE ACT (NO. 2) 1948 (ACT NO. 75 OF 1948)—

An Act to provide for the transfer to the Commonwealth Service of certain employees of the Commonwealth Council for Scientific and Industrial Research, and for other purposes.

CUSTOMS TARIFF ACT (NO. 5) 1948 (ACT NO. 92 OF 1948)—

An Act relating to Duties of Customs.

DEFENCE (TRANSITIONAL PROVISIONS) ACT 1948 (ACT NO. 88 OF 1948)—

An Act to amend the *Defence (Transitional Provisions) Act* 1946–1947, and for other purposes.

EGG EXPORT CONTROL ACT 1948 (ACT NO. 63 OF 1948)—

An Act to amend the *Egg Export Control Act* 1947.

EXCISE TARIFF ACT (NO. 4) 1948 (ACT NO. 93 OF 1948)—

An Act relating to Duties of Excise.

HIDE AND LEATHER INDUSTRIES ACT 1948 (ACT NO. 71 OF 1948)—

An Act Relating to the Hide and Leather Industries, and for other purposes.

HOSPITAL BENEFITS ACT 1948 (ACT NO. 82 OF 1948)—

An Act to amend the *Hospital Benefits Act* 1945–1947.

IMMIGRATION ACT 1948 (ACT NO. 86 OF 1948)—

An Act to amend the *Immigration Act* 1901–1940.

IMMIGRATION (GUARDIANSHIP OF CHILDREN) ACT 1948 (ACT NO. 62 OF 1948)—

An Act to amend the *Immigration (Guardianship of Children) Act* 1946.

INCOME TAX ACT 1948 (ACT NO. 45 OF 1948)—

An Act to impose a Tax upon Incomes.

INCOME TAX ASSESSMENT ACT 1948 (ACT NO. 44 OF 1948)—
An Act to amend the *Income Tax Assessment Act 1936–1947*.

INTERNATIONAL ORGANIZATIONS (PRIVILEGES AND IMMUNITIES) ACT 1948 (ACT NO. 72 OF 1948)—
An Act relating to the Privileges and Immunities of the United Nations and other International Organizations, and for other purposes.

INTERNATIONAL TRADE ORGANIZATION ACT 1948 (ACT NO. 73 OF 1948)—
An Act to approve Acceptance by Australia of the General Agreement on Tariffs and Trade and the Havana Charter for an International Trade Organization, and for other purposes.

JUDGES' PENSIONS ACT 1948 (ACT NO. 65 OF 1948)—
An Act to make provision for Pensions for Judges of Courts established under laws of the Commonwealth and to make provision for the families of such Judges, and for other purposes.

KEMIRA TUNNEL (ARBITRATION) ACT 1948 (ACT NO. 55 OF 1948)—
An Act to provide Means for the Determination of Questions which have arisen relating to the Employment of Persons in the Construction of the Kemira Tunnel in the County of Camden in the State of New South Wales and for other purposes.

LOAN (HOUSING) ACT 1948 (ACT NO. 54 OF 1948)—
An Act to authorize the Raising of Moneys to be advanced to the States for the purposes of Housing.

MENTAL INSTITUTION BENEFITS ACT 1948 (ACT NO. 78 OF 1948)—
An Act relating to Mental Institution Benefits.

NATIONAL HEALTH SERVICE ACT 1948 (ACT NO. 81 OF 1948)—
An Act to provide for the Establishment of National Health Services, and for other purposes.

NATIONALITY AND CITIZENSHIP ACT 1948 (ACT NO. 83 OF 1948)—
An Act relating to British Nationality and Australian Citizenship.

PARLIAMENTARY RETIRING ALLOWANCES ACT 1948 (ACT NO. 89 OF 1948)—
An Act to make Provision for Contributory Retiring Allowances for Persons who have served as Members of the Parliament.

PASSPORTS ACT 1948 (ACT NO. 85 OF 1948)—
An Act to amend the *Passports Act 1938*.

RIVER MURRAY WATERS ACT 1948 (ACT NO. 90 OF 1948)—
An Act to ratify and approve an Agreement for the further variation of the Agreement entered into between the Prime Minister of the Commonwealth and the Premiers of the States of New South Wales, Victoria, and South Australia, respecting the River Murray and Lake Victoria and other Waters, and for other purposes.

SALES TAX (EXEMPTIONS AND CLASSIFICATIONS) ACT 1948 (ACT NO. 42 OF 1948)—
An Act to amend the *Sales Tax (Exemptions and Classifications) Act 1935–1947*.

SOCIAL SERVICES CONSOLIDATION ACT 1948 (ACT NO. 38 OF 1948)—
An Act to amend the *Social Services Consolidation Act 1947*, and for other purposes.

SOCIAL SERVICES CONSOLIDATION ACT (NO. 2) 1948 (ACT NO. 69 OF 1948)—
An Act to amend the *Social Services Consolidation Act 1947*, as amended by the *Social Services Consolidation Act 1948*.

SOCIAL SERVICES CONTRIBUTION ACT 1948 (ACT NO. 51 OF 1948)—
An Act to amend the *Social Services Contribution Act 1945–1947*.

SOCIAL SERVICES CONTRIBUTION ASSESSMENT ACT 1948 (ACT NO. 50 OF 1948)—
An Act to amend the *Social Services Contribution Assessment Act 1945–1947*.

STATES GRANTS ACT 1948 (ACT NO. 59 OF 1948)—
An Act to grant and apply out of the Consolidated Revenue Fund sums for the purposes of Financial Assistance to the States of South Australia, Western Australia and Tasmania.

STATES GRANTS (ADMINISTRATION OF CONTROLS REIMBURSEMENT) ACT 1948 (ACT NO. 56 OF 1948)—
An Act to make provision for the grant of Financial Assistance to the States in connexion with the administration of Prices, Rents and Land Sales Controls, and for other purposes.

STATES GRANTS (TAX REIMBURSEMENT) ACT 1948 (ACT NO. 43 OF 1948)—
An Act to amend the *States Grants (Tax Reimbursement) Act 1946–1947*.

STEVEDORING INDUSTRY ACT 1948 (ACT NO. 70 OF 1948)—
An Act to amend the *Stevedoring Industry Act 1947*.

TRADE MARKS ACT 1948 (ACT NO. 76 OF 1948)—
An Act to amend the *Trade Marks Act 1905–1936*.

TUBERCULOSIS ACT 1948 (ACT NO. 46 OF 1948)—
An Act to provide for Medical Services in respect of Tuberculosis, and for other purposes.

UNITED KINGDOM GRANT ACT 1948 (ACT NO. 58 OF 1948)—
An Act to grant and apply out of the Consolidated Revenue Fund the sum of Ten million pounds as a Grant to His Majesty's Government in the United Kingdom.

WAR DAMAGE TO PROPERTY ACT 1948 (ACT NO. 74 OF 1948)—

An Act to continue the Operation of the National Security (War Damage to Property) Regulations for the purpose of the Completion of Matters arising under those Regulations.

WAR GRATUITY APPROPRIATION ACT 1948 (ACT NO. 53 OF 1948)—

An Act to establish a War Gratuity Trust Account, to provide for the Payment of Moneys to the credit of that Account, and for other purposes.

WAR SERVICE HOMES ACT 1948 (ACT NO. 67 OF 1948)—

An Act to amend the *War Service Homes Act 1918–1947*.

WESTERN AUSTRALIA GRANT (WATER SUPPLY) ACT 1948 (ACT NO. 52 OF 1948)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the purpose of making a Grant to the State of Western Australia for the purpose of Water Supply Development.

WHALING ACT 1948 (ACT NO. 66 OF 1948)—

An Act to amend the *Whaling Act 1935*.

WHEAT EXPORT CHARGE ACT 1948 (ACT NO. 49 OF 1948)—

An Act to impose a Charge on Wheat and Wheat Products exported from the Commonwealth.

WHEAT INDUSTRY STABILIZATION ACT 1948 (ACT NO. 48 OF 1948)—

An Act relating to the Stabilization of the Wheat Industry.

WHEAT TAX (REPEAL AND REFUND) ACT 1948 (ACT NO. 47 OF 1948)—

An Act to repeal the *Wheat Tax Act 1946*, to provide for the Refund to Growers of Wheat of Moneys raised under that Act, and for other purposes.

WOOL REALIZATION (DISTRIBUTION OF PROFITS) ACT 1948 (ACT NO. 87 OF 1948)—

An Act to provide for the Distribution of any ultimate Profit accruing to the Commonwealth under the Wool Disposals Plan, and for other purposes.

[The only Bill remaining on the Notice-paper was the Shipping Bill 1948, which was initiated in the Senate and reached the second reading stage.]

PARLIAMENT PROROGUED AND CONVENED

EIGHTEENTH PARLIAMENT—SECOND SESSION.

(*Gazette No. 120, 1948.*)

PROCLAMATION

Commonwealth of
Australia to wit.
W. J. MCKELL
Governor-General.

By His Excellency the Governor-General in and
over the Commonwealth of Australia.

WHEREAS by the Constitution of the Commonwealth of Australia it is amongst other things provided that the Governor-General may appoint such times for holding the Sessions of the Parliament as he thinks fit, and may also from time to time, by Proclamation or otherwise, prorogue the Parliament:

Now therefore I, William John McKell, the Governor-General aforesaid, in exercise of the power conferred by the said Constitution, do by this my Proclamation prorogue the Parliament until Wednesday, the first day of September, One thousand nine hundred and forty-eight, or (in the event of circumstances arising, at present unforeseen, which render it expedient that the Parliament should be summoned to assemble at a date earlier than the said Wednesday, the first day of September, One thousand nine hundred and forty-eight) to such earlier date as fixed by a Proclamation summoning the Parliament to assemble and be holden for the despatch of business:

Furthermore I do appoint the said Wednesday, the first day of September, One thousand nine hundred and forty-eight, or such earlier date (if any) as is fixed by Proclamation, as the day for the Parliament to assemble and be holden for the despatch of business. And all Senators and Members of the House of Representatives are hereby required to give their attendance accordingly, in the building known as Parliament House, Canberra, at three o'clock in the afternoon, on the said Wednesday, the first day of September, One thousand nine hundred and forty-eight, or, in the event of any earlier date being fixed by Proclamation, at three o'clock in the afternoon on the date so fixed.

Given under my Hand and the Seal of the Commonwealth at Canberra,
this fourth day of August, in the year of our Lord, One thousand
(L.S.) nine hundred and forty-eight and in the twelfth year of His Majesty's
reign.

By His Excellency's Command,

J. B. CHIFLEY

Prime Minister.

GOD SAVE THE KING!

CONTENTS

TUESDAY, 28 SEPTEMBER 1948

CHAMBER

Distinguished Visitor	883
Hour Of Meeting	883
Question	
IMMIGRATION	883
Question	
ROYAL AUSTRALIAN' NAVY	884
Question	
COMMUNISM	885
Question	
AMERICAN COMIC STRIPS	886
Question	
APPLES AND PEARS	886
Question	
MR. J. P. ABBOTT, M.P.	887
Civil Aviation	887
Question	
AMMUNITION	887
Question	
WAR PENSIONS	887
Question	
DARWIN HOSPITAL DISPUTE	887
Question	
ROYAL AUSTRALIAN AIR FORCE	888
Question	
REPATRIATION.....	888
Question	
POLITICAL LEVY	888
Question	
PETROL	889
Question	
TOBACCO	889
Question	
BROADCASTING	890
Question	
NURSES' AWARD	890
Question	
CONFERENCE OF EMPIRE PRIME MINISTERS	891
Question	
NOOGOORA BURR	891
Question	
DEFENCE	891
Lady Davidson Home, Turramurra	
Report of Public Works Committee	891
Question	
BUDGET 1948-49	892
Adjournment	
Broadcasting	932
Papers.....	933

QUESTIONS IN WRITING

Answers To Questions

Industrial Life Insurance Policies	934
Metropolitan Cement Proprietary Limited	934

HOUR OF MEETING.

Motion (by Mr. CHIFLEY) agreed to—
That the House, at its rising, adjourn to
to-morrow, at 10.30 a.m.

IMMIGRATION.

Mr. BEALE.—I refer to recent press reports of the scheme in which the Minister for Immigration has interested himself for the large-scale carriage by a new air-sea route of some 40,000 British and European migrants to Australia each year. Can the Minister tell the House what progress has been made with this interesting proposal and when it is likely to come into effect?

Mr. CALWELL.—I announced only last week that the scheme was being considered. Representatives of the International Refugee Organization, whose head-quarters are in Geneva, were in Australia, and I had discussions with Wing Commander Innes, a Canadian and a high-ranking official of the organization, and Mr. Christie, an Englishman associated with Airways of London. As the result of the preliminary talks, a departmental committee was set up to investigate the schemes that the two gentlemen brought to Australia. After discussions with the Ministers who would be involved, it was decided that Brigadier T. W. White, not the honorable member for Balaclava, but another famous holder of that name, who was a brigadier in Tobruk and was first head of the Australian Military Mission in Berlin, should go to Cairo. He left Sydney on Friday night for Cairo where he will meet Major-General Lloyd, representative of the International Refugee Organization in Australia. They, with officials of Airways of London and the International Refugee Organization, will go to Rhodesia and Kenya to examine the scheme on the spot, to see if the area is a yellow fever area and decide whether it should be used. They will examine all the factors involved in the operation of a scheme of the magnitude contemplated. Soon after Brigadier White returns to Australia, I shall again submit the scheme to the departmental committee. An announcement will then be made on the practicability of the

House of Representatives.

Tuesday, 28 September, 1948.

Mr. DEPUTY SPEAKER (Mr. J. J. Clark) took the chair at 3 p.m., and read prayers.

DISTINGUISHED VISITOR.

Mr. DEPUTY SPEAKER.—I desire to inform the House that the Right Honorable Lord Robinson, a member of the House of Lords and a distinguished Australian, is within the precincts of the chamber. With the concurrence of honorable members, I shall invite him to take a seat on the floor of the House beside the Speaker's chair.

HONORABLE MEMBERS.—Hear, hear!

Lord Robinson thereupon entered the chamber, and was seated accordingly.

suggestion. The scheme seems feasible and if it is it will be carried into effect.

Mr. BEALE.—I address a question to the Minister for Immigration with reference to the plight of some 400 Maltese who appear to be stranded in Cairo on their way to Australia. I was informed in Cairo recently by an official of the British Government that an agreement had been reached between the British and Australian Governments for some 400 Maltese and their families, who are British subjects, to be brought to Australia, subject to the availability of shipping at Suez. Some of those migrants had previously worked at the British naval dockyards at Alexandria, and are unemployed because of the closing of the dockyards. Does the Minister know anything about the position of those Maltese at present? Can anything be done to accelerate the passage to Australia of at least some of them, because they are losing heart by reason of the fact that not any of them are yet on the way here.

Mr. CALWELL.—I know everything about everything that happens in my department. The honorable member has got the story a little mixed, though, perhaps, it may not be his fault. Probably the position has not been explained to him correctly. We have no agreement with the British Government in respect of Maltese citizens who desire to come to Australia; but we have signed an agreement with the Government of Malta under which we have undertaken to grant assistance to Maltese people desiring to come to Australia from Malta in the same way as we grant assistance to other British subjects who wish to come here from Britain. The scheme of free passages which applies in Great Britain does not apply in Malta. The scheme of assisted passages for Maltese, is, however, the same as the scheme for assisted passages for people in Great Britain.

Mr. BEALE.—What about the 400 Maltese to whom I have referred?

Mr. CALWELL.—I am answering the question in my own way. I am doing as a lawyer does, starting at the beginning. We have not brought the scheme into operation generally. So far

it has been restricted to the sailings of particular vessels. *Strathnaver* arrived in Australia about six weeks or two months ago with 400 Maltese aboard. They came here under the assisted passage scheme. *Asturias* sailed the following week from Great Britain and carried 100 Maltese to Australia under the assisted passage scheme. We are applying the scheme only to Maltese subjects resident in Malta. Requests made to us to extend the scheme to persons of Maltese origin who have been living in Egypt have been refused. Many of these people, ethnologically, may be of Maltese race, but they are Egyptian subjects. Similarly, many Greeks living in Egypt are also Egyptian subjects. We are not concerning ourselves about those people any more than we are concerning ourselves about people of other races living in Egypt. All we desire to do is to carry out our agreement in respect of Maltese living in Malta only. We made the agreement as a gesture of goodwill towards the Maltese people for their splendid efforts during the war. The British Government is anxious that the over-population problem of Malta should be tackled effectively because the dockyards at Valetta have been closed down, and much of the arable land in that little island was pulverized during the war by heavy bombing. Malta suffered 3,314 air raids in three years during which 165,000 tons of bombs were dropped. Because of that, and because the Maltese are British subjects, we believe that we should grant them special concessions; but we do not feel bound to follow Maltese people all around the globe and bring them to Australia.

ROYAL AUSTRALIAN NAVY.

Mr. THOMPSON.—Can the Minister for the Navy indicate when any of the prize moneys that have been awarded by prize courts to members of the Royal Australian Navy are likely to be paid to such members. If payment is unlikely at an early date, can steps be taken to enable members of the Royal Australian Navy entitled to such payments, and who desire to purchase homes, to apply the amounts for that purpose, as that method was approved in regard to war gratuity entitlements?

Mr. RIORDAN.—I have been questioned on this matter on quite a number of occasions by the honorable member for Cook and the honorable member for Watson. Even the Minister for Transport interviewed me on the subject on one occasion. There has been a long delay in reaching finality in connexion with this matter. That delay cannot be attributed to any lack of action on the part of this Government. It is due to the fact that certain litigation had first to be disposed of. I am very happy to inform the House that in the very near future due consideration will be given to determine the amounts to be paid to the Royal Australian Navy personnel entitled to payments out of such money.

COMMUNISM.

Mr. McEWEN.—According to a report in this morning's press, the Chief of the General Staff said, when addressing a meeting of former army officers in Adelaide, that there is a fifth column in Australia. In view of the announcement that the Government intends to prosecute the Communist Burns in Brisbane for sedition, will the Prime Minister say whether it is the intention of the Government to wait for fifth columnists to reveal themselves publicly, by statements such as that made by Burns, before action will be taken, or is it proposed to initiate action to protect this country from fifth columnists in the light of established facts?

Mr. CHIFLEY.—I have not seen a report of the statement attributed to the Chief of the General Staff, but I shall have an examination made of what he has said. The utterances of Burns are already the subject of action. Investigations are constantly being conducted in regard to subversive activities, and any action warranted will be taken.

Mr. GULLETT.—I ask the Minister for Immigration whether it is a fact, as reported in the newspapers yesterday, that the Queensland president of the Australian Communist party, Mr. Claude Jones, is expected to leave for Moscow soon to attend a school on the latest tactics for the dissemination of Communist propaganda? Has Mr. Jones

applied for a passport for this purpose and will he be issued with one? Also, is Mr. Rupert Lockwood, the well-known Sydney Communist, in Moscow at present attending a similar school?

Mr. CALWELL.—I am not so well informed as is the honorable member for Henty about the movements of members of the Communist party. I do not know whether Mr. Burns has applied for a passport or not. He certainly will not be given a passport until he fulfils another engagement, elsewhere than in Moscow, to which he is committed in the immediate future, I understand.

Mr. GULLETT.—I asked about Mr. Jones, not Mr. Burns.

Mr. CALWELL.—I thought the honorable gentleman had referred to Mr. Burns. I do not know whether Mr. Jones has applied for a passport. I know that Mr. Lockwood applied for one last year and that his application was granted. If there is no satisfactory reason why Mr. Jones should be refused a passport, he will be given one. The political views of an applicant for a passport are not regarded as a disqualifying factor in the issue of such a document. People may leave Australia even without passports. The Department of Immigration issues passports for any part of the world, except Pakistan and India. At the request of the governments of Pakistan and India it will not issue passports until permission to enter those countries has been obtained from the governments concerned. We are prepared to take similar action for any other country the government of which requests us to do so. The United States of America, the United Kingdom, and Canada have not made such requests. The issue of visés is the privilege of the diplomatic or consular representatives of countries concerned in the places for which the passport is sought, or to which the holder of the passport happens to be journeying. There are many people in this country who feel strongly to-day about the security of the nation, but they can rest assured that the Government has the matter well under control, and that not the slightest difficulty or danger is likely to arise in any direction. Of course, there are many people who want to destroy this

Government, and not all of them are Communists. Some of them are members of banking institutions.

AMERICAN COMIC STRIPS.

Mr. FRASER.—Will the Prime Minister inform the House whether dollars are still being spent on American comic strips? If so, when will such expenditure cease? Can the Prime Minister say whether any justification exists for spending even one dollar on this moronic rubbish, much of which is pernicious in its effects on Australian children? As these comic strips are procured by the publishers at syndicated rates, Australian artists are deprived of the opportunity of providing healthy Australian comics for healthy Australian children. I point out that facts collected by the Australian Journalists Association show the extent of the growth of this menace. In 1945 only four syndicated children's comics were published in Australia; by 1947 the number had risen to 23 and now 37 or 38 are being published.

Mr. CHIFLEY.—The matter referred to by the honorable member for Eden-Monaro was the subject of representations by the Australian Journalists Association some years ago, and Mr. S. E. Pratt, the general secretary of the organization, and several other members of that body saw the Minister for Trade and Customs and me about it nine, or ten, months ago. We closely investigated the statements made about comic strips and found that, although they were made in good faith, they were much exaggerated. The fact is that comic strips in many instances are brought in as supplements in ordinary newspapers and are re-drawn in Australia. In those circumstances the dollar expenditure involved is small. The Minister for Trade and Customs has since made further investigations. It is a long story. Should any individual bring in an American newspaper containing a comic strip the strip can be re-drawn and published here. That practice is being followed. The newspaper proprietors claim that the re-drawing of these strips in Australia should not be suppressed because they give great pleasure to children and, indeed, to many adults. The proprietors say that considerable expenditure is involved in the re-drawing of

the strips and that the work calls for unusual ability and initiative. The honorable member is a member of the Australian Journalists Association. I shall take up the matter and give him a detailed reply at the earliest opportunity. Recently, I saw a reply furnished by the Minister for Trade and Customs to a question on this subject in which he indicated that very little dollar expenditure was involved in respect of comic strips, and that such expenditure was lumped with the expenditure on magazines generally. The magazine publishers say that if Australia is to be kept up to date with overseas developments, it is essential that articles from overseas technical and educational journals should be reprinted in this country. For that reason the Government is permitting the importation of a limited number of magazines.

APPLES AND PEARS.

Mr. FALKINDER.—Has the Minister for Commerce and Agriculture any information with respect to the amount that will be paid to growers under the acquisition scheme for this season's apples and pears in addition to the 1s. bonus plus a further possible 5d. a bushel? If the Minister has not that information when does he expect to obtain it? Can he say when the final payment is likely to be announced?

Mr. POLLARD.—The honorable member will recollect that a dividend of 1s. a bushel has been paid, or is in the course of being paid, and that when that dividend was announced it was stated that should realizations continue to be satisfactory an additional payment of 5d. a bushel would probably be made. I hope that that prophecy will be realized. Indeed, it is possible that the latter figure may be increased. It is not possible at present to say what the final realization will be. That cannot be done until all apples and pears held by the Australian Apple and Pear Marketing Board, running into hundreds of thousands of cases have been disposed of. The realizations will depend upon the absorptive capacity of the market and the actual prices received. It will not be possible to ascertain the final figure

until the year's operations have been completely wound up. The honorable member can rest assured that the board will expedite final realizations. The Government is anxious that the growers should receive, as was promised, all that is due to them, and receive it as early as possible.

MR. J. P. ABBOTT, M.P.

Mr. MCLEOD.—I ask you, Mr. Deputy Speaker, whether your attention has been drawn to a report in to-day's *Canberra Times* which implies that the suspension of the honorable member for New England in this House on Thursday last was due to his representations and support of the farmers' requests that distillate and fuel oils be exempted from the quota system and was not due to his courtesy to the Chair? In view of this report, will you inform the House of the reasons for the suspension of the honorable member for New England?

Mr. DEPUTY SPEAKER.—I have not seen the article. The honorable member for New England was suspended because of his breach of the standing orders in being discourteous to the Chair, and for no other reason.

CIVIL AVIATION.

Sir EARLE PAGE.—In view of the very general nature of the information contained in the estimates for the Department of Civil Aviation, will the Minister for Civil Aviation have a detailed list prepared and circulated to honorable members before the proposed vote is discussed in this chamber, showing the particulars of the buildings, works, grants for the improvement of existing country aerodromes, and for the purchase of new sites.

Mr. DRAKEFORD.—When the estimates are under consideration, it is customary to supply honorable members with any detailed information which they desire. I have no wish to withhold information from honorable members. I shall consider the right honorable member's request and ascertain whether anything can be done to satisfy it.

AMMUNITION.

Mr. FULLER.—In view of the numerous complaints that have been

made during the last two years about the difficulty of obtaining .22 gauge ammunition, will the Minister for the Army inform the House whether the production of such ammunition is the responsibility of the Department of the Army or of any other government department?

Mr. CHAMBERS.—Ammunition of .22 gauge is manufactured privately by Imperial Chemical Industries Limited, not by government munitions factories. Like all other organizations, the Department of the Army has to apply to Imperial Chemical Industries Limited for .22 gauge ammunition, which is used on miniature rifle ranges. I know that there is a severe shortage of this ammunition. The Department of the Army has requested the company to increase production, and this may also help outside bodies to obtain greater quantities of ammunition.

WAR PENSIONS.

Mr. CONELAN.—Will the Minister for Repatriation inform me whether the latest report of No. 1 War Pensions Entitlement Appeal Tribunal is ready for presentation to the Parliament? If it is not, when does the honorable gentleman expect that it will be available?

Mr. BARNARD.—The honorable member for Balaclava has asked me a similar question on one or two occasions and I have informed him, as I now inform the honorable member for Griffith, that the services of the tribunal, which was formerly known as the No. 1 War Pensions Entitlement Appeal Tribunal, have been terminated. I have the report of its activities for the year under review, and when I receive the report of the other tribunal, which was formerly No. 2 War Pensions Entitlement Appeal Tribunal, I shall follow the normal course of laying the two documents on the table of the House.

DARWIN HOSPITAL DISPUTE.

Mr. BLAIN.—I address to the Minister representing the Minister for Health a question relating to the strike of certain members of the staff of the Darwin Hospital, which has been proceeding for many weeks. Will the Minister inform me whether the claims of the staff come

within the jurisdiction of the Commonwealth Public Service Arbitrator, or a conciliation commissioner? What action does the Government intend to take to settle the dispute?

Mr. HOLLOWAY.—The dispute to which the honorable member has referred comes within the jurisdiction of the Commonwealth Public Service Arbitrator, who has notified the organization that as soon as its members resume work at the Darwin Hospital, he will be glad to hear their case. The argument, which has been proceeding for two or three weeks, and which, unfortunately, has held up work in the hospital, has been due to the fact that the union wants a particular day or hour to be fixed when the arbitrator can go to Darwin in order to hear its claim. The Public Service Arbitrator cannot give such an assurance. Last Saturday evening, I sent a telegram to the organization, and the Minister for Health communicated with the secretary by telephone, and both of us assured the union that, immediately its members resumed work the Public Service Arbitrator would ensure that their case would be heard. I am not able to say whether members of the staff have returned to work, but I should like the honorable member for the Northern Territory and the persons concerned to know that, if their case is not heard within a fortnight, the Public Service Arbitrator will not be able to make any promise to go to Darwin for some months. I hope that members of the organization will help the hospital and themselves by returning to work as quickly as possible.

ROYAL AUSTRALIAN AIR FORCE.

Mr. BEAZLEY.—Some instrument mechanics in the interim air force are concerned about their opportunities to enlist in the permanent air force. Will the Minister for Air inform me when members of the interim air force will be given the right to enlist in the permanent air force? Is it intended to apply to the interim air force the salary adjustments which were made some time ago for the Royal Australian Navy and the Army?

Mr. DRAKEFORD.—Applications for enlistment into the permanent air force may now be made by members of the

interim air force. It is intended that the adjusted salary scale which is now applicable to the Royal Australian Navy and the Army shall apply also to the Royal Australian Air Force.

REPATRIATION.

Mr. FRANCIS.—Has the Prime Minister seen an article in the Brisbane *Courier-Mail* of the 22nd September last, in which a blinded ex-Australian Imperial Force captain roundly condemned the Government's official treatment of blinded ex-servicemen and civilians? Is it a fact, as reported, that instructors at institutions for the blind in Queensland are accustomed only to dealing with blinded children and that the present methods are inadequate? Will the Prime Minister investigate the statements which were made by Mr. E. R. Blackmore in the article and, if anomalies exist, take steps to have them corrected? Will he also inquire into Mr. Blackmore's statement that practically all that was done for blinded men was to make arrangement for them to be treated at local institutions for the blind and that the men were even left to find their own way to and from those institutions?

Mr. CHIFLEY.—I have not seen the article to which the honorable member has referred. If he will supply me with a copy of it and vouch for its accuracy, I shall cause inquiries to be made and inform him of the result.

POLITICAL LEVY.

Mr. LANG.—Has the attention of the Prime Minister been directed to the action of the Communist-controlled Federated Ironworkers Association of Australia in imposing a political levy of 2s. a year on its members? Is the right honorable gentleman aware that members of the union can be exempted from payment of the levy only if they complete and sign a contracting-out form, which has to be delivered to the union prior to the 30th September; that if they fail to do so, they are said to be liable to the payment of a full year's levy; that the union has sent to its members a nomination form, which will provide a complete card index of the political allegiance of every member of the union; that members are given the option of having the levy paid either

to the official Labour party or to the Communist party; that the nomination form requires members to supply detailed personal information which would be useful to the Communist party in its organization; that this new move followed closely on Thornton's admission that he consults the Communist party with regard to his union policy; and that the levy will result in approximately £7,000 a year being made available to the union for distribution to these two parties? Will the Prime Minister inform the House, first, whether there was any agreement between the official Labour party and the Communist party in connexion with this levy; secondly, whether a member who refuses to fill in the documents becomes ineligible for union membership, and, if he is employed by the Government, will be classed as a non-unionist and will not be paid award rates; thirdly, whether the levy is a legal exercise of the union's powers under the Commonwealth Conciliation and Arbitration Act; and finally, if it is, whether the Government will provide protection to unionists who refuse to be blackmailed into supporting either of the two parties to which I have referred?

Mr. CHIFLEY.—The imposition of a political levy was a common practice in New South Wales during the time when the honorable member for Reid was the leader of the Labour party in that State. The Supreme Court of New South Wales has ruled that a political levy must be of a voluntary nature and that members of trade unions are not compelled to pay it. I am not as familiar with the practice in other States as I am with that in New South Wales. I can assure the honorable member that the Labour party has never had any agreement with any union regarding the imposition, collection, or distribution of levies. I have no recollection of any contribution to party funds by Communist-controlled unions, and so far as I am aware, no such arrangement has ever been made.

PETROL.

ATTENDANCE AT MILITARY PARADES.

Mr. RANKIN.—Will the Minister for the Army consider making a special allowance of petrol available to members of

country units of the Citizen Military Forces who use motor cars owned by themselves or by friends to travel to parades? Is the Minister aware that many citizen soldiers have used up whatever petrol reserves they may have had in attending parades, and that unless they receive a special allowance for this purpose they will have no option but to resign from their units when the reduced ration becomes effective in October?

Mr. CHAMBERS.—As the honorable member is aware, Australia's petrol supplies are severely restricted. However, I shall discuss his request with the Minister for Shipping and Fuel to ascertain whether anything can be done to assist country citizen soldiers who have to travel considerable distances to townships to attend parades.

TOBACCO.

Mr. HADLEY.—As the production of tobacco in this country is insufficient for our requirements, will the Minister for Commerce and Agriculture discuss with the Government of Queensland the urgent necessity of increasing production so that Australians shall at all times be guaranteed an adequate supply of tobacco?

Mr. POLLARD.—The honorable member is aware, no doubt, that tobacco leaf has been grown in Australia for many years. During the term of office of the Labour Government substantial assistance has been given to the tobacco-growing industry, chiefly by grants to the Council for Scientific and Industrial Research and to the various State governments. The total sum provided for this purpose is approximately £10,000. It is generally appreciated that tobacco-growing is most difficult. In fact, this occupation has many features of the peasant industries of Europe and the United States of America, and while there is in this country ample scope for other agricultural pursuits which do not require such arduous work and constant attention, it is exceedingly difficult to increase the growing of tobacco leaf. Nevertheless, a considerable measure of success has been achieved in tobacco-growing in Queensland. Some of the grades of tobacco leaf produced in Queensland have been of the very highest quality. That is also true of

tobacco leaf produced in Western Australia and, to some extent of some leaf produced in Victoria, which was probably the pioneer State in the growing of tobacco. There are a number of difficulties associated with the tobacco-growing industry such as insect infestation and the lack of sufficient irrigation water. The provision of irrigation schemes is a responsibility of the respective State governments. Another difficulty is that there is, to all intents, only one purchasing authority in Australia. These are all major difficulties, but the Australian Government is well aware of the fact that tobacco-growing should be fostered in Australia. Because it realizes that fact, the Government has recently announced its intention, in conjunction with the Queensland Government, to settle on the land in Queensland a number of returned soldiers of the last war. They will settle on 40 farms under the best possible conditions, which will provide for adequate supplies of water, without which it is impossible to grow tobacco successfully. I can assure the honorable gentleman that the Government will be only too delighted to do anything it can to assist in the development of this very necessary industry, just as it has done in the past. The Government desires to foster the industry, and to that end it is engaged in the most amicable negotiations with the Queensland Government. It will continue to pursue that course.

BROADCASTING.

Mr. HUTCHINSON.—Can the Prime Minister inform the House whether Cabinet has decided to introduce legislation to constitute a special board of three members to control broadcasting in Australia? Did the Prime Minister, in press statements issued by him to-day, state that it was essential that machinery should be available to ensure that broadcasting services in Australia, both national and commercial, should be established, developed and operated along sound lines and with proper regard for the public interests? Does that mean that the Government intends to take complete control over all broadcasting, both commercial and national? Does the proposed legislation contemplate socializa-

tion of broadcasting services or does it contemplate the setting up of a body that will control the matter to be broadcast, and the form in which it is broadcast, over the commercial stations?

Mr. CHIFLEY.—Following a Cabinet meeting to-day, I indicated that certain recommendations were to be made to the Parliamentary Labour party. Until such time as the Parliamentary Labour party has considered the matter, it will not be dealt with by legislation. The main basis of the recommendations is that there should be set up a national broadcasting board, which would have a supervisory control over broadcasting in Australia. With respect to the honorable member's reference to socialization, I point out that the step I have outlined has been taken in other countries.

Mr. HUTCHINSON.—What does the right honorable gentleman mean by "control"?

Mr. CHIFLEY.—The press statement I have issued is self-explanatory and I hope that the honorable gentleman will be so kind as to read it in the morning.

NURSES' AWARD.

Mrs. BLACKBURN.—Has the Minister for Labour and National Service seen paragraphs in daily newspapers published in Melbourne on Thursday and Friday of last week, giving expression to the feelings of the nursing profession on learning the terms of the award for male nurses? The award fixes the top rate for male nurses at £9 16s. a week if they live outside the institutions where they work. The living allowance is £1. Comparative rates for females are: Staff nurses, £7; sisters, £7 15s. 6d. Is the Minister satisfied that an adult male in training for nursing should receive more money than the sister in charge, under whom he is training? Will the Minister use his influence to bring about an equitable adjustment of these salaries?

Mr. HOLLOWAY.—I have not seen the award made by the Conciliation Commissioner to which the honorable member has referred, but I assume that before making the award the Commissioner heard evidence from both sides. Even if the facts are as alleged by the honorable member it would not be competent for

me to interfere with the Commissioner's decision or to request him to make any alteration in that decision.

CONFERENCE OF EMPIRE PRIME MINISTERS.

Mr. RYAN.—Since the Minister for External Affairs has been appointed President of the General Assembly of the United Nations, and the Assembly is expected to be occupied continuously for at least ten weeks in the transaction of important business, has the Prime Minister given consideration to providing for proper Australian representation at the forthcoming conference of Empire Prime Ministers? Does the Prime Minister now intend personally to represent Australia at that conference or to delegate that duty to another Minister?

Mr. CHIFLEY.—I understand that the forthcoming conference of Prime Ministers in London will be held in the intervals between meetings of the General Assembly of the United Nations, and I do not know of any reason why the Minister for External Affairs will not be able to deputize for me. I do not know of any reason for altering the present arrangements for Australian representation at the conference, nor do I propose to make any alteration.

NOOGOORA BURR.

Dame ENID LYONS.—Has the Minister for Commerce and Agriculture received any reports of the spread of the Noogoora burr, sometimes known as the Californian burr, which is causing considerable damage in sheep country in several States? The burr is now reported to have spread from the southern States to Queensland by the Murray and Darling River systems. If the Minister has not received any such report, will he consider referring the matter to the Council for Scientific and Industrial Research for investigation?

Mr. POLLARD.—I have not received any reports of the spread of the burr, although I have heard reports of the spread of many other pests. When State authorities are concerned at the occurrence of noxious weeds within their territories it is customary for them to refer the

matter to the Council for Scientific and Industrial Research, and there is then no occasion for them to inform the Commonwealth. However, since the honorable member has raised the matter, I shall be glad to make inquiries.

DEFENCE.

Mr. WHITE.—In view of the general discontent in Europe and the re-armament measures being taken in the United Kingdom and the United States of America, does the Prime Minister propose to make a statement on defence? Does he consider that the Government's present plans will prove adequate in the event of a graver emergency arising?

Mr. CHIFLEY.—The Government's defence plans were discussed at some length by the Minister for Defence in the course of a statement which he made in the House last week. Some years ago the Government, after consultation with the Government of the United Kingdom, prepared a plan for defence which was based upon the physical and financial capacity of the country. The implementation of that plan has been proceeding satisfactorily, and at the moment I see no necessity for departing from it.

LADY DAVIDSON HOME, TURRAMURRA.

REPORT OF PUBLIC WORKS COMMITTEE.

Mr. LEMMON (Forrest—Minister for Works and Housing) [3.50].—I move—

That, in accordance with the provisions of the Commonwealth Public Works Committee Act 1913-1947, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works, and on which the committee has duly reported to this House the results of its investigations, namely:—The erection at Lady Davidson Home, Turramurra, New South Wales, of a multi-story tubercular block and additions to the sisters' quarters, for the Repatriation Commission.

This proposal provides for the erection of a multi-story tubercular block to provide bed accommodation for ex-servicemen suffering from tuberculosis, and additions to the sisters' quarters to provide for the increase of the number of sisters who will

be employed at the home, following completion of the multi-story block. The proposal was fully explained to the House on the 14th April, when I moved that it be referred to the Public Works Committee for investigation and report. I refer honorable members to the *Hansard* report, of that date.

Question resolved in the affirmative.

BUDGET 1948-49.

In Committee of Supply: Consideration resumed from the 24th September (*vide page 883*), on motion by Mr. CHIFLEY—

That the first item in the Estimates under Division No. 1—The Senate—namely, "Salaries and allowances, £12,000", be agreed to.

Upon which Mr. HARRISON had moved, by way of amendment—

That the first item be reduced by £1, as an instruction to the Government—to withdraw and redraft the budget. . . . (*vide page 430*).

Mr. GEORGE LAWSON (Brisbane) [3.51].—I wholeheartedly support the budget. The Prime Minister and Treasurer (Mr. Chifley) deserves the congratulations of the Parliament and of the people. I listened carefully to the criticism of the budget voiced by the Acting Leader of the Opposition (Mr. Harrison) and the Leader of the Australian Country party (Mr. Fadden). If the Leader of the Australian Country party thinks he convinced the people listening to the broadcast of his speech that the figures he quoted are right he has another think coming to him. He declared that the budget was a fake. I have been a member of this Parliament for many years and have listened to many budget speeches and read many budget papers. Never have I seen a more honest document than this budget. The right honorable gentleman's speech was the fake, not the budget, because it was brimful of inaccuracies, inconsistencies and untruths. The Acting Leader of the Opposition and the Leader of the Australian Country party both laid great stress on taxation and complained bitterly that the Government's taxation policy was having an adverse effect on industry and production generally. They also claimed

that the policy adversely affected wages and caused rising prices. During the last general election campaign, the Leader of the Opposition (Mr. Menzies) and the Leader of the Australian Country party both made promises to the electors. The Leader of the Australian Country party said that if he were returned to power he would reduce taxes by £28,000,000. The Leader of the Opposition was a little more modest. He said that he would reduce taxes by £20,000,000 during the life of this Parliament, which will not expire until next year. But the Prime Minister, in his policy speech and on every public platform, said that he would make no promises but would favorably consider reducing taxes when the financial condition of Australia warranted it. He has carried out that promise, with the result that to-day the great mass of the people are paying less in taxes than they paid in 1938-39. The budget is sour grapes to honorable members opposite, because the Government has given the people more than it promised to give them. The Government has reduced taxation by £138,000,000, instead of by £20,000,000, as promised by the Leader of the Opposition, and by £28,000,000, as promised by the Leader of the Australian Country party. Income tax has been reduced by 66½ per cent. It is true that the reduction of income tax has been greater in respect of the lower-paid workers than in respect of the higher paid members of the community. That is in accordance with the policy of the Australian Labour party, which is to give protection to those who require it and not to those who are able to look after themselves. Taxation of the wages and salaries of the lower and middle income groups of employees is lower than it was in 1938-39. A man with dependants earning up to £300 a year will pay no income tax this financial year. His tax has been reduced by 100 per cent. since the last budget. The income tax scale is being reduced through every income group. The Opposition has stated that as a result of the severity of the taxation imposed by this Government, industry has been adversely affected. My reply to that is that one has only to consider reports of the operations of companies in Australia, which appear regularly in the press, to be convinced

otherwise. I venture to say that during the régime of this Government, and particularly during the last two or three years, such published accounts of trading results have revealed a more prosperous state of affairs than ever before. It is apparent that honorable members of the Opposition would favour a reversion to the system that was in operation prior to the introduction of uniform taxation, when in a number of the States, the workers were the most heavily taxed people, and taxes were levied at considerably lower rates proportionally on the big companies and people in the higher income groups. The policy of this Government is to reduce taxation as much as possible on those in the lower income groups. Whilst we cannot always believe what appears in the press, it must be obvious from the various company reports published during the last two or three years, that industry has prospered since this Government has been in office. Scores of new industries have been established, all of which are apparently flourishing. According to particulars of company profits recently published, many thousands of pounds more were available for distribution to shareholders during the last financial year than in the previous year. Despite that, the Opposition is endeavouring to make people believe that as a result of the heavy taxes imposed by this Government industry is being crippled, and the incentive to produce is being destroyed. That is not borne out by those published statements. Notwithstanding all the criticism that has been levelled at this Government in connexion with its taxation proposals, taxes levied on people in the lower income groups are to-day much lower than they have been for many years past, and certainly much lower than they were in 1938-39. The rates of taxation imposed on people in the lower income groups are also much lower than those levied in any other English speaking country in the world. In reply to the Opposition's assertion that taxation in this country is proving to be a terrific burden on the people I shall quote figures to prove that, from a taxation point of view, the people of Australia are in a much more favorable position than those in New Zealand and the United Kingdom. I invite attention

to the following table to substantiate my point:—

COMPARISON OF AUSTRALIAN, NEW ZEALAND AND UNITED KINGDOM TAXATION OF INCOME FROM PERSONAL EXERTION.

Person without Dependants.

Income. Per annum.	Australian. Proposed Income Tax and Social Services Contribution.	New Zealand. Proposed Income Tax and Wages Tax.	United Kingdom. Income Tax and National Insurance Contribution.
£	£ s. d.	£ s. d.	£ s. d.
150 ..	3 15 0	11 5 0	14 1 0
200 ..	7 10 0	15 0 0	20 1 0
300 ..	18 15 0	26 17 0	44 1 0

These figures prove that the arguments advanced by the Opposition are not supported by facts. In Australia the workers are paying much less in taxes than are the workers of other countries. They are also paying much less tax to-day than for many years past. In addition, the social services provided in Australia are unparalleled elsewhere in the world. The Australian Labour party has always been keen and strong in advocating the extension of social service benefits, and I am pleased to note that in the budget under review additional social services are provided. Increases have been provided in relation to invalid and age pensions, payments to wives of invalids and widows' pensions. Payments to war pensioners and their dependants have also been increased. In addition, the means test has been somewhat liberalized. I remember that when this Government came into office the only social services legislation on the statute-book of this country was that which provided for invalid pensions and child endowment. This Government has endeavoured to increase benefits under those headings, and in addition it has extended the scope of social services generally.

Mr. FULLER.—This Government has increased social services by 100 per cent.

Mr. GEORGE LAWSON.—In fact this Government has done much more than that. Many years ago, as a member of the Opposition of the time, I advocated an increase in invalid and old-age pensions. Many

honorable members who were then occupying the government benches, but who, to-day, are sitting in Opposition, were not keen to grant those increases. During this debate it has been suggested, by way of interjection by a number of honorable members, that this Government did, in fact, reduce invalid and old-age pensions. Unfortunately that is true, but I point out that this was the only occasion in the history of the Australian Labour party when invalid and age pensions were not increased when a Labour government was in office. It is true, unfortunately, that in 1929-30 the Scullin Government was forced to reduce invalid and old-age pensions. Honorable members opposite lose no opportunity to remind Labour supporters of that fact. The Scullin Government was forced to take that action because the Bruce-Page Government had left the Treasury practically empty. In view of the financial situation which then confronted the country the Scullin Government, in order to keep faith with the people as much as possible, reduced pensions and governmental costs generally. A number of members of the present Opposition parties supported that action, but at the following general election they used it as propaganda against the Scullin Government. However, one of the first actions of the Lyons Government was to reduce the rate of invalid and old-age pensions still further to 15s. a week. Even that did not content the Lyons Government. It amended the Invalid and Old-age Pensions Act by obliging pensioners to give a lien over their property to the Government in return for the pension.

Mr. FRANCIS.—That provision was never implemented.

Mr. GEORGE LAWSON.—It was. At that time many pensioners told me that they had surrendered their pension rather than observe that provision. That action was paltry. Yet honorable members opposite who were members of that Government still twit the Labour party because the Scullin Government was obliged to reduce the rate of pension by 2s. 6d. a week.

Mr. McLEOD.—At that time the Lyons Government reduced company tax.

Mr. GEORGE LAWSON.—That is so. At the very time when it reduced the

rate of invalid and old-age pensions it gave substantial concessions to wealthy companies by reducing the company tax. I am pleased that I have lived to be a supporter of a Government which has enacted so much progressive legislation in the field of social services and on behalf of needy sections of the community. The honorable member for Balaclava (Mr. White) has claimed that the Labour party was not responsible for the establishment of invalid and old age pensions. Probably, not many people remember the facts. The Labour party initiated invalid and old age pensions in this country. It did so first in the Queensland Parliament.

Mr. FRANCIS.—Mr. Appel, a Liberal member, introduced invalid and old age pensions in the Queensland Parliament.

Mr. GEORGE LAWSON.—Mr. Appel had nothing whatever to do with the introduction of invalid and old-age pensions. They were initiated in the Queensland Parliament by the Labour party, which was then led by the late Mr. Andrew Fisher, with whom was associated the late Mr. George Ryland. That action was taken away back in the 90's. The Labour party had been fighting for that objective for many years. Anti-Labour governments in those days absolutely scorned the idea of establishing invalid and old-age pensions. Later, in 1901, during the first session of the Commonwealth Parliament, Mr. Fisher continued his advocacy of pensions on an Australia-wide basis. Subsequently, after the party increased its strength, he achieved that objective when Mr. Alfred Deakin was Prime Minister. Mr. Deakin was anxious to enact certain legislation and in return for Mr. Fisher's support for it he promised that his Government would establish invalid and old-age pensions. That is the history of the introduction of invalid and old-age pensions.

Mr. BOWDEN.—That is what the honorable member for Balaclava said.

Mr. GEORGE LAWSON.—No; the Opposition party which was led by Mr. Fisher forced the Deakin Government to establish invalid and old-age pensions. The present Government has established many social services in addition to invalid and old-age pensions and child endowment until to-day our social services are unrivalled in any other country.

I am proud to be a member of the party which has achieved that remarkable record, and I have no doubt that those who have benefited from this Government's social service legislation are also proud of it. When the Government assumed office the rate of invalid and old-age pensions was a paltry £1 1s. a week, whereas under the proposals now before us the rate will be increased to £2 2s. a week.

Mr. BOWDEN.—The pensioners need the increase, too.

Mr. GEORGE LAWSON.—Yes; and I regret that the Government cannot see its way clear to provide a still higher rate. However, I have no doubt that if the Opposition parties were in power to-day they would not take any steps to increase the invalid and old-age pension.

Mr. BOWDEN.—If the Opposition parties were in power, the pensioners would be writing out their own cheques.

Mr. GEORGE LAWSON.—That is an amusing statement, because we know how the Opposition parties when they were in power treated the unemployed during the depression which occurred between the two world wars.

Mr. BOWDEN.—Who was responsible for that depression?

Mr. GEORGE LAWSON.—It was brought about, mainly, because the Bruce-Page Government left the Treasury practically empty. No doubt the honorable member for Gippsland will recall that the Bruce-Page Government was defeated on the floor of this House when it presented its tragic budget in 1929. For his enlightenment, I shall quote the following statement by the Treasurer of the Scullin Government, Mr. Theodore, about the condition of the nation's finances at that time:—

Since the new Government assumed office, there has not been sufficient time to call for fresh estimates in detail from all departments and construct an entirely new budget based upon the policy of the new administration. Therefore, the major portion of the Estimates of the late Government has been adopted.

It was the duty, however, of the new Government to examine the Estimates and revise and amend them so far as was necessary to disclose the true position of the Commonwealth finances. This examination revealed that in some important instances the late Government had greatly understated the expenditure requirements and over-estimated the probable

revenue. The late Treasurer has grossly mis-calculated both the cost of the definite commitments of the departments and services for this year, and also the probable revenue.

It is now apparent that if the actual requirements of the year had been provided for in connexion with war pensions, repatriation, other war services, old-age pensions, iron and steel products bounty, prospecting for oil and sundry other items, for all of which definite commitments had been entered into, the estimates of expenditure should have been increased by approximately £500,000. It is also apparent that the customs and excise revenue, land tax and income tax, and other receipts would have fallen short of the estimate by at least £1,050,000. The late Treasurer would, therefore, have finished the year with a deficit of about £1,200,000, instead of a surplus of £360,000 as promised by him in his budget speech.

Funds in the Treasury represented only 12s. 6d. in £1 of the bill for invalid and old-age pensions and all other governmental expenditure. That was why the pensions rate was temporarily reduced. The Opposition continually blames the Scullin Government for the depression, but I am satisfied that no sane person would ever believe such propaganda. The well-known fact is that the Scullin Government was in office, though not in power, for only a very short period. It was hamstrung by the tactics of the Opposition majority in the Senate, which sabotaged the legislation which it introduced for the purpose of alleviating the distress caused by the mismanagement of the previous government. I am very pleased to be able to support this budget, which will provide generous treatment for the people.

The honorable member for Warringah (Mr. Spender) was severely critical of the Government's policies in relation to defence and international affairs. I remind him and his colleagues that until the Labour party came into power during World War II, no Australian government had ever expressed a policy on international affairs. I was a member of this Parliament for many years before that change took place, but during that period I never heard a report to this House on the subject of foreign policy. In fact, the international affairs policy of anti-Labour governments was a United Kingdom, not an Australian policy. Anti-Labour parties looked upon this country as a dominion which was in duty bound to follow the

lead of the United Kingdom. A true Australian foreign policy was formulated for the first time when the late Mr. John Curtin became Prime Minister and appointed the Attorney-General and Minister for External Affairs (Dr. Evatt) to the Cabinet rank which he still holds. That Government finally gave effect to the Statute of Westminster, which came into being primarily as the result of the efforts of the right honorable member for Yarra (Mr. Scullin) and the honorable member for Batman (Mr. Brennan), who visited the United Kingdom when the Scullin Government was in office and helped to frame the statute. Unfortunately, the Scullin Government was defeated before it could take further action. The Lyons Government then took office, and it was succeeded by the Menzies Government and the Fadden Government. They made no attempt to ratify the Statute of Westminster, but the Curtin Government did so in 1942 and thereby gave Australia the status of a nation. Since then, the Attorney-General has made repeated statements on foreign policy in this House. The people of Australia owe a great deal to this Government and particularly to the right honorable gentleman. There is no doubt that he has placed Australia on the map so that it is now not only recognized as a nation but also held in very high esteem in other countries. Events of the last few days bear out my contention. The fact that our Attorney-General has been elevated to the position of president of the United Nations General Assembly, probably one of the highest and most honorable posts in the world, reflects great credit on the Government and on Australia as a whole. The Government's positive attitude towards international affairs is demonstrated not only by the numerous reports that have been submitted to the Parliament but also by the fact that it has appointed ministers and ambassadors to represent it in every important country.

Mr. BOWDEN.—And on every atoll in the Pacific.

Mr. GEORGE LAWSON.—Australia is represented in every country that is worthwhile. Before the Labour Government took office, Australia's representa-

tion abroad was confined to the High Commissioner in London, and to the Australian Minister at Washington. The first Australian Minister to Washington was a former Treasurer, Mr. R. G. Casey.

Mr. SCULLY.—He ran out on his job.

Mr. GEORGE LAWSON.—That is so. After he had been in that office for only a short period, he had an opportunity to feather his nest, so he ran out, and left Australia at the most critical period of the war, in order to accept an appointment elsewhere. Subsequently, he became Governor of Bengal, and is now known as the "Bengal Tiger". Should Mr. Casey be re-elected to this House, honorable members opposite will have cause to regret it, because, thenceforth, "Rafferty's rules" will be the order. During the Tasmanian election a few weeks ago, the "Bengal Tiger" was confronted by the Labour fox-terriers, which drove him back to the mainland. Honorable members opposite should not have the audacity to criticize the Government's foreign policy, because when the political parties which they support were in office, they had no foreign policy. They even refused to give to the people of Australia the right to regard themselves as a nation. They wanted Australia to continue as a mere dominion. The Labour Government has rectified that position.

Mr. BOWDEN.—It is remarkable that we were able to manage so long before the Labour Government took office.

Mr. GEORGE LAWSON.—The Labour Government was also responsible for saving Australia from invasion by the Japanese.

Mr. BOWDEN.—Has not the United States of America a share of the honour?

Mr. GEORGE LAWSON.—Honorable members opposite, who have criticized the Government's defence policy, should bow their heads in shame because, when they were in office, they had no defence policy.

Mr. FRANCIS.—What did the late Mr. Curtin himself say about Australia's defence policy?

Mr. GEORGE LAWSON.—When the honorable member for Warringah referred to that matter last week, he read only sufficient of Mr. Curtin's statement to suit his own purposes. I know perfectly well what Mr. Curtin

said on the subject. As a member of the Opposition in 1940, I asked a series of questions about the state of the defences on the Queensland seaboard. We all realized at that time that, sooner or later, Australia would be attacked. One of the questions which I asked was, What defences had the Government provided on the long stretch of coast from Brisbane to Cape York? The reply which I received was that there were three shore-based guns which, incidentally, were obsolete weapons that Australia had bought from Great Britain, and had re-rifled. Those three shore-based, obsolete guns constituted Queensland's defences. At that period, there was not even an aerodrome in that State.

Mr. BOWDEN.—The honorable member is talking "tommy-rot". At that time, Australia also did not have a range for testing long-range weapons.

Mr. GEORGE LAWSON.—When the Labour Government took office, members of the Australian Imperial Force were being trained in Queensland with wooden guns, because sufficient .303 rifles were not available for that purpose. When the history of World War II. is written, the people of Australia will have cause to be forever grateful to the Labour Government for its efforts, which saved Australia from the Japanese.

Mr. FRANCIS (Moreton) [4.36].—To put it mildly, the honorable member for Brisbane (Mr. George Lawson) has the haziest ideas of what has happened in Australian history.

Mr. GEORGE LAWSON.—I invite the honorable member for Moreton to study the records.

Mr. FRANCIS.—If Australia had not experienced the financial and economic depression nearly twenty years ago, many honorable members opposite would not be able to make a speech. They would be tongue-tied. They dwell *ad nauseam* on that subject, and blame a former Prime Minister, the late Mr. Lyons, and his associates at that time for having initiated the depression with the greatest possible enthusiasm. That view is absurd and inane. After hearing the speeches of the honorable member for Brisbane, the honorable member for Wannon (Mr. McLeod) and a few other

honorable members opposite who speak occasionally, a listener might be excused for thinking that they desired to convert Australia into a poor-house, with every citizen receiving some kind of pension. They convey the impression that if that situation could be achieved, they would be devoutly happy. Honorable members on this side of the chamber have other views. We desire to see the community so prosperous, happy and contented that fewer and fewer people will have the misfortune to depend on age and invalid pensions. We hope that Australia will become the greatest country in the world, and will be prosperous in every way, with its citizens enjoying a share of that prosperity. But nearly every honorable member opposite speaks as if he desires Australia to become like one of the old English poor-houses, in which large numbers of people languished in their declining years. I fervently hope that a similar condition of affairs will never develop in Australia. Honorable members opposite prefer social conditions under which increasing numbers of people are dependent on the State. I regret that a political party represented in this House has that philosophy. Their views are not shared by members of the Opposition, who believe that we should have in Australia a prosperous, peace-loving and contented community.

The honorable member for Brisbane also referred to what he described as the proposals of the Leader of the Opposition (Mr. Menzies) and the Leader of the Australian Country party (Mr. Fadden) on taxation. Both right honorable gentlemen in their policy speeches before the last election promised that if returned to office, they would substantially reduce taxes. Although they differed as to the degree of the reduction, they both subscribed to the principle that a reduction was necessary in order to increase production, and each of them promised that it would be made if his party was returned to power. The Prime Minister (Mr. Chifley), on the other hand, said that it was impossible to reduce taxes and referred to the promises of the leaders of the opposition parties as political propaganda and an attempt to hoodwink the people. The honorable member for

Brisbane, however, despite that statement by his leader, has boasted of the reductions that have been effected. I agree that the Prime Minister also said that he would review the position from time to time and reduce taxes if it were found to be possible to do so, but that was not what the honorable member for Brisbane said. I remind the committee that subsequent events have proved the practicability of the suggestions that were then made by the Liberal party and the Australian Country party. Immense sums of money have been extracted from the Australian people by the imposition of crippling taxes, and a greater measure of relief should have been given before this. I believe that if it had been given, production in Australia to-day would be higher than it is. During the war industrial conscription was introduced and men were directed to work in the industries in which the Government, in its wisdom, thought they could best aid our war effort. As a result, the production of household goods and articles required by the community generally ceased almost completely. If, when the war ended, our industrial effort had been switched to the production of the goods that were needed by the people, Australia would have been more prosperous than ever before in its history. It would, in fact, have rivalled the United States of America in prosperity. There has, however, been widespread industrial turmoil, and almost every industry has been affected by the futile, flimsy, indefinite and vague policy of the Government. Had we taken advantage of the opportunity that presented itself when the war ended and set to work to fill our warehouses and shops with the commodities which the community needed and still needs, Australia would have been more prosperous than any other country in the world, but, because of the effect of the crippling taxes that have been imposed on the people by the Government, which is indifferent to the requirements of the community as a whole, we have slipped back. The Government has at last realized the effect that excessive taxes, and particularly those imposed on overtime earnings, have on the community. The belated effort that it is now making to step up production by reducing taxes

is the result of the strong pressure that has been brought to bear upon it by the Opposition for a long time.

The remarks of the honorable member for Brisbane with regard to age and invalid pensions clearly revealed his lack of knowledge on that subject. The honorable gentleman said that age and invalid pensions were introduced in Queensland by a Labour government, but I suggest that he should make certain of his facts. Legislation providing for the payment of those pensions was introduced in this Parliament in 1908 by Sir Littleton Groom, the then member for Darling Downs, during the period of office of the Deakin administration. There was not a Labour government in Queensland until 1915, when the Ryan Government came into office, but age and invalid pensions were in operation in that State before federation. The relevant legislation was introduced by Mr. J. G. Appell, the then member for Albert, when a Liberal party-Country party Government was in office. It is of no benefit to discuss which political party was responsible for the introduction of these pensions. What is important is what the pensioners can buy with the payments that are now being made to them. An analysis of the figures shows clearly that they are no better off to-day than they were in the past, because the purchasing power of the £1 has been ruined and shattered by this Government.

The honorable member for Brisbane also said that the present Government is the only Australian government that has ever had a foreign policy. That was an absurd statement. When the present Opposition parties were in power they formulated the basis upon which our foreign policy has been developed. The Menzies Government made a series of appointments in the South-West Pacific and the Pacific generally, and this Government has only continued the policy that was then established. The honorable member also referred to defence. The policy of the Labour party in regard to defence should make honorable members opposite hang their heads in shame. It was realized in 1938 that war was almost inevitable, but whenever the Government, which was then composed of

the present Opposition parties, put forward a proposal in the Parliament to allocate money for defence preparations it was opposed by honorable members opposite, who were then in opposition. The honorable member for Brisbane apparently finds it imperative to mention the depression on every occasion that he makes a speech in this chamber. During the period of the depression, the Scullin Government destroyed a defence organization which would have stood us in good stead in time of war and wiped out our compulsory training organization overnight. It reduced the defence vote almost to nil. As a result, many men who desired to make the forces their career resigned, took their limited pensions and made names for themselves in the civil community. The Lyons Government then gradually rebuilt our defence organization, and when Mr. Curtin became the Prime Minister of Australia he expressed his great appreciation of the splendid job that had been done. When the Labour Government assumed office in 1941, organization for war was already complete. That was acknowledged by Mr. Curtin, who said in the Sydney Town Hall, on the 12th October, 1941—

I have to pay tribute to the Government which preceded my own for the constructive work they have done in defence and the foundations that they have laid.

On the 18th October, 1941, he said that when he came into office the Navy was at its highest pitch of efficiency, as was demonstrated by the notable exploits of its ships overseas; the home defence army was well trained, and its equipment had been greatly improved; the strength of the Air Force had been largely increased, both in respect of the home defence squadrons and the training resources of the Empire air scheme; the equipment of the Air Force had also been much improved; finally, munitions production and the development of productive capacity over a wide range of classes, including aircraft, was growing weekly. Those tributes were paid by Mr. Curtin in 1941, but notwithstanding them honorable members opposite make long speeches in this chamber in which they state that the parties which are now in opposition did nothing whatever to provide for the defence of Australia.

There, in the words of a former Labour Prime Minister, is the complete answer to the statements of honorable members opposite. Whatever one may say of Mr. Curtin, nobody will suggest that he was prone to eulogize his political opponents unnecessarily. The words that I have quoted should cause honorable members opposite to discontinue the clap-trap that they have been uttering during this debate. I could quote many other statements by Labour men showing their utter disregard for the defence of this country. For instance, in October, 1938, the present Minister for Labour and National Service (Mr. Holloway) said—

The Government is expending much too rapidly on defence. It is making plans for more than the adequate defence of Australia. I make no excuse for saying that.

That is recorded in *Hansard*. The Minister for Transport (Mr. Ward) said—

It is amusing to hear people say we will not give up New Guinea. To these people I would say that if it should become necessary to defend our Mandated Territories, they should defend them themselves.

I could also quote similar utterances by the present Minister for Commerce and Agriculture (Mr. Pollard), Senator Collings, and others. Many of the statements made to-day by the honorable member for Brisbane will not bear examination. For instance, he, and the Minister for Defence (Mr. Dedman), in an official statement in this House, said that the strength of the British Commonwealth Occupation Force in Japan was 11,000. Actually, it is less than half that number. The Minister can obtain accurate information from his departmental advisers, and there is no need for him wilfully to mislead this House. Inaccurate statements of this kind reflect great discredit upon any Minister.

A budget should indicate to the Parliament and the people the true financial position of the country and the Government's financial proposals for the ensuing year. This budget is distinctly unsatisfactory. It conveys a false impression of the position to-day, and consists largely of make-believe figures. Whilst the gross tax reductions indicate that some over-all relief is being given to the community, an analysis of the figures show that taxpayers will actually receive little or no benefit. For instance,

the saving to the taxpayers under the income tax proposals is estimated at £22,000,000, but the withdrawal of the stabilization subsides by the Government will impose upon them an additional burden of £26,000,000. Therefore, instead of being better off by £22,000,000, they will really be worse off by £4,000,000. Further, the Prime Minister has estimated that despite the proposed concessions in direct taxes, revenue from this source will be £13,000,000 greater than it was last year. The total revenue from all taxes will be £35,000,000 more than was received last year in spite of the fact that last year's receipts actually exceeded the Treasurer's estimate by £60,000,000. The total revenue received was £457,000,000, compared with the Treasurer's estimate of £397,000,000. This year he proposes to expend £509,000,000, compared with £464,000,000 last year. Thus, three and a half years after the end of World War II., the Government is budgeting for increasing rather than diminishing annual expenditure. High prices are being received for Australian primary products, notably wheat and wool, on the world's markets. Obviously, those high prices will not continue, but the Prime Minister apparently believes that they will, and has framed his budget accordingly. A continuation of this policy will result in a depression—and a government-created depression at that. I have no doubt that there will be a recession of the prices of our primary products overseas. When that happens the effect of the Government's financial proposals will be to bring a depression to this country. The budget does not give to the Australian people the relief from high taxes to which they are entitled, nor does it return to them the money that is being extracted from them and is being expended extravagantly. The elimination of extravagant expenditure would permit a substantial reduction of taxes. Last year revenue from all taxes brought to the Treasury an average of £55 7s. 7d. for every man, woman and child in the Commonwealth. In 1943-44, the peak year of war-time expenditure the average *per capita* contribution was only £41 15s. 9d., or approximately £14 less than it is to-day. In 1943-44 the

gap of £377,000,000 between revenue and expenditure was filled by loans. Similarly, loan funds amounting to £266,000,000 bridged the gap in 1944-45. Last year, there was no gap, and there should not be a gap because of the high income that this country is receiving from the sale of its primary products on buoyant world markets. In the first year of the war, income tax yielded 18.3 per cent. of the revenue from all taxes. Last year, 52.2 per cent. of all tax revenue was derived from the income tax and the social services contribution. In 1939-40, customs and excise duties provided 60 per cent. of the total revenue collected from taxes, whereas last year this proportion was reduced to 28 per cent. The incidence of indirect taxes, a substantial proportion of which is contributed by working people, is further exemplified by an examination of Treasury receipts from customs and excise duties on every day necessities. Let me give the committee some examples of what the Government takes from the working man by means of indirect taxation. Of every 10½d. paid for a packet of cigarettes, the Government takes 68 per cent., or more than 6½d., in indirect tax. From the 3s. 0½d. paid for a 2-oz. packet of cigarette-tobacco, the Government takes in indirect tax 58.2 per cent., or 1s. 9½d. Yet the Government pretends to be the friend of the workers. It is obvious the Government has no practical appreciation of the problems of the Australian working man. I have insufficient time to mention other items in the list of commodities required by the workers, from which the Government gains great revenue by means of crippling indirect taxes. The honorable member for Brisbane referred to increased production and I shall reply to him by drawing attention to building materials and foodstuffs, commodities in the production of which there has been a substantial decrease this year compared with last. There has been a steady, and in some instances, a striking decline, in the production of these commodities. The production of bricks, which in September, 1947, totalled 53,469,000, dropped to 52,126,000 in June this year, a decrease of 2.5 per cent. in a commodity of which the community is in dire

need. Other similar decreases are: Tiles 1.2 per cent.; cement building sheets 12.5 per cent.; portland cement 5.7 per cent.; and sawn native timber 10 per cent. As honorable members can see, there has been a steady decline in the production of materials required for home-building.

The following are the comparative decreases in the production of foodstuffs between September, 1947, and June, 1948: Butter 42 per cent.; cheese 60 per cent.; mutton 8 per cent.; lamb 52 per cent. I have been able to give only some of the relevant figures. With the concurrence of the committee I shall incorporate the full statement in *Hansard*—

	Unit.	Monthly Totals.		Decrease.	
		Sept., 1947.	June, 1948.		
		%			
BUILDING MATERIALS.					
Bricks ..	'000	53,469	52,126	2.5	
Tiles ..	'000	3,743	3,696	1.2	
Cement Building Sheets ..	'000 sq. yds.	1,772	1,550	12.5	
Portland Cement ..	'000 tons	91.7	86.4	5.7	
Sawn Native Timber ..	Million sup. ft.	100.9	90.9*	10.0	
FOODSTUFFS.					
Butter ..	tons	12,788	7,349	42.0	
Cheese ..	tons	4,239	1,671	60.0	
Mutton ..	tons	13,748	12,668*	8.0	
Lamb ..	tons	12,571	6,038	52.0	

* Figures for 1948 are for May. June figures not available.

If honorable members will examine the production position as disclosed in figures supplied by the Government Statistician, they will agree that production is decreasing steadily. The Government has not inspired the community to give of its best. The Government's crippling general taxation, the heavy taxation it has imposed on overtime earnings, and the whole trend of the Government's policy have caused the people, particularly the primary producers, to feel horribly frustrated. No community in the world is being more discouraged by its own Government than are the people of Australia at the present time.

I shall turn now to the niggardly manner in which the Government proposes to give some relief to war pensioners, both male and female, to help them to meet the increased cost of living. The Government's proposals are

most parsimonious. No section of the community deserves more consideration than do the pensioners who gave their best to their country when it was hard pressed in two great wars. Those people themselves are hard pressed to-day because of the high cost of living. The relief proposed by the Government, instead of being the most that the nation can afford, is a niggardly increase of 5s., which the Government claims constitutes a 10 per cent. increase. I shall give comparisons to show how miserly this increase is. It means that a war pensioner will now receive a weekly amount equivalent to 47.5 per cent. of the basic wage, whereas in 1934 he received an amount equivalent to 64.6 per cent. of it. That represents a drop of 17.1 per cent. since 1934. The position of war pensioners relative to the cost of living has become worse. Between 1934 and 1944, the "C" series retail price index showed an increase of 23.5 per cent. in the cost of living. Since 1944, there has been a further increase of 9.6 per cent., and the index is still showing an upward trend. Because of that trend, and the relationship of pensions to the index and the ever-increasing basic wage, the recipient of a war pension is, in fact, receiving less and less in purchasing value in his pension. A curious anomaly is that the age and invalid pensions have increased from the equivalent of 26.9 per cent. of the basic wage in 1934 to the equivalent of 36.3 per cent., or an increase of 9.4 per cent., after the addition of the proposed 5s. increase. The Government's parsimonious increase in the war pension of 5s. a week is one of the greatest weaknesses and anomalies in the budget, and I appeal to Ministers present in the chamber to ensure that before the Parliament is required to discuss any legislation dealing with the increase, due consideration will be given to my own and other criticisms of it, and that Ministers will attempt to ensure that the increase finally granted shall be fair. Before the proposed increase, pensions of ex-servicemen had risen by only 20 per cent. in 28 years, although in the same period civilian pensions rose by 150 per cent. Those facts are set out in detail in a letter from the federal president of the Returned

Sailors, Soldiers and Airmen's Imperial League of Australia, Mr. Millhouse, which he sent to the Prime Minister, copies of which he also forwarded to all honorable members, who are, therefore, familiar with the facts. Returned soldiers' organizations in Queensland, in letters to me, make a vigorous and violent protest against this niggardly and parsimonious approach to the problem of increasing war pensions to at least offset the increased cost of living. In 1920, when war pensions were instituted, the "C" series prices index in the capital cities of the six States stood at 1,166. In June, 1942, it stood at 1,081, a drop of 85 points. In June, 1942, the then Prime Minister, Mr. Curtin, appointed a non-party committee, composed of three members from each side of the House, to examine the position in regard to war pensions. I was one of the members of the committee, of which the Minister for Commerce and Agriculture (Mr. Pollard) was chairman. The other members of the committee were Senator Lamp, Senator Allan McDonald, Senator Collett, and Mr. Watkins. Although statistics showed that from 1920 until 1942 there had not been an increase of the "C" series index, but that, on the contrary, there had been a decline of 85 points, the committee unanimously recommended that pensions should be increased by 20 per cent. The committee reported as follows in paragraphs 34 and 25:—

The committee found that there was reasonable ground for a general increase of the rates of war pension. An outstanding factor in this regard was the comparison of rates of pay to members of the forces and allowances to their dependants with the same items in respect of the 1914 war. In the case of death of a member, the rate of war pension in most cases is considerably below the payments received by the dependants, particularly widows with children, by way of members' allotment and dependants' allowances, up to the time of commencement of pension.

Quite apart from this, there is need for revision of rates of pension for those classes where the rate varies according to the rate of pay of the member (*vide* columns 2, 3 and 4 of the First Schedule to the Act). From the inception in 1914, although rates of pension were graded in all cases according to the rates of pay, the ratios between lowest and highest did not agree with the ratios of rates of pay, and the disproportions in this regard were further increased by the 1916 and 1920 Acts.

Mr. Francis.

In paragraph 28 of its report the committee stated—

The committee considers that it would be reasonable to approve of a general increase of 20 per cent. . . .

I stress the fact that although the "C" series index indicated that the cost of living had not increased but had declined 85 points, the committee recommended that pensions should be increased by 20 per cent. What has happened since then? A communication dated the 16th September, explaining subsequent developments which I received from the Acting Commonwealth Statistician, stated—

. . . between 1942, the latest date for figures supplied to the Joint Committee, and the most recent dates for which figures are now available:—(a) "C" series index shows a rise of approximately 18 per cent.; (b) The basic wage (capital cities basis) shows a rise of 20 per cent. to March, 1948, and 22 per cent. to June, 1948; (c) The average weekly wage paid to adult males shows a rise of 26 per cent. to March, 1948.

Those statistics indicate clearly that the Government's present pensions proposals are hopelessly inadequate and that the niggardly increase proposed to be made is out of line with the economic realities of the situation. Although the members of the committee to which I have referred unanimously recommended in 1942 that the rate of pensions should be increased by 20 per cent., the "C" Series Index had shown a decline of 85 points between 1920 and 1942. As an indication of the injustice of the Government's present proposals, I again point out that when the committee made its recommendation in 1942, the cost of living had actually decreased since payment of such pensions was first introduced, whereas the latest statistics indicate that the cost of living increased up to March of this year by as much as 26 per cent. As further evidence of the inadequacy of the Government's present proposals, I shall read a portion of a letter sent to the Minister for Repatriation (Mr. Barnard) by the Queensland branch of the Australian Legion of ex-Service Men and Women, which sets out very clearly the case for a substantial increase. The relevant portion of that letter is as follows:—

In 1920 the federal basic wage was calculated at £3 17s. per week. At that time, the T.P.I. pension rate was fixed at £4 per week, or 104 per cent. of the basic wage.

To-day the federal basic wage stands at £5 13s. per week while the proposed T.P.I. rate is only £5 6s. per week. The latter has therefore dropped to only 94 per cent. of the present federal basic wage. To maintain even 1920 parity with the basic wage, the T.P.I. rate should be approximately £5 17s. per week.

We claim further, however, that the original rate equaling 104 per cent. of the basic wage is entirely inadequate. It is unreasonable to assume that all that T.P.I. ex-servicemen would have earned during their lifetime was a figure approximating the basic wage. Given good health, many would undoubtedly have earned far in excess of this amount, and in assessing the T.P.I. rate this factor should be taken into account if justice is to be given.

In 1920 the 100 per cent. pensions was fixed at £2 per week, or 54 per cent. of the then basic wage. To-day, the 100 per cent. war pensions is only £2 10s. per week and has therefore dropped to 44 per cent. of the federal basic wage. With the proposed 5s. increase the 100 per cent. pension will still be less than 49 per cent. of the present federal basic wage.

Even to maintain the 1920 parity, the 100 per cent. rate would need to be approximately £3 2s. per week.

The niggardly and parsimonious increase of 5s. a week proposed to be made is not only hopelessly inadequate and utterly futile, but it is also a complete denial of all the promises made to our servicemen during the war. Although it purports to confer on war pensioners an increase of 10 per cent., the basic wage has increased by 26 per cent., and the pensions to be paid to totally and permanently incapacitated ex-servicemen will represent an increase not of 10 per cent., but of only 5 per cent.

I turn now to the undertakings given to servicemen by the Government during the war to provide an adequate scheme of reconstruction training for them after the war. That scheme has completely broken down. As an example of the Government's administration of its reconstruction training policy, I point to the utter failure of its plan to train ex-servicemen for the building industry, which is desperately in need of trained men. The Minister for Works and Housing (Mr. Lemmon) stated in this chamber on the 6th June, 1947, according to *Hansard*, page 3716, that—

It is hoped to train, through the Commonwealth reconstruction training scheme, some 33,000 men for the various building skills. When these have entered the industry and gained full efficiency, they should assist gradually in the reduction of building costs.

I emphasize the Minister's statement that approximately 33,000 men would be trained for the building industry, because although the original scheme provided for the training of 32,850 ex-servicemen in building trades during the period from May, 1946, to April, 1948, the number actually trained does not compare with the official estimate. In answer to a question by the honorable member for Swan (Mr. Hamilton) the Minister admitted on the 19th February, 1948, that up to the 31st May, 1947, only 7,289 trainees had been placed in employment in industry and only 6,486 were receiving training. According to *Hansard* of that date, page 1925, he also stated: "The total number who have commenced training in building trades since the inception of the scheme is 17,961"; so that after 21 months of the two-year period had elapsed only slightly more than half the estimated number had commenced training.

The position in Victoria is even worse than the general position throughout Australia, and I am glad the Minister for Labour and Industry (Mr. Holloway) is present. Although the scheme provided that in Victoria 9,500 ex-servicemen would receive training, by May, 1947, only 1,657 had been trained and placed in employment and only 2,031 were receiving training. Later reports in February, 1948, showed that the Government's scheme, which was already lagging badly, had been dealt a severe blow by some of the building trade unions and the Government's acceptance of trade union dictation. The *Sydney Morning Herald* of the 14th February, 1948, reported that a conference in Melbourne of Commonwealth authorities, employers' representatives from all States, and trades union officials had decided, as the result of trade union representations, to reduce the rate of training building operatives under the Commonwealth reconstruction training scheme. The president of the Australian Council of Trades Unions, Mr. Clarey, said that the building unions considered that it might not be profitable, because of the shortages of materials, to place in industry all the trainees available. That decision coincided with an official announcement that there were vacancies for nearly 3,000 men in the building trade in Victoria.

alone. In other words, although the building trade in Victoria was crying out for 3,000 more men, the Government virtually discontinued the operation of the scheme in that State. Let us examine the position in other States. In a report to the Federal Executive of the Returned Sailors, Soldiers and Airmen's Imperial League of Australia on the subject of the training of ex-servicemen for the building trades, Mr. N. D. Wilson, senior vice-president of the Victorian branch of the league, and ex-servicemen's representative on the Victorian regional training committee, stated that the position in Victoria could not be worse without the scheme completely collapsing.

The TEMPORARY CHAIRMAN (Mr. Sheehan).—The honorable member's time has expired.

Mr. O'CONNOR (West Sydney) [5.21].—The budget presented by the Treasurer (Mr. Chifley) is a vindication of the Government and its policy. That it has been possible for the right honorable gentleman to present such a budget is a tribute to the manner in which he has discharged his functions as Treasurer of the Commonwealth. There are several features of the budget upon which I propose to touch. First I shall say a few words about taxation. It will be recalled that when the general election was held two years ago the Prime Minister (Mr. Chifley) told the people that he would not commit himself to make any specific reduction of taxes, but would review the position from time to time. During the two years this Government has been in office successive reductions of taxes have been made. A man with a wife and two children who is in receipt of an income of £300 a year, now pays neither income tax nor social services contribution, and the ceiling rate of tax has now been reduced to 15s. in the £1. The taxation policy adopted by the Government which ensures that only those in receipt of high incomes shall contribute the taxes, is most equitable. It ensures that those able to afford to pay income tax shall pay it. In the final analysis the paramount consideration is not what a person pays in income tax, but what he has left after he has paid the tax. The adoption of a graduated scale of

rates has been amply justified. References are frequently made to the incidence of taxation in Australia as compared with other countries. In New Zealand a flat rate of tax is imposed on all persons in receipt of incomes of £150 or more. In that dominion a married man with a wife and two children in receipt of an income of £350 per annum has to pay £22 10s. in tax. In Australia such a man would pay neither income tax nor social services contribution. When this Government first came into office the principle of a flat rate of tax was discussed, but it was rejected in favour of a graduated scale which, as I have said, has operated equitably.

A pleasing feature of the budget is the revelation that there is practically no unemployment in this country to-day. We should be proud of the fact that not only has unemployment been reduced to negligible figures, but also, side by side with this achievement, the conditions of the workers have been immeasurably improved. Many countries boast that they have no unemployment, but few of them are able to boast of the industrial conditions that prevail within their borders. In many countries which boast of full employment the condition of the workers has been depressed, their human rights have been denied, and their civil rights have been ignored. Under the administration of this Government working conditions and standards of employment have been raised to a very high level.

During the course of this debate Opposition members have attacked the Government on its defence policy. The Government's defence plan provides for the expenditure of £250,000,000 over a period of five years on the three arms of the forces. Notwithstanding the attacks that have been levelled against the defence plan, we are better prepared to resist our enemies to-day than we have ever been. Our permanent forces are established on a much larger scale than has hitherto been attempted. The defence policy of the Government has been and is being developed to meet the requirements of the changing world position. In an attempt to disprove the efficacy of the Government's defence policy, some honorable members opposite

have quoted the views of a number of "authorities", consisting in the main of men who have retired from the forces. In an attempt to present an authoritative case honorable members opposite have introduced into the debate the names of such retired officers as General Sir Thomas Blamey and Air Vice-Marshal Bostock. With due deference to those who have retired from the forces, I remind honorable members that the General Staff, consisting of serving officers of great experience and high calibre, constitutes the best advisory body on defence matters. Is it not better that the Government should adopt the advice of those who are now serving members of the forces rather than that of those who have retired? It is idle to attempt to uncover alleged weaknesses in our defence policy merely by quoting what some prominent retired officer may have to say about it.

Mr. WHITE.—Does the Government accept the advice of its specialists in the Services?

Mr. O'CONNOR.—Yes. No honorable member opposite has been able to cite one specific example of the Government having overridden the advice of the Defence Council. In order to counter their criticism it is necessary to set the opinion of one authority against that of another. The Opposition's criticism of the Government's defence policy is based on the opinions of men retired from the services. The Government's defence policy is based on the advice of the men of experience on the general staff.

I come now to the rather hackneyed theme of communism. I use the term "hackneyed" because the Opposition loses no opportunity of blaming the Government for the growth of communism in Australia. A few days ago the newspapers announced that the Conservative party of Britain had decided to take certain steps to combat communism. It has good reasons to do so because the people responsible for the spread of communism throughout the world were the late President of the United States of America, Mr. Roosevelt, and Mr. Winston Churchill. Their attitude during the war was responsible for the spread of Russia's influence in Europe.

Mr. BEALE.—That is an extraordinary statement to make.

Mr. O'CONNOR.—I refer honorable gentlemen opposite to the conferences at Teheran and Yalta. When he returned to England after the Yalta conference, Mr. Churchill found it necessary to have a vote of confidence in himself and his Government carried by the House of Commons.

Mr. BEALE.—He did that periodically throughout the war.

Mr. O'CONNOR.—The decisions at the Yalta conference dealt with the areas in which Russian influence would prevail. Mr. Churchill made them such an issue that he demanded a vote of confidence in himself and his Government. Any one who reads the *House of Commons Debates* for that period will discover precisely what his attitude was and what was said about communism by men like Mr. Eden. With the passage of time, information has filtered through to us to show that it is undeniable that Mr. Roosevelt was obsessed by the idea that he could appease Stalin. But all the negotiations with Stalin ended in the granting of concessions to Russia. Bismarck said, "No man has been rich enough to buy off his foes with concessions". During the war, Russia adopted two different attitudes towards the western democracies. In the first year, when Germany was advancing, Russia was willing to negotiate agreements that were acceptable to the democracies.

Mr. ABBOTT.—Who was?

Mr. O'CONNOR.—Russia was. Russia was prepared to admit the sovereignty of Poland.

Mr. ABBOTT.—Does the honorable member mean when Russia signed the pact of blood with Ribbentrop?

The TEMPORARY CHAIRMAN (Mr. Sheehan).—Order! The honorable member for West Sydney has the call.

Mr. O'CONNOR.—The honorable member did not listen carefully to what I said. I said that in the first year of Germany's attack on Russia, Russia was prepared to negotiate pacts with the western democracies. After the German attack had spent itself, Russia took an

entirely different attitude in its negotiations with the western countries. It has been proved that Mr. Roosevelt, rightly or wrongly, had the idea that he could get along with Stalin. If that is not so, can any honorable gentleman explain the position in Europe to-day? Why has Russia's influence been allowed to expand as it has expanded? Some honorable members opposite laughed when I said that Mr. Roosevelt and Mr. Churchill were responsible for the spread of communism in Europe.

Mr. BEALE.—I was one of them. I thought it was an incredible statement.

Mr. O'CONNOR.—Then, why did Mr. Churchill recognize the Tito government of Yugoslavia? It was the British Government, under the prime ministership of Mr. Churchill, that recognized the Tito government and was responsible for the overthrow of the Mihailovitch government.

Mr. BEALE.—I will answer that if given the opportunity.

The TEMPORARY CHAIRMAN.—Order! The honorable member for West Sydney has the floor.

Mr. O'CONNOR.—Perhaps the honorable member for Parramatta can elucidate the position.

The TEMPORARY CHAIRMAN.—Order! I have not called the honorable member for Parramatta.

Mr. O'CONNOR.—The fact remains that the Churchill Government recognized the Tito government. I challenge any honorable member to deny that. So it is idle for people, particularly honorable members opposite, to try to saddle this Government with the responsibility for the spread of communism. During the war the Labour Government in no way compromised or associated with Communists.

Mr. WHITE.—It removed the ban on the Communist party.

Mr. O'CONNOR.—Australia was not the only country to do that. When the removal of the ban from the Communist party was put to the House it was agreed to. In other democracies the ban on the Communist party was also lifted. So the Australian Labour Government was not insular in that respect.

Mr. BERNARD CORSER.—Turkey and Greece have not taken the ban off communism.

Mr. O'CONNOR.—I am not saying that every country has removed the ban on the Communist party.

Mr. WHITE.—Name one other country that has lifted the ban from the Communist party.

Mr. O'CONNOR.—Canada. There are other countries where the Communist party was never suppressed. In the United States of America the Communist party was never banned.

Mr. WHITE.—The Communists were banned here and a Labour Government removed the ban.

Mr. O'CONNOR.—Its removal did not receive much opposition from honorable members opposite. I challenge any honorable member opposite to produce a *Hansard* report of his objection to the removal of the ban on the Communist party in this country. Throughout the war the Labour party never compromised with the Communists. It is a stringent rule of the party that no member shall be associated in any way with any other political party. Honorable members opposite have referred to the fact that we lifted the ban from the Communists, but no member of the Government has made a speech welcoming the Communists in this country like that made by the right honorable member for North Sydney (Mr. Hughes). His speech has been quoted several times in the chamber, and I do not propose to quote it again, but no one on this side has so warmly welcomed the Communists as he did. His attitude is characteristic of members of the British Conservative party on this subject, and his speech of welcome to the Communists is consistent with the welcome that some members of that party extended to members of the Communist party in London, and to the Soviet.

I am indeed pleased that the Government has expanded social services. If I were to make any plea in that connexion, it would be on behalf of the aged and invalid persons who, in many instances, have no relatives; many of them live alone. The Government plans, in this budget, to liberalize the means test. As a result, a married couple,

where both are eligible for age pensions, may receive a maximum permissible income plus pension of £7 5s. per week, and in addition to owning the property in which they live, they may own property to the value of £1,500. That means that a person may retire on superannuation of £4 per week, and if married, he will receive a pension totalling £3 5s. for himself and his wife. If he retires on superannuation of £5 a week he will be entitled to receive a pension of £2 5s. a week for himself and his wife, making the total income in each instance £7 5s. a week. That is a liberal extension. It must be remembered that a man with three children receiving the basic wage—assuming that wage to be £6 a week—now receives only £6 15s. a week. My plea concerns those persons who live alone, particularly invalid pensioners. Whilst this Government has done much to expand and extend social services—and the Government is proud of what has been achieved in that direction—I do submit that there should be no limits to what should be done for the poor, needy, and indigent members of the community. I have very much pleasure in associating myself with the Government in connexion with the budget under review, which is an adequate and complete answer to people who have criticized the Government over the years. I compliment the Treasurer on his worthy achievement.

Sitting suspended from 5.43 to 8 p.m.

Mr. BERNARD CORSER (Wide Bay) [8.0].—The Opposition shares the disappointment of the community that under this budget no real relief from taxes is to be given to the people. Every remission of taxes in one direction is nullified by other imposts in another direction. The disabilities thus inflicted upon industry will be reflected in our economy for many years to come. Before I discuss the statements made by the honorable member for West Sydney (Mr. O'Connor), when he claimed that the failure of the Government to prepare adequately the defences of this country was justified because Australia is now at peace. He merely echoed the propaganda which is being circulated in all Communist literature and from every Communist plat-

form in this country. The Communists urge that we have no need to prepare our defences because this country is now at peace. The honorable member implied that the Government's apathy with respect to defence is a natural corollary to the peace which he says we are enjoying with our allies in the recent war. Surely the Government realizes that the best way to maintain peace is to ensure that we are adequately equipped to defend this country against possible aggression. When it is said that our allies in the recent war are now at peace, the qualification must be made that the Soviet is definitely preparing for war. One can draw no other inference from the refusal of the Russians to allow any of our allies to learn at first hand what is happening behind the iron curtain. For instance, it refuses to disclose to any of the allies where it has installed the great quantities of industrial machinery which it stole from Manchuria, and also Germany, Austria and other European countries. The Russians refuse to disclose where it is employing hundreds of thousands, even millions of Germans, Japanese and Austrians whom they took prisoner and are now using as forced labour in the erection of war factories. Russia has enslaved those millions of prisoners in order to be able to maintain its own armed forces at the greatest possible strength. There is much behind the "iron curtain", about which the honorable member for West Sydney, like all honorable members, know nothing at all. However, every other nation is definitely suspicious that Russia is completely re-arming to-day. Therefore, the honorable member pays the Government a poor compliment when he defends its failure to make adequate defence preparations. Without a vestige of shame, he claimed that Russia's aggression to-day arises from the policy of mediation implemented by Mr. Churchill and the late President Roosevelt in their agreements with Stalin. That is a wicked statement. The leaders of the democracies saved not only the democracies but also Russia from nazi-ism which, however, was not as great a menace as communism is to-day. The efforts of those great men have been applauded in every democratic country.

Mr. EDMONDS.—The honorable member applauded Stalin.

Mr. BERNARD CORSER.—Apparently, the honorable member for Herbert (Mr. Edmonds) is siding with Stalin, because his interjection is in line with what the Communists say about Churchill and Roosevelt. I deplore the statements made by the honorable member for West Sydney and his colleagues in defence of the Government's failure to take adequate steps to guarantee the democratic liberties for the maintenance of which we fought the recent war. The Communists in their propaganda endeavour to arouse hatred of the United States of America. In that respect they are carrying out Russian policy. No friend of democracy should turn a deaf ear to the rumblings behind the iron curtain which indicate the real attitude of Russia towards the maintenance of world peace. It is not surprising that democratic countries overseas are now preparing to meet possible aggression. The honorable member for West Sydney said that as we are at peace the Government would not be justified in preparing our defences. That is contrary to the view held by all great democratic leaders in other countries. The misery and hunger that have been occasioned by the murderous conquests of the Soviet are sufficient to justify every democratic country preparing to meet the worst, particularly when we realize the fate of those countries in which Russian influence is dominant to-day. Russia is sowing the seeds of revolution in other countries. As part of that policy the Communists are spreading their doctrine in this country and, unfortunately are meeting with considerable success. Although Australia is a member of the United Nations and should do its share in maintaining world peace, the Government has done nothing in that direction. We must admit that peaceful conditions do not prevail in many other countries, and that we owe the peace that we still enjoy to the protection of the British flag and the United States of America. Since the conclusion of hostilities, Greece has suffered revolution and has been at war with the satellites of Russia. Similar conditions prevail in Czechoslovakia and the Baltic States. One

country after another has fallen under the influence of the hammer and sickle. They have all lost their freedom completely. The Communist Stern gang in Palestine has caused widespread bloodshed and is continuing to carry out its policy of hate and murder. Similar conditions prevail in Malaya, Indo-China, Indonesia, China and Manchuria. The Chinese have lost more than half of their territory to the Communists, who have stolen from northern Manchuria everything that the Soviet can use for war. The menace of communism to-day is greater than that of Nazi-ism against which we were forced to defend ourselves. Every week the newspapers report that the un-American Activities Committee in the United States of America has uncovered further evidence of the efforts of Communists to filch plans of new and valuable weapons and to sabotage important industries in that country. A royal commission in Canada disclosed alarmingly widespread espionage activities by Communists and obtained proof that even members of Parliament had been guilty of stealing secret information for the Soviet Union. About 10,000,000 Communist workers in France and Italy are endeavouring to interfere with the peaceful economic development of those countries by fostering discontent and trouble, regardless of the misery, starvation and death that would be caused by their activities. In Berlin, arrogant Russians have openly heaped insults upon the representatives of the western allied nations in an attempt to gain supremacy for the Soviet Union. They are determined to extend hunger and suffering and have used every means at their disposal to prevent the transport of badly needed food supplies to the residents of the western zone of Berlin. In spite of unremitting efforts at mediation by the western powers, the Soviet Union has repeatedly refused to honor any of its treaty obligations and has frustrated efforts to conclude peace on just terms with Germany, Austria, and Japan and their former satellite countries.

At United Nations conferences, Soviet representatives have repeatedly insulted the delegates of other nations. Mr.

Vishinsky has proved himself to be a verbal viper, and his baseless allegations that the western democracies are working against peace could be more aptly directed against Russia. He knows that the democratic nations want to preserve peace, but he deliberately accuses them of war-mongering and seeks to humbug the peoples of other nations in order to prevent the proper economic restoration of Europe. As the mouthpiece of Russia, he continually attacks the Marshall plan, by which the United States of America is assisting other nations to re-establish their prosperity and independence. For their own selfish ends, the Communists have rejected this great plan to provide 7,000,000,000 dollars to the peoples of Europe over a period of four and a half years. They have deliberately fostered revolutionary activities in France and Italy and have consistently opposed the efforts of the United States to restore prosperity. Their arrogant assertions that the United States is trying to "buy" the nations of Europe are in keeping with their other unfair tactics.

What do the leaders of other nations think about the menace of Russia? President Truman has declared that the United States is determined not to be caught napping, and will be ready to defend itself. Its armed forces are being expanded and strengthened. Yet the Australian Government is making no special provision for defence and the maintenance of peace. President Truman says that he is not happy about compulsory military training, but that it must be continued if America is to maintain its armed strength at "the minimum determined by circumstances". Australia has only a handful of men in readiness to fight—not even sufficient to protect one city. Mr. MacKenzie King, the former Prime Minister of Canada, says that the international situation has never been worse. What does the Australian Prime Minister say? Nothing! General Marshall says that diplomatic action without the backing of military strength can only lead to appeasement and that if we want peace we must pay the price to preserve it.

Mr. DALY.—What does Corser say?

Mr. BERNARD CORSER.—I say that those statements are right and that action is better than "dilly-Dalying". Surely the honorable member will agree that we should be prepared to pay the price of preserving peace. According to General Marshall that price is the cost of being prepared for war. Only to-day, the newspapers reported an announcement by the United Kingdom Foreign Secretary that the United Kingdom will maintain up to 500,000 men under arms, will send its naval forces to sea and will strengthen its air force. That is clear evidence of the danger of the international situation. This Government should prepare Australia to defend itself against aggression from enemies without and the Communists within and, at the same time, set out now to clear the country of Communist traitors. The threat to our safety does not come from outside Australia alone; our communications are threatened from within. Members of the Communist party are ready to sabotage our communications and transport services and we should deal with them now.

Unfortunately, this budget will take more from the pockets of the people than was taken from them during the war, when the Government had to finance all the requirements of total war. Australia is not now engaged in war, or in maintaining a large army. The strength of the Royal Australian Navy has been substantially reduced, and the Royal Australian Air Force has almost disappeared. But Australians are now paying more in taxes than they did last year. The Opposition claims that the people would bear this burden with better grace if they knew that some of the receipts from taxes were being expended on ensuring the adequate defence of the country. The Government is not displaying any anxiety at the reduction of output, *in toto* and per man-hour, which is sapping our national economy. Our economic position is deteriorating because a large section of the community, who are controlled by Communists, are determined to produce fewer goods. This decision is retarding post-war reconstruction in Australia, and is preventing us from rendering maximum assistance to Great Britain. Our primary producers, who work considerably in excess of 40 hours a week, have not the facilities and

amenities which have been extended to every other section of the working community, but they are required to pay their share of the cost of social services. Under free enterprise, Great Britain stood pre-eminent in the world. Before the outbreak of World War II., its manufacturing superiority was accepted everywhere. In those not so distant days, socialism did not restrict the expansion of privately owned industries. In the last few years, however, Great Britain has yielded pride of place to the United States of America, which is not menaced by socialization. Since 1938, American production has increased by 180 per cent., its scientific contributions to the world's knowledge are outstanding, and its manufactures are to be found in almost every country. The United States of America still encourages private enterprise to expand. No better illustration can be offered of the strength of a country in which private enterprise flourishes. In Australia we must increase production by permitting our people to exercise their undoubted initiative to expand existing industries and to develop new ones. Soviet Russia points with pride to its fine cities, but they were built under régimes which preceded the Bolshevik revolution in 1917. Those régimes might have been nearly as bad as the Soviet régime. Certainly, they could not be quite so bad as it is. The great iron, steel and coal-mining industries of Great Britain were founded and developed under private enterprise, and not under socialist control. Australia must concentrate on keeping open its arteries of commerce. The ships that come to Australia from Great Britain for our goods, and the commodities which fill their holds, are the results of the industry of private enterprise. The British Government purchases the goods and it is the British Government and not the Australian Government which provides the ships. They represent commerce, and commerce is wealth. Every country lives by its commerce. Australia is no exception to that statement. If overseas markets for our primary products disappear, Australia would be unable to meet its commitments abroad, and a financial and economic depression might result. At present, owing to Communist activity, we are being prevented from

expanding our commerce to the maximum degree.

In the early stages of World War II., the Menzies Government imposed a ban on the Communist party. One of the first actions of the Labour Government after taking office was to remove that ban. The honorable member for West Sydney to-night made all sorts of excuses for that action. For example, he stated that no one opposed the lifting of the ban. The fact is that members of the Opposition were always opposed to the removal of the ban. The activities of the Communists in the last few years are not likely to persuade us to alter our views. The condition on which the Labour Government removed the ban has not been fulfilled. According to the honorable gentleman, the Communists promised that, in return for the lifting of the ban, they would do their utmost to promote harmony in industry, and to minimize absenteeism, strikes and hold-ups. Since the ban was removed, disputes in industry have been continued *ad nauseam*. In 1947, no fewer than 982 disputes occurred, and the Government has not taken any action to compel the Communists to honour their undertaking. The position is growing steadily worse. In 1938, ships were loaded at the rate of 911 tons a day. By 1946, the rate had fallen to 353 tons, and although more labour was employed last year, the rate declined to 284 tons. Australia has the unenviable record of having the second slowest turn-round of ships in the world, although our waterside workers enjoy better conditions than the wharf labourers of any other country. In those countries where black labour is employed on the wharfs, ships are turned around at twice the rate at which they are turned around in Australia, and the employees do not receive one-quarter of the pay or enjoy any of the amenities that have been awarded to our waterside workers. In the first six months of the present year, approximately 2,000,000 working hours have been lost through strikes and petty industrial troubles.

For the primary producer there is no 40-hour working week. The man on the land works substantially in excess of 40 hours a week, and, in addition, he works

on Saturdays and Sundays. He pays the social services contribution which includes unemployment relief, but receives practically nothing in return. He even pays a share of the "appearance money" which waterside workers receive when they present themselves for employment at picking up places and are not engaged. The slow turn-around of ships is a grave problem to this country, because the shipping of food which Great Britain so urgently needs is thereby delayed. Great Britain is purchasing our goods, and is sending its ships to Australian ports to collect them. Sometimes as many as twenty of those ships are held up in Sydney Harbour because of a stupid strike. As the result of the determination of the miners not to produce sufficient coal to meet Australia's needs, our wheat cannot be transported to the ports in sufficient quantities to fill the waiting ships. Last week, three vessels were prepared to load wheat, but work was proceeding on only one of them. The reason is that the arrogant, communist-controlled miners would not produce sufficient coal to enable the railway department to transport sufficient wheat from the country districts to the wharfs. Because of restricted railway services for the carriage of goods, we are compelled to resort to road transport, and thereby increase the consumption of petrol, which must be purchased from the dollar area. Despite the serious effect on our economy, the Government is not taking any action to remedy the position. Thousands of tons of sugar are held up through lack of transport. Sugar is the hard-won product of the cane-grower, sometimes in time of drought and at other times under flood conditions, but the waterside workers, by introducing a "go-slow" strike, are determined not to allow substantial supplies to reach consumers. A few days ago, I read in the press an announcement that Great Britain hopes to buy 400,000 tons of our sugar this year and 500,000 tons next year. The Government should immediately endeavour to arrange with the United Kingdom a long-term contract for the sale of 500,000 tons of sugar a year at a price which will ensure to the growers a reasonable return for their great efforts. From year to year, our

growers produce sugar of the best quality. They have raised the industry to the high standard of proficiency. Australia is the only country where sugar is produced outside the dollar area by white labour, and Great Britain is anxious to buy large quantities of our sugar, because we accept payment in sterling. Therefore, Great Britain is prepared to enter into a long-term agreement for the purchase of Australian sugar, and I urge the Government immediately to begin negotiations for an agreement that will be beneficial to both parties and ensure to the growers a reasonable price for their product over a long term. Before output can be substantially increased, the mills will require additional machinery, costing approximately £3,000,000. Although Great Britain hopes to obtain 400,000 tons of Australian sugar this year, the quantity available may be only 350,000 tons. Our objective should be 500,000 tons. We must extend the sugar-growing industry in Queensland in the interests of national defence. The industry is advantageous not only to Australia but also to Great Britain. It has never been spoon-fed, and is now struggling to overcome the difficulties with which it is confronted. The growers and their employees are working hard and are prepared to continue to do so. A few waterside workers must not be allowed to delay the transport of the sugar from the ports to which it is sent by the growers, thus increasing the handling costs and preventing sufficient quantities from reaching consumers in Great Britain and Australia.

The budget does not give much encouragement to producers. If production is to be increased, assistance must be given to primary producers and industrialists. Primary producers require adequate water and electricity supplies, better transport facilities and an assurance of payable prices. They must be protected against the effects of drought by irrigation systems. In some districts in the north of Queensland to-day the air is filled with the stench from the carcasses of cattle which had died from the effects of drought, but, by the expenditure of a reasonable amount of money by the Government, those cattle could have

been saved. Other districts are faced with the threat of drought, but very little is being done about it. The Government should regard the protection of primary producers from the drought scourge as a national responsibility. The Prime Minister and other Ministers talk of a coming depression. If the Government made money available for the provision of adequate supplies of water and electricity in the country areas we should be able to develop our land and thus prevent a depression. That would be preferable to croaking and waiting in fear for something that we hope will never occur.

The budget will not do much to relieve the people of their present burden of taxation. Australia is a young country, and we want money to develop it. The primary producers cannot buy the machinery that they require and the industrialists cannot purchase the equipment that they need unless they are relieved of the present necessity to hand over nearly all of their profits to the Treasury. The Government is continually receiving valuable reports on activities in other parts of the world, and it is to be hoped that the results of the research that is being conducted into agricultural and industrial problems will be made available to primary producers and industrialists, so that the knowledge that has been gained may be used to improve our industrial technique and enable us to produce greater quantities of agricultural products by the use of new kinds of grain, the elimination of the pest menace, and so on. Some people hope to shoot a man to the moon, and a scientist proposes to descend to a depth of two and a half miles beneath the surface of the sea in order to study marine life there, but what is wanted is scientific research into means of increasing the production of articles which will be of value in improving the standard of living of all sections of the community. That can only be achieved by allowing the money that is now taken by the Treasurer to play its rightful part in the development of our commerce and by relieving the people of their present burden of taxation and allowing them to work as they wish to

do on their own properties and under their own roofs.

Mr. FRASER (Eden-Monaro) [8.35].—The honorable member for Wide Bay (Mr. Corser) obviously spoke with great sincerity when he began his speech by expressing the disappointment of the Opposition with this budget. One can sympathize with honorable members opposite in the obvious and deep disappointment, and in fact the anguish with which they have received the greatest financial document ever produced in the history of the Commonwealth. This budget has sounded the death knell to all their hopes of achieving office again in this country in this generation. When the honorable member for Wide Bay professed that he believed his disappointment was shared by many people in the country districts of Australia he did not deceive any one. I have just been through the southern parts of my electorate, to the beautiful Bega Valley and the magnificent environs of Eden.

Mr. TURNBULL.—Why does the honorable member want to leave it?

Mr. FRASER.—I do not want to leave it, and I am not going to do so. I found great satisfaction on the part of the people with this budget. On all sides people expressed enthusiastic support of the Government, and there was a much greater spirit of understanding of the Government's problem and satisfaction with its achievements than existed six months or twelve months ago. The practical benefits of the Government's policy are becoming more obvious to the people of Australia every day. The budget which the committee is now discussing is the greatest evidence that has ever been put before the Australian people that in the long run the policies that have been pursued so patiently by the Treasurer and the wise controls that he has exercised over the economic system of the country have been to their benefit. I have never heard an attack launched in this chamber which has failed so ludicrously as that which was launched by the Opposition upon this budget. The Leader of the Australian Country party (Mr. Fadden) almost succeeded in producing a tone of emotion in his voice—and I

understand it is difficult for an accountant to do that—when he referred to every increase of 1s. in the basic wage meaning that some child must go shorter than ever of bread or clothing. Was there ever a more ridiculous action in this chamber than, to invite a favorable comparison between the conditions that existed in 1939, the year before the war, when the right honorable gentleman was Treasurer of the Commonwealth, and the conditions that exist now? The Leader of the Australian Country party spoke of the conditions that existed in Australia before the war, invited a comparison between them and the conditions that exist to-day, and endeavoured to suggest that the mass of the Australian people in the year before the war were better off than they are now. The same tune was sung by the honorable member for Reid (Mr. Lang), who sings very sweetly to-day in duet with the Leader of the Australian Country party. The contention is made that the Government is now taking more from the pockets of the people than it took in the last year before the war. That is true, because hundreds of thousands of people in Australia had nothing whatever in their pockets for the Government to take under the disastrous administration and deflationary economic policy of the anti-Labour government of that time. On the very day that war broke out, fourteen out of every 1,000 Australians who were seeking work were unable to find it. To-day, everybody who is able to work and who wants useful work in this community can obtain it. In the last year before the war, 130,000 Australians were registered for unemployment relief, and 130,000 Australian families were existing on the dole. To-day, throughout the entire Commonwealth, there are only 1,300 people registered for unemployment relief. It is said that the Government is taking more money out of the pockets of the people. As I have said, that is true, because before the war hundreds of thousands of people did not have anything for the Government to take; but it is also true that the Government to-day is putting far more money into the pockets of family men and their wives than was ever put in their pockets by any government

before the war. Our annual social services bill is approaching £100,000,000; and who will say that that money is not going into the pockets and into the homes of the people of this country who need it most? Which honorable member opposite is prepared to take back even one of those pounds? I do not hear any answer from the Opposition benches. The Opposition parties know that in this country there has been a substantial and most valuable redistribution of purchasing power. It is true that this Government is taking much more money from Australian citizens than was taken from them before the war; but from what class of people are these greatly increased sums being taken? They are being taken from people in the high income groups. That policy has brought a new level of economic stability and prosperity to the masses of the Australian people. It has removed the iniquities that existed before the war, when a small group of people at the top of the social and economic scale was able to live in luxury while, at the other end of the scale, hundreds of thousands of less fortunate fellow citizens were unable to buy even the bare necessities of life. If the Government has to acknowledge that it has taken a direct part in effecting that economic redistribution of wealth in this country, it should be proud indeed to do so. Furthermore, before the war, because the great masses of Australian people did not have adequate purchasing power, lacked security of employment and so were not able to purchase all the goods that they required, the small business man and the Australian farmer lived in constant economic insecurity. In this debate the other night, the honorable member for Richmond (Mr. Anthony) claimed that when the government of which he had been a supporter was in power, it allowed dairy-farmers to obtain the full market value of their product. And so it did. But the full market value of their product under the disastrous policies pursued by governments of those days fell as low as 6½d. per lb., and the basic wage established by the then Premier of New South Wales, Sir Bertram Stevens—now offering himself again as a Liberal candidate in the Commonwealth sphere—was the princely figure

of £3 10s. a week. No wonder the farmer could not make a reasonable living and, with other members of his family, had to work many hours every day to retain his property. The records show that every desperate appeal by the farmer to the governments of the day and to its supporters, including the honorable member for Richmond, was rejected. Few farmers would be prepared to accept the disastrous advice of the honorable member for Richmond and abandon the stability which they and their industry now possess for a guaranteed period, with a price related to increasing production, for a situation of uncertainty in which prices might be high to-day but low to-morrow. The condition of this country to-day as the result of the policy of this Government is one of high prosperity; but what can we say about the future? Some of the most effective controls administered by this Government have been deliberately destroyed as the result of the successful propaganda efforts of the Opposition. Effective price control has been destroyed, raising all the disastrous possibilities of inflation. The Government has been compelled to withdraw most subsidies because it no longer has power to ensure that subsidized goods will reach the people at reasonable prices. Even public control of the financial system has been brought into a position of doubt. We cannot be certain of what the future holds for Australia. The economic stability of this country depends on four contingencies—favorable seasons, high export prices, resistance to inflationary pressure, and increased output. But seasons and export prices are beyond the control of any force in Australia. The means to counter inflation have been greatly weakened by the defeat of the prices and rents referendum, and now that taxes have been reduced, the responsibility for increasing production lies not with the Government but with industry itself, workers and management alike. No one is more anxious than the primary producer to play his part in increasing production. To-day he is producing all the food that he can for the people of this country, of Great Britain, and of the world generally. He is glad to produce all he can, because he knows

that it will be sold at an economic price; but he needs water piping, galvanized iron, machinery of various kinds, farm vehicles and netting, and until production of those goods is increased, he cannot play his full part in contributing to increased production in this country. Rarely has there been plainer speaking than that of the Treasurer in his budget speech. The right honorable gentleman said—

... lacking greater output per worker and higher efficiency by management the greater benefits of full employment will not be realized, standards of living will stagnate at levels satisfactory to no one, and we will fall short in the contribution due from us to world recovery.

From a Treasury standpoint, facing ever-mounting commitments for social services, the drastic decline in public revenue—which would follow a drought or a drop in export prices, or both, must cause concern. This must be increased by the recognition that the yield from tax arrears will now slacken off, and that at the same time increasing wages and salaries will be reflected in an increasing expenditure in all branches of the Government. The war gratuity is also among the large commitments which must be met during the next few years. In these circumstances the task of the Government to re-examine possible measures to maintain economic stability and to guard against an adverse turn in trade conditions, becomes urgent. The Prime Minister has said it is necessary now to make all possible provisions against commitments due to be met in later years. This applies in my opinion to the financing of social services particularly. In the year before the last war began Australia was spending £16,000,000 a year on social services. Prior to that there had been no social services introduced during 30 years of rule by anti-Labour governments, and the rate of the age and invalid pensions was scandalously low. In addition to that a cruel means test existed which reduced the pension rate 1s. for every miserable 1s. the pensioner possessed over 12s. 6d. a week. In seven years the present Government has succeeded in more than doubling the rate of pensions received by age and invalid pensioners, and has brought the means test limit by successive stages from the figure of 12s. 6d. to 30s. The result to-day is that with the

new budget provisions a pensioner couple as from next month will be permitted to have a joint income of £3 a week in addition to their joint pension totalling £4 5s., allowing them a total income of £7 5s. a week, compared with the total permissible income under anti-Labour governments of £3 5s. or £3 6s. a week. This is a great increase and further steps will undoubtedly be taken by this Government towards the elimination of the means test.

Mr. McEWEN.—Why does not the Government eliminate the means test?

Mr. FRASER.—The honorable member for Indi (Mr. McEwen) asks why the Government does not eliminate the means test. He was a Minister in a Government which had many years to take that action but did not take one step towards it. The present Government, which during its period of office has financed a war, has taken two long steps towards the elimination of the means test by raising the permissible limit of other income from 12s. 6d. to £1 and later from £1 1s. to £2 2s. 6d. Yet the honorable member has the supreme audacity to ask why the Government does not do anything about eliminating the means test. The Government is moving in that direction and will continue to do so.

Mr. HAMILTON (Swan) [8.56].—Honorable members have just listened to some free propaganda designed for radio listeners who were tuned in to the broadcasting of to-night's proceedings. I can recall having read in the press that the honorable member for Eden-Monaro (Mr. Fraser) had the intention of seeking election as the member to represent the Australian Capital Territory in this Parliament at the next election. Honorable members have just listened to the honorable member for Eden-Monaro, in effect, telling the farmers of the electorate of Eden-Monaro that he intends to "have a crack" at his old seat. We now know exactly where the honorable member stands, since he has proceeded to "smooge" to the farmers. After doing so, he had the audacity to castigate them in no uncertain terms. He then spoke about what the Government had done in regard to invalid and age pensions.

I do not mind giving credit to the Government for increasing pensions, but I give no credit for it to any one member on the Government side of the House. I recall very vividly a night when honorable members whose names I shall not mention at this stage opposed a move by myself and the honorable member for BalACLava (Mr. White) to secure abolition of the means test for war pensioners. Those honorable members said it was a crying shame that the Government should apply a means test to war pensioners, but when the Opposition forced the issue what did they do? They voted with the Government, because they are just "yes-men" tied to a pledge, and they knew that if they voted against the Government they would be ostracized and tossed out on their necks. Honorable members have heard members on the Government side mouthing about what the Government has done in increasing pensions. That tends to make one sick. The honorable member for Eden-Monaro has spoken about what the Government has done for the farmers. This Government has done nothing for the farmers. In fact, it has robbed them. I was farming in 1939 and I know very well that farmers could not obtain very much from governments in those days. I recall very vividly sending, in 1939, a collect telegram to the then Prime Minister, who is now the Leader of the Opposition, and he handed me back a stinging nettle similar to one which I handed to the Minister for Works and Housing (Mr. Lemmon) recently. In those days, however, overseas prices were terrifically low. When the right honorable member for Cowper (Sir Earle Page) introduced a flour tax, what did honorable members now on the Government side do? The flour tax would have cost the average housewife an extra 17s. a year, so those honorable members objected to its imposition although it would have helped to tide the wheat-farmers over bad times. Now, when prices are rising, the Government is endeavouring to prevent the farmers from reaping the full benefit of the situation. Members on the Government side speak of the controls that the Government has applied and the benefits that it has brought to the people. The only benefit the Government has brought to the people

to make their bank accounts increase. Go where they will in any part of Australia, can honorable members find people who are able to buy the goods they require? Yet Government members are repeatedly saying that bank accounts are growing. What is the good of money if one is unable to buy the goods he requires? During the course of this debate we have heard a number of references to the referendum on prices control. The honorable member for Eden-Monaro touched on that subject earlier, but I shall leave that for the moment. During the debate on the budget we have heard compliments from all sides. I, too, wish to say that the Treasurer (Mr. Chifley) is to be congratulated upon having brought down his eighth budget in succession, which is a record in Australian history. That is as far as I intend to go. Honorable members have heard compliments oozing out from the Government side of the House. They are intended not only to compliment the Treasurer, but also to ridicule the Opposition. Prior to the dinner adjournment this evening we heard an honorable member castigate and ridicule one of the finest men that the British Empire has ever produced. I say to that honorable member that I honestly believe he was not voicing his own thoughts but thoughts which were given to him by somebody else for him to mouth. The honorable member to whom I refer said that, if it had not been for men like Churchill and Roosevelt, communism would not stand where it does to-day, which shows that he has not studied what those great war leaders did.

Mr. POLLARD.—He did not say that.

Mr. HAMILTON.—Then what did he say?

Mr. POLLARD.—He said that the Soviet Union would not have the territory it now has but for the actions of Roosevelt and Churchill.

Mr. HAMILTON.—He said that Churchill and Roosevelt were responsible for the growth of communism because they had appeased Stalin; but any one who has taken any interest in the politics of the recent war knows that President Roosevelt was probably led up the garden path by the late Dr. Benes, the

former President of Czechoslovakia, who advised him that if he worked easy with Stalin he might be able to convert him. What was the course of events? Great Britain, which stood on its own for so long against the mighty forces of Hitler, had to sign away its overseas investments and surrender overseas bases in order to obtain lend-lease supplies; yet when Russia entered the war—not voluntarily of course, but simply because it had to—American supplies were poured into that country without Russia having to part with any territory or enter into any crippling undertakings. The honorable member went on to say that Churchill, on his return from Yalta, approached the House of Commons to obtain a vote of confidence for the Government which he led, but I remind the honorable member that the British Government of that time was an all-party ministry and included a large number of Labour members. Which way did they vote? Those Labour members, and their supporters outside the Government, voted in the only way open to them, which was to support the Government. The honorable member then accused the Churchill Administration of being responsible for Tito's government in Yugoslavia obtaining recognition by the allied powers. I again point out to the honorable member that the Government which Mr. Churchill led was an all-party administration, and the present Prime Minister of the United Kingdom, Mr. Attlee, who as leader of the Labour party in the House of Commons was a member of that Government, must accept his share of the blame, if there be any blame. To return to Australia, I ask honorable members what is the attitude of the Labour party in this country? Although only a few hours ago the present Government allowed one of its supporters to ridicule the late President Roosevelt, the preceding Labour Government could not run to President Roosevelt quick enough to obtain assistance for Australia during the most critical days of the war.

Mr. EDMONDS.—Does the honorable member regard the previous government's action as "crawling"?

Mr. HAMILTON.—The honorable member for Herbert (Mr. Edmonds) and

many other honorable gentlemen opposite do not know what went on behind the scenes, but one day the real story of the fall of Singapore will be told. When that happens some honorable members who support the Government will not be so ready to refer to certain people as traitors, and the ex-servicemen of this country will not "wear" them for one moment. I remind honorable members that when notice was given by a member of the Opposition of a motion that we should express our appreciation of Mr. Churchill's magnificent war effort, the matter was never brought forward by the Government for discussion. Any honorable member who would ridicule Mr. Churchill in the Parliament ought to hang his head in shame, and the members of a Government which countenances such utterances ought to be ashamed of themselves. I remind honorable members opposite that Senator Collings, a former Minister for the Interior, said of Mr. Churchill on the 1st December, 1939—

I would not negotiate with that scoundrel Churchill. . . . I regard him as a mad dog let loose for the purpose of spreading hatred where previously none existed.

At that time Mr. Churchill had not become the leader of the British Government, and Senator Collings's criticisms related to Mr. Churchill's actions prior to his becoming Prime Minister of the United Kingdom. At that time Mr. Churchill was warning the world of the real nature of the struggle that lay before it, and he pointed out again and again that the danger was becoming greater as time went on. To-day another gentleman is warning the peoples of the world, including those who think along similar lines to members and supporters of the Government. Let me hear any honorable member opposite make a criticism of Mr. Bevin, the Secretary for Foreign Affairs in the United Kingdom, similar to that uttered of Mr. Churchill only a few years ago. Is Mr. Bevin described as a war-monger? No, because he is obviously in earnest in warning us of the scoundrels who are trying to enforce their demands on a democratic world. Then we have Mr. McGovern, who is a decided left-winger and is not even a member of the British

Labour party. He received more cheers in the House of Commons than Mr. Bevin, when, in the course of a recent utterance, he bluntly accused the Russians of what he described as "dirty, underhanded and mongrel tactics". Therefore, I warn supporters of the Government that when they attempt to tear to pieces the reputations of people like Mr. Churchill, who did something that has never been done before, and whose greatness the world has not yet fully recognized, they should beware of the consequences. I remind honorable members that Mr. Churchill is a man of comparatively common stock, and that his status was for many years that of a mere private member, a status similar to that of many members of this chamber. However, he had the ability, at a time of desperate need, to tell the English people just what they needed to hear. Although the English people would certainly not have run away from Hitler, it needed Mr. Churchill to organize the strength of their determination, and his inspiring leadership to guide them through the worse years of the war

The honorable member for West Sydney (Mr. O'Connor) spoke of lifting the ban on the Communist party, which was imposed by the Government in which the honorable member for Indi (Mr. McEwen) was Minister for the Interior. I remind the honorable member for West Sydney of the circumstances which culminated in the imposition of the ban on the Communist party. "Eddie" Thornton, who was the head of the Ironworkers' Union, declared in 1941, "Strikes are our business". Thornton did not care two hoots for our servicemen in the Middle East, in the islands or anywhere else; he simply wanted the ban on the Communist party lifted. The Curtin Labour Government lifted the ban. In doing so it was, according to the honorable member for West Sydney, acting quite rightly, because Russia had then entered the war. However, I emphasize that Russia did not enter the war voluntarily, but became involved through the course of events. It is clear, therefore, that the honorable member had no justification whatever for making a contemptuous reference to the right honorable

member for North Sydney (Mr. Hughes), who, at the time of which I am speaking, was engaged in a recruiting campaign in Sydney. The right honorable member for North Sydney was quite open about his attitude. At that time he declared: "Any man who fights with me is my comrade", and he did not care what his politics were.

Before referring to a matter which I regard as being of the utmost importance I intend to reply to some other remarks made by honorable members opposite who have taken part in the debate. The Minister for Works and Housing (Mr. Lemmon) lauded the Government for what it has done. He said, in effect: "There are countries without governments; countries with starvation, with turmoil; but that is not so in Australia". I remind the Minister that this country is extremely fortunate because it is one of the very few countries which emerged from the recent conflict without suffering any material damage. Why should we not be on top to-day? The real question that we should ask ourselves is: What have we done to take full advantage of our favorable position? The answer is that we are losing markets in almost every part of the world; we are not increasing our production and we have considerable turmoil in our midst. Although that turmoil has at times almost produced chaos, I admit that, generally speaking, it is not of a similar character to that experienced in other countries. However, that is not the real point, because we should be immeasurably better off to-day if we had a government with the courage to deal with the disruptionists. The Minister is becoming adept at misleading the people, and recently I heard him interject during the course of a speech by the honorable member for Richmond (Mr. Anthony), to stigmatize him as "Larry the liar". I think that the Minister himself deserves the epithet of "liar" after his name. To support my opinion, I propose to repeat some of the statements which he has made recently. On one occasion he asked: "What is the housing position to-day as compared with that of pre-war years?" and he then went on to cite statistics in the course of which he stated that before the war a man could purchase a house for

Mr. Hamilton.

£800, whereas a similar house would cost him £1,800 now. He said—

I regret very much the increase of price. but I point out that before the war home buyers had to pay interest rates of 7 per cent., whereas to-day they can obtain an advance for only 3½ per cent. interest.

Of course, home-buyers probably have to pay 3½ per cent.—

Mr. LEMMON.—It is a pity that the honorable member cannot tell the truth.

Mr. HAMILTON.—I shall concede to the Minister that he may have meant 3½ per cent., but I am basing my criticism on my understanding of what he said.

Mr. LEMMON.—Why does not the honorable member refer to *Hansard*?

Mr. HAMILTON.—I ask the Minister whether he has realized that a home-buyer who has to borrow £1,800 at interest even as low as 3½ per cent., will pay £40 more in interest over the years than one who borrowed £800 at 7 per cent.?

Mr. LEMMON.—Why does not the honorable member repeat the rest of my statement, that the basic wage was only £3 10s. when the ruling interest rate was 7 per cent.?

Mr. HAMILTON.—The Minister did not specify the period to which he was referring; but, in any event, a home-buyer who has to borrow such a large amount of money in order to build a home pays a great deal more in interest because of the high cost of building than he should even if the interest rate is as low as 3½ per cent. The Minister also expressed the opinion that the shortage of housing accommodation would be overcome in two years, and I certainly hope that his prophecy proves correct. The honorable member for Hume (Mr. Fuller), in saying that the men who fought in World War II. had no physical assets to protect, cast a slur on our ex-servicemen who risked their lives in defence of their right to live their lives in their own way. The honorable member boasted of the Government's treatment of ex-servicemen, yet he was one of those who voted in favour of the application of the means test to war pensions.

Many honorable members opposite have referred to the effect on prices of the decision of the people as expressed in the recent referendum on rents and

prices control. The Government must accept full responsibility for any price rises that have occurred or may occur, because it has refused to carry out its obligations to the people. The people were not asked whether control over rents and prices should be exercised by the Commonwealth or by the States, but whether the Commonwealth should be granted permanent powers to control such matters. As soon as the people refused to grant to the Commonwealth permanent powers to control rents and prices, the Government put its tail between its legs and refused to exercise the authority vested in it under the Defence (Transitional Provisions) Act to continue these controls until the 31st December next. I defy any honorable member opposite to prove that any honorable member on this side of the chamber indicated his unwillingness to allow the Government to continue to control prices until such time as the supply of goods approximated to the demand. Only a madman would abolish such controls whilst supply lagged so far behind demand.

Mr. DUTHIE.—Why did not the honorable member tell the people that at the time of the referendum?

Mr. HAMILTON.—That is exactly what I did tell the people of Western Australia.

In considering the defence proposals of the Government I am reminded that on the 2nd November, 1938, when commenting on the defence policy of the Lyons Government, the Minister for Labour and National Service (Mr. Holloway), who was then in opposition, said—

I do not charge the Government with not expending enough money on defence. I make it clear at the outset that I think it is expending too much.

This Government proposes to expend on defence over a period of five years, a total amount of £250,000,000. The budget reveals, however, that the rate of expenditure in the first year of the operation of the plan has not reached the estimate. References have been made during this debate to the need for the resumption of compulsory military training. In to-day's press we read that the Chief of the General Staff, Lieutenant-General Sturdee, has said that there is nothing wrong with

having a strong defence force. I am sure that all honorable members on this side of the chamber are in accord with that view. Compulsory military training should be resumed. Such training would do the youth of this country not one whit of harm. It would not hurt our young men to be trained in the use of firearms; and to subject themselves to some form of physical training. A well-trained citizen army would constitute the nucleus of a defence force for use in a possible emergency. Any young man in this country who would be ashamed to carry himself in a soldierly manner, to accustom himself to the use of firearms, to learn how to build bridges, to ride a horse and serve in one of our Light Horse regiments, or to drive a weapon carrier, would not be fit to be called an Australian. Honorable members opposite, however, ridicule the suggestion that compulsory military training should be resumed. What I envisage is, of course, not the kind of compulsory military training we had in the early 'twenties, when our young men were trained in their own time and had to attend hourly parades one night a week and two-hourly parades on Saturday afternoons. The training should be carried out in the employers' time, as it would benefit both employer and employee. I am certain that the great majority of employers would strongly support the Government if it instituted such a scheme of compulsory military training.

Mr. RIORDAN.—Does the honorable member suggest that there should be continuous training?

Mr. HAMILTON.—Training could be given either at week-ends, with a camp at the end of the year, or in camp for a concentrated period. The training should be done in the time of the employer and the trainees should not lose financially by having to undertake military service.

I propose now to say a few words about the failure of the Government adequately to provide for the defence of Western Australia. There are no defence installations at even one point along the 4,350 miles of coastline of Western Australia despite the fact that that coast is open to the Indian Ocean, the safety of

which for navigation is essential to the maintenance of trade between this country and the United Kingdom. As a consequence of the failure on the part of the Government adequately to provide for the defence of Western Australia, the secondary industries of that State have not been developed to the degree that they otherwise would have been. More than twenty years ago the then Government announced that it intended to establish a naval base at Cockburn Sound, in the electorate represented by the honorable member for Fremantle (Mr. Beazley). The naval base was to be established on the coast, with Rottnest, Carnac and Garden Islands guarding the entrance to the Sound. Reefs at the entrance to the Sound, which require very careful navigation, would have afforded very good natural protection for the base. Although Cockburn Sound provides a deep water port admirably suited for the establishment of a naval base, nothing has ever been done about that project.

Mr. RIORDAN.—Nothing done at Cockburn Sound?

Mr. HAMILTON.—The Minister is thinking of Careening Bay, where his fleet anchors. At Albany, where there is also an excellent harbour of good depth, no attempt has been made to provide a naval establishment. When a British fleet came to Western Australia towards the end of the war, a British admiral said that it was a crying shame that all the naval dockyards were concentrated in the eastern States, so that ships had to be brought to Sydney or Melbourne for repair and overhaul. At Yampi Sound, in the north-west of Australia, there is an island containing more than 100,000,000 tons of iron. The deposit is above high water mark, and the ore is 70 per cent. pure iron. Some years ago, an attempt was made to hand this island over to the Japanese to be exploited, and it was the man whom Labour supporters call "Pig-iron Bob" who stopped the deal. The people of Western Australia are acutely conscious of the Communist threat to Indonesia, and they realize how quickly and easily it could become a threat to Australia if the Communists obtained control. Going further north-west, we find that there is trouble in Burma and India, and, still further westward, there

is fighting between the Jews and Arabs in Palestine. Honorable members opposite seem to find this amusing; but they are always the first to appeal for help when they find themselves in danger. However, they are not prepared to do much themselves. They had a golden opportunity to do something worthwhile with Manus Island; but they threw the opportunity away. The people of Western Australia are deeply concerned over these matters, and while I represent a Western Australian constituency in this House, I shall voice their opinions. In the countries of the Near East, including Saudi Arabia and Trans-Jordan, there are tremendous deposits of oil. Now that there is a possibility of trouble with Russia, that country will seek to control the oil deposits in the countries I have mentioned, not because Russia needs the oil—it has plenty of its own—but in order to keep the oil from the democracies. Once the Russians gained access to the Persian Gulf, they would have a base from which they could command the whole of the Indian Ocean. Frequent reference has been made in the press of Western Australia, and in some newspapers in the eastern States, also, to the need for establishing an alternative air route from Australia to Great Britain across the Indian Ocean via Coco-Island, Diego Garcia Island, Seychelles Island, Mombassa, Khartoum and Malta. This route could be used in time of trouble should the northern route be closed against us. It has been said that the iron ore at Yampi Sound is difficult to work. That may be so, but it can be worked if power is available, and investigations are now being made in other parts of the world into methods for producing power from the tides of the ocean, as is shown in the following newspaper report which appeared on the 17th March last:—

Moscow radio reports that tests in using the force of the sea to produce electric power have been successful at Leningrad. The apparatus consists of a generator in a drum anchored at sea. The drum, when the tide reaches a certain level, begins to rotate setting a generator in motion. The radio claims that the invention can produce up to 1,100 kilowatts. When we realize that the rise and fall of the tide on the north-west coast of Australia is 28 feet, and that the tide runs

at 10 knots, we begin to understand what a tremendous amount of current might be generated in this way. Some persons have claimed that an enemy would gain nothing by landing in the north-west of Western Australia because the country is barren. That argument was used during the early part of the last war, until General Sir Thomas Blamey, upon his return from the Middle East, convinced the Government of its fallacy, and Lieutenant-General Gordon Bennett was sent to Western Australia to organize our defences there. Whether the country is barren or otherwise, once an enemy gains a foothold there, it would not be long before he found his way to the eastern States, and gained control of Sydney and Melbourne. Our strategy should be to keep the enemy out of Australia altogether. As has been frequently pointed out, the best place to fight an enemy is as far away from Australia as possible. The Government should tell the people of Western Australia what it proposes to do to defend the 4,350 miles of coastline of that State. The people will not be satisfied until they receive an assurance that something positive is being done.

In his budget speech, the Treasurer spoke of the need for more production. In particular, he appealed to the farmers to produce more; but how can they be expected to do so when they cannot get machinery and other necessary goods? I was told recently by the representative of a big firm engaged in the manufacture of machinery that it was unable to fill orders for 150 harvesters for Western Australia. God only knows how many orders are outstanding for scarifiers, ploughs, cultivators and seeding machines. A few days ago, the honorable member for New England (Mr. Abbott) found it necessary to protest in this House against the allocation of dollars for the purchase of cement-making machinery at a time when we cannot import the tractor spare parts which are so urgently needed. On the 17th June last, I asked a question about the export of farm machinery from Australia. I was informed by the Minister for Commerce and Agriculture (Mr. Pollard) that, for the year 1946-47, farm machinery to a total value of £821,000 had been exported.

Mr. POLLARD.—Now enumerate the implements that were exported.

Mr. HAMILTON.—According to the reply I received, they were as follows:—

	1946-47
	£
(a) Ploughs, harrows, cultivators, scarifiers and parts ..	518,084
(b) Reapers and binders, harvesters and parts ..	91,996
(c) Strippers and stripper harvesters ..	50,882
(d) Metal parts of stripper harvesters and strippers ..	19
(e) Other implements and machinery ..	160,456
	<hr/>
	821,000

The increase in the value of exports for the fiscal year 1946-47 is partly due to a price increase of approximately 10 per cent. and partly to the fact that the bulk of the exports of ploughs, harrows, &c., consisted of surplus American lend-lease machinery.

The export of tractors, grain and fertilizer cultivator drills, seed drills for cereal crops, header harvesters, reaper threshers, reapers and binders, hay balers, rakes, mowers and spare parts of those machines, has been prohibited since the 1st July, 1947.

Mr. POLLARD.—The prohibition was necessary because we could not trust the manufacturers, who are your supporters, to do the right thing. Controls must be applied in order to save the farmers.

Mr. HAMILTON.—I addressed a question relating to this subject to the Minister representing the Minister for Trade and Customs on the 23rd September, 1948, and the Minister replied that exports of agricultural machinery for the year 1st July, 1947, to the 30th June, 1948, were as follows:—

	£
Ploughs, harrows, cultivators, scarifiers and parts ..	415,103
Planting, seeding and fertilizing machines ..	91,873
Harvesting machinery and service parts ..	25,238
Mowers and service parts ..	41,408
Miscellaneous harvesting machinery ..	23,049
Total ..	<hr/> 596,671

Mr. EDMONDS.—Where did they go?

Mr. HAMILTON.—Evidently the honorable member for Herbert (Mr. Edmonds) will be surprised to learn that thousands of pounds worth of

scarifiers and parts have been exported to foreign countries, yet the Australian farmers cannot obtain such an implement for love or money. I should like the Minister to make a personal inquiry in regard to this matter if he doubts my word. In his reply to me on the 12th July, 1948, the Minister stated that the bulk of exports of ploughs, harrows, &c., listed in the fiscal year 1946-47 consisted of surplus American lend-lease machinery. Even allowing for that factor, which accounts for some £300,000 of the total sum, if a prohibition on the export of agricultural machinery operated from the 1st July, 1947, how can the export of £596,671 worth of that machinery during the year 1st July, 1947, to 30th June, 1948, be justified? On the one hand the Government asks the farmers to increase production, and on the other hand it permits the export of machinery that they so urgently require.

Mr. POLLARD.—Why does not the honorable member tell the full story?

Mr. HAMILTON.—That is the full story.

Honorable members interjecting,

The DEPUTY CHAIRMAN (Mr. Burke).—Order! The honorable member must address the Chair, not honorable members opposite.

Mr. HAMILTON.—If the Minister claims I am telling an untruth—

Mr. POLLARD.—Of course it is.

Mr. HAMILTON.—I have quoted the Minister's own words. I am prepared to show his letter to any honorable member who doubts that I have quoted the Minister's words correctly. I realize that the Minister administers a big department, but he should not say that he intends to prohibit the export of this machinery if that is not his intention. When inquiries were made it was found that more machinery had been exported than in the previous year.

Mr. POLLARD.—Tell the full story.

Mr. HAMILTON.—That is the kind of setback that the producers get every week in the year. Even when machinery is available in the eastern States, trouble on the waterfront or on the coal-fields prevents its transportation to Western

Australia. If the Prime Minister and this Government are earnest in their desire to increase production, other reasons for the lack of production should receive their attention. People like the person in Brisbane, concerning whom a question was asked in this House earlier to-day, are allowed to get away with these things and cause trouble. Why not stop the trouble before it starts? This Government should "stand on its legs, use intestinal fortitude" and tell them where they "get off". The Government would have the Parliament behind it, and also the people throughout the length and breadth of Australia. The greater the production the greater will be the assistance we can render to the people on the other side of the world. When speaking in this chamber recently the honorable member for Reid (Mr. Lang) "went into the kitchen of the housewife" and pointed out to honorable members all the difficulties confronting our women-folk to-day. It is true that high wages prevail, but honorable members on the Government side of the chamber are well aware that the pound note is now only worth between 7s. and 8s. Yet Government members continue to aver that the people are better off to-day than before the reduction in value of money. Honorable members of the Government side are speaking to the people with "tongue in cheek".

Mr. WARD (East Sydney—Minister for Transport and Minister for External Territories) [9.35].—The budget debate gives honorable members an opportunity to introduce a wide variety of subjects, and honorable members of the Opposition have availed themselves fully of that opportunity. I trust that the Prime Minister (Mr. Chifley) will not in any way be disturbed by the criticisms that have been levelled against the budget under review. If this Government were able to do anything to the satisfaction of the Opposition, I am convinced that the Government would be wrong, because the Opposition has an anti-Australian outlook and misrepresents the facts. Let us take the honorable member for Swan (Mr. Hamilton) who has just resumed his seat. He quickly toured the world, referred to every country where trouble is being experienced, and then

came back to Western Australia. Yet he does not know that the particular area in Western Australia which he claims is undefended is an area to which the Government has devoted a great deal of time, and on which has been expended large sums of money to provide air strips for defence purposes.

Mr. HAMILTON.—How many squadrons are to be based there?

Mr. WARD.—During his brief period in this Parliament, the honorable member has not troubled to ascertain what has been done by this Government to ensure the defence of Western Australia. He strongly objects to this Government but does not know how it came to office in the first instance. The reins of office were entrusted to the Australian Labour party in October, 1941, because the people of this country, and majority of the members of this Parliament, recognized that the anti-Labour governments up to then in control, had neglected this country's defences. Recruits were being trained with dummy wooden rifles. We did not have equipment to give them. The only aircraft available were not airworthy, and were only used in connexion with war loan rallies in Martin-place, Sydney, and elsewhere. One of the principal issues of the general elections in 1943 was the defence plan of a previous Government—the present Opposition. One thing that this country will never be short of is an abundance of war strategists—men who, according to their own opinions, know how this country should be defended. The plan the then Government had in 1941 for the defence of Australia, or a very small portion of it, was to abandon a large section of this country to the Japanese without firing a shot at all. Honorable gentlemen opposite do not agree that there should be some proper investigation of the plan which they had devised, or allegedly devised, for the defence of this country. It is easy for those wishing to criticize the Government to extract from *Hansard* a certain passage, and quote it out of its context so as to give it a completely different meaning. For instance, I think it was the honorable member for Warringah (Mr. Spender) who quoted, during this debate, something which he alleged I had said three years

ago relating to the defence of New Guinea. I remember the incident to which the honorable gentleman referred and I can now tell the true meaning of what I said when my words are read in their proper context. They have an entirely different meaning from that conveyed by the honorable member for Warringah. I said then, and I now repeat, that people whose only purpose in controlling a country is to exploit its abundance of cheap labour should be called upon to defend that country. The honorable member for Swan referred to events in Malaya. We know what happened in that country. The people about whom he just spoke, those interested in investments in those areas, were the very people who ran away when the safety of that country was threatened. Those interests were against the scorched earth policy, because they wanted to preserve their assets. They did not worry whether their attitude involved the loss of additional Australian lives. I hope that the people will some day have the opportunity to examine all the facts. No matter what honorable members opposite may say, the people are the best judges of conditions in this country; and conditions to-day are undoubtedly better than they were in the pre-war period. I am not arguing for the pre-war period. I am not arguing for one moment that we have reached the millennium. That would be far from the truth. So far, we have only scratched the surface of the problem. What is the position of our war pensioners to-day? I do not say that they, or any other section of the community which is dependent upon social services, are receiving all that they should receive. But I put this to honorable members: It is a rather peculiar argument advanced by members of the Opposition that we should expend more money on war pensions and in providing assistance to ex-service personnel and, at the same time, we should reduce taxes. No government can increase its expenditure without increasing its revenue from taxation. I would be happy if I were able to record a vote in this Parliament to increase the taxes upon the wealthier sections of the community in order to provide a far greater measure of security for war pensioners. But I

know what would happen. We should immediately be told of the adverse effect which increased taxes would have upon the country's economy. On innumerable occasions in the past members of the Australian Country party when sharing in an anti-Labour government, have deliberately run away from the opportunity to record a vote in the interests of primary industries. When such matters were raised by the Labour Opposition they invariably moved the adjournment of the debate, knowing that the Government of the day would be able to arrange the business paper and prevent such debates from being resumed.

Listening to them to-day one might be led to believe that the only issue in Australia at present is that of communism. I do not believe that communism is an issue in this country. I sincerely trust that supporters of the Government will not be so foolish as to allow honorable members opposite to make communism the issue at the general elections to be held next year. Any one who examines the facts impartially must admit that no threat from the Communists now exists in this country. The Communist party has a membership of only 21,000; but honorable members opposite invariably raise this issue because they are not prepared to examine honestly the achievements of this Government and the failures of preceding anti-Labour governments. They believe that an election fought on that issue can have only one result. They want to concentrate on what they believe will prove to be an election winner. That is why they raise the Communist bogey.

The Acting Leader of the Opposition (Mr. Harrison) said that the Government should convince the workers that greater production means a higher standard of living. It is true that greater production is necessary, but increased production does not always result in raising the living standard of the workers. Greater production also means greater profits under anti-Labour governments. We know that it has not always meant greater security for the workers. That depends upon the policy of the Government that happens to be in office. Statements made even by honorable members opposite prove that increased production in

certain years has meant unemployment and degradation for the workers of Australia. The right honorable member for Cowper (Sir Earle Page) presented rather a peculiar criticism. He said that in order to increase production we must reduce taxes. He spoke of the terrible difficulties confronting the married man. He said that a married man with an income of £350 a year, that is about £7 a week, now pays income tax amounting to £15, but would have to pay £56 in income tax, or an increase of £41, if his income were increased to £600 a year. The right honorable gentleman then argued that because a married man on £7 a week would have to pay additional income tax amounting to £41 if he increased his income by £250 a year, he would prefer to go slow on the job and would be content to remain on the lower salary. Such an argument is utterly ridiculous. The Prime Minister (Mr. Chifley) pointed out that in 1947-48 an additional 62,000 adults had gone into employment in this country. Of that number the iron and steel industry absorbed 1,000, and the coal-mining industry 500. Those figures are interesting, because listening to honorable members opposite, one might be led to believe that this Government had been so generous to the coal-miners that they had nothing at all to complain about. It is true that the Government has done a great deal to improve working conditions in the coal mines and living conditions on the coal-fields. But no government can rectify all the evils which have resulted from a century or more of mismanagement of the coal-mining industry. That will take time, and the Government is working towards that objective. However, in spite of all the talk by honorable members opposite about the great privileges and the working conditions given to the coal-miners, I guarantee that not one of them has a son who is eligible to work in a coal mine employed in that industry. Honorable members opposite are always talking about higher production, but they want other people to be the producers. The first concern of the people they represent is to place their sons in a profession. I do not argue against that outlook, but what is happening is that the workers now have more money than they ever had.

previously and can afford to give their children a higher education. They are looking for something better for their sons than they themselves had to endure during a lifetime working in the coal mine. The community must have a real appreciation of these facts.

Mention has been made of strikes. Of course, strikes occur, but any one listening to honorable members opposite would imagine that the Government was responsible for every industrial dispute. The Leader of the Australian Country party (Mr. Fadden) cited some figures regarding strikes. He referred to coal production in certain years, but he deliberately avoided citing the figure in respect of 1942. In that year coal production was a record, and that record still stands. But even in that year members of the Opposition attacked this Government for what they described as its "appeasement policy". They declared that it was giving the miners everything that they asked for and, although the number of industrial disputes had diminished, they were still dissatisfied. They wanted the Government to invoke National Security Regulation 77 and force young miners into the Army. But when some of these men volunteered, being employed in a protected occupation, members of the Opposition approached the Government to have them taken out of the Army and sent back to the mines. Obviously, coal production could not be increased unless there were enough miners. All this talk about appeasement of the miners by the Government is sheer hypocrisy. Why, the present Opposition, when it was in power, introduced a policy of attempted bribery of trade union representatives as a means of keeping peace in industry! I believe that such a policy will never be revived. It became the subject of an investigation by Justice Sir Percival Halse Rogers, who made some very caustic comments about misuse of public moneys by the government of the day in its efforts to maintain industrial peace.

I turn now to the real threat to the people of Australia. They are in danger, but not from communism. The real threat is that of another depression—another period of vast armies of unemployed queuing up each week for their

miserable hand-out of "dole"—should they be foolish enough to defeat this Government and return the Opposition parties to power. Let us hope that recent indications will be maintained. The farmers have realized their mistake, and, soon after the referendum on price and rents, they are swinging back to the support of the Government. I believe that a similar trend would be evident throughout the community if we could test the general feeling. The Acting Leader of the Opposition (Mr. Harrison) said—

The way in which to preserve democracy is not to regiment the workers but to give them freedom to work and obtain an adequate reward for the products of their labour.

Hansard records scores of such statements made by members of anti-Labour parties when they have had no responsibility for the government of the country, but, when they have been in power these men have shown complete contempt for the personal liberties of the people. We all recall what happened when the Acting Leader of the Opposition was Minister for Trade and Customs in a previous government. Most members of the Opposition regard themselves as authorities on every subject, and in those days the honorable gentleman set himself up as an authority on literature. He banned a book called *Ulysses*, and the Grafton Anglican Synod passed a resolution registering an emphatic protest against the literary censorship exercised by the honorable gentleman. During a discussion on the banning of the book, the Reverend G. S. Watts said—

We who are fighting the battle for democracy to-day should resist every form of nazi-ism. The attitude of the Minister for Customs in banning this book is just another indication of that spirit which brought Germany where she is to-day.

The honorable member has not changed his views since then. Members of the Opposition talk loudly to-day about what the Government is attempting to do in relation to broadcasting. Anybody would imagine, from what they say now, that the press of Australia and broadcasting stations generally have impartially reported and commented on political affairs. But I recall some startling statements that were made in 1944 by Mr.

Cleary, who was then chairman of the Australian Broadcasting Commission, when giving evidence before the Broadcasting Committee. Referring to the present Acting Leader of the Opposition, who claims to be a lover of liberty, he said—

Mr. Harrison had telephoned from Canberra and said that the Cabinet objected to any criticism of the Government going over national stations.

That was the anti-Labour government of the day—

At 4 o'clock in the afternoon I was given a direction by telephone purporting to be in compliance with the act, and making me personally responsible for seeing that "The Watchman" did not from that moment criticize the Government.

"The Watchman" was a radio commentator—

To test the matter, I asked whether "The Watchman" could criticize the Opposition. The reply was that they were not concerned with that, but he must not criticize the Government.

I asked for confirmation of that in writing, but I did not get it. I was obliged to write that out to confirm my remarks, and my confirmation was never challenged.

From time to time Ministers had objected to the broadcast of certain things.

Mr. Archie Cameron objected to the use of the term "Red Army". Mr. Thibby objected to the broadcasts about the "Douglas credit system", and even threatened to recommend to Cabinet that the commission be abolished if such broadcasts did not cease.

Mr. Cameron also complained that a passage in the news service unfairly represented some changes that were then taking place in the ranks of the Country party.

Yet those gentlemen declare that liberty in Australia is in danger! Surely, if there is a real threat to the safety of Australians and their liberties it does not come from communism which has an insignificant number of adherents in this country. I remind honorable members on the Government side of the chamber that members of the Opposition have rather peculiar ideas about what constitutes communism. They say that an attempt to nationalize banking is in accordance with Communist policy. Nationalization of any big monopoly would be a step towards communism, according to them. Therefore, on their line of reasoning, a great deal of what the Labour party

Mr. Ward.

stands for would be regarded as being in line with Communist philosophy.

If one wants to find Nazis and enemies of liberty, one need not go beyond this Parliament. The honorable member for Barker (Mr. Archie Cameron), for instance, has a very poor opinion of women. In fact, he considers that women should be told what class of work they should be allowed to do and should be kept in their places. Here is a report of what he has said on the subject—

"Sex equality' was all rot and nonsense. Women should not be allowed in any occupation which deprived a man of a job. Except for a few avenues such as nursing, they should be kept in the home, minding the children. If there was not so much drivelling about equality, women would be in their proper places".

Asked whether he considered a women's mental capacity was equal to a man's, he emphatically replied, "Certainly not".

That is the opinion of one of those gentlemen who to-day argue that the real threat to the safety of this country comes from the 21,000 recognized members of the Communist party. The honorable member for Barker closed a radio station without regard for the wishes or opinions of the Parliament. As Postmaster-General, he merely said, "I have the power to close the station and I intend to use that power". When he was asked, as he was about to depart for Kangaroo Island, whether he intended to close any other radio stations, he replied, "No. One is enough for Christmas", and went off. Several clergymen made a joint statement of protest, in which they said—

We deplore the fact that the metal fist of fascism has struck such a blow at the Australian people.

The Anglican Bishop of Armidale, Dr. Moyes, said—

To cut a station off the air like this is a most extraordinary thing to do. It is truly undemocratic.

The Leader of the Australian Country party (Mr. Fadden) had this to say on the subject of democratic freedom at a meeting in Adelaide—

If the noisy element to whom we are subjected every day represented the average opinion of the workers in this country, I would say that the sooner we let Hitler run this country the better.

I dare say that the right honorable gentleman was a little heated at the time, as he

wade the statement during a political campaign, but nevertheless he made it.

Now I come to the right honorable member for North Sydney (Mr. Hughes), who, a few days ago, celebrated his 84th birthday—84 years of iniquity behind him! In 1914, when protests were made against interference with the liberty of the people, he said—

While it is to be regretted that loyal citizens should be inconvenienced or injured in business or reputation by any action taken by the Government under the emergency legislation recently passed, it cannot be admitted that such action is not justified, even when no evidence is disclosed upon which to base a charge.

Those are the gentlemen who criticized a member of a former Labour government because of action which he took against Nazi organizations in this country. The honorable member for Warringah (Mr. Spender) quoted extensively from reports of speeches by members of the Labour party, but we have not earned the distinction, if it can be so described, that members of the Opposition have earned, of being complimented by the Japanese, and by the German radio for our assistance to the Nazi cause. We all remember, despite what they may say about what they allege to be the unrealistic approach of the Labour party to defence, that shortly before Japan became engaged in the war against the democratic powers, the honorable member for Warringah was in Singapore, and, in a broadcast, he said—

Australia has no quarrel with Japan.

Japan had devastated large areas of Chinese territory, but the honorable member still believed that Australia had no quarrel with Japan. That the Japanese Consul-General in Australia at the time was very pleased with the honorable member's statement was indicated in his comment—

Relations between Australia and Japan are so friendly that they cannot be upset by the irresponsible remarks of the Chinese Ambassador.

The Chinese Ambassador had criticized the honorable member's speech. The Japanese Consul-General continued—

My Government deeply appreciates Mr. Spender's remarks. They are regarded as another of the many friendly gestures made in recent months by the Australian Government to Japan.

When the honorable member for Warringah, a very voluble chap, was questioned about his statement, he said—

I said nothing incompatible with the remarks of President Roosevelt. Beyond that I have no comment to offer.

What that reply meant, I do not know; but it is obvious that the honorable member for Warringah was most embarrassed by the favorable comment that his statements had elicited from the Japanese Consul-General and press.

I am very happy to know, and pleased to hear, that the highest authority in the Labour movement, which is sitting in Canberra at the moment, has made important decisions and has not been stampeded or intimidated by certain recent statements. The objectives of the Labour party still stand intact. We have good authority to speak in support of what the federal conference of the Australian Labour party has now decided, because the honorable member for Reid (Mr. Lang) at the conference of the Labour party in New South Wales in 1931 said, in relation to the objectives—

We must press on to our objective of socialization, and do it quickly. You must get out among the people; you must point out to them the benefits of socialization; you must make them ready to receive it. Nobody is keener on our objective than I am.

If they force me far enough, I will go the whole hog.

That was a very good statement from the then Labour leader, because there is one thing that labour men must never do: they must not allow themselves to be put in the position of apologizing for their policy. We believe that the great monopolies in this country which operate inimically in the public interest should be nationalized. No Labour man has ever argued, as honorable members opposite have implied that we believe that all the individual personal possessions of every member of the community should be nationalized or socialized. But we do believe that the great monopolies of this country, including banking and insurance institutions, should be nationalized, because they have operated inimically to the public interest. The honorable member for Swan (Mr. Hamilton) referred to the depreciation of the £1 and stated that it was of much

less value than it was formerly. Of course that is true, but when the Labour Government wanted to stabilize the value of our currency by assuming complete control of banking, the honorable gentleman opposed the proposal and said that it was another section of the socialist platform of the Australian Labour party. Honorable members opposite put forward suggestions which are impracticable. They are not prepared to take the decisive steps to do the things which are necessary in the interests of the Australian people. They complain to-day because the Labour party has a policy of full employment. When the Minister for External Affairs (Dr. Evatt) while attending the San Francisco conference, was endeavouring to place in the world charter a provision for full employment, they criticized him and said that he had no authority to take that course. They used the result of the referendum in 1944 as evidence that the people had rejected the Government's policy of full employment. What they want is the old system with its army of unemployed, so that they can use it as a weapon to break down conditions in this country. The subject of communism has been introduced into this debate merely as an election bogey. Again, I quote the honorable member for Reid, who said in 1934—

This Red monster and the Communist bogey is made an election catch-cry by Labour's opponents in an endeavour to create a stampede among the electors and thus divert attention from the real issues.

The honorable member for Reid also wrote in his book, *Why I Fight*—

There are those in the community who develop hysteria at the very mention of the word "Russia", and there are also astute politicians who regard the development of that hysteria as their passport to a parliamentary seat and who are prepared to sacrifice national interests to the maintenance of that hysteria.

I agree with the honorable member, that that is the purpose of those people who use that catch-cry. The honorable member for Reid also said in 1927—

I am at a complete loss to understand why any sane man or woman should get excited over the Communists or their activities. They are an absolutely negligible body in Australia, devoid of leadership, finance, brains, and numbers.

That is exactly the position of the Communist party in this country to-day. Now,

Mr. Ward.

I shall deal with members of the Opposition who charge the Government with failing to take strong action against the Communists. When the honorable member for Warringah was Minister for the Army the honorable member for Barker criticized him for his weak attitude towards communism. The honorable member said—

It surpasses my understanding how the Minister for the Army can sanction the spreading of communism or Russian propaganda among the Australian troops. While the Labour party is expelling prominent people for making contact with a thinly disguised revival of an organization which is still declared illegal, the Commonwealth Government is using taxpayers' money to do work formerly deemed so deadly that it has been prohibited in Australia. The early removal of Mr. Spender's softening influence is a matter of urgency.

Last week the right honorable member for North Sydney devoted the whole of his speech to the threat of war with Russia and the danger of communism in Australia. But during World War II, it suited honorable members opposite to have Russian aid, and they did not want to offend the great Soviet power. When the right honorable gentleman was castigated by the then Prime Minister, Mr. Menzies, for having attacked the British High Commissioner, Sir Ronald Cross, for his criticism of Russia, the right honorable member for North Sydney had said—

Russia is our ally and those who hate her and express it in words and deeds are certainly no friends of Britain at this moment. I disagree most certainly with Sir Ronald's views. Communism does not enter into it at all. What have we to do with communism?

The same position exists to-day. It is quite true that there are many people in this country who want unrest in industry, another financial and economic depression, with its consequent unemployment. I quoted in a previous discussion, and I shall repeat it because it is important, that the financial editor of the *Sydney Morning Herald*, which is one of the official newspapers of the anti-Labour parties, wrote, as late as 1946, under the heading, "Unrest in Industry—Is a Depression Necessary?"—

Despairing references to prevailing indiscipline and the difficulty in securing conscientious work all too frequently conclude

with the remark that only another depression will restore industrial efficiency and output. Admittedly, depressions have had the redeeming feature of restoring efficiency to set against the misery of the unemployed.

There is no doubt that there are interests in this country who would welcome a depression. Let us see from where the real danger to the workers of this country will come. The honorable member for Balaclava (Mr. White) said in a speech in this chamber—

It would be better if the basic wage provision of the industrial awards did not operate until the workers reached the age of 23 or 25. At the same time the frills of arbitration awards might be laid aside. The condition that provides that time and a half must be paid to a man who works for two days or less—a feature of many arbitration awards—keeps numbers of shop assistants out of work. The bulk of extraneous payments should be wiped out.

The same honorable gentleman attempted to maintain the position in the external territories of Australia of payments of 5s. a month to natives. When this Government decided to increase the minimum payment from 5s. to 15s. a month the honorable member for Balaclava said—

I do not mind the Minister doing something to improve the lot of the natives, but I am afraid he will spoil them; he wants to do it too rapidly.

There have been white settlements in the external territories for 40 years. There were the Germans, then the British and then the Australians. The honorable gentleman believed that 5s. a month was an adequate wage for a native. He will probably agree with me that to take 40 years to reach a wage of 5s. a month ought to be gradual enough to satisfy any Tory or Liberal in this Parliament. Those views are not only his own; they are shared by other members of the Opposition. When speaking of trade unions and working conditions in this country the honorable member for Barker said—

Whether the employees worked eight, nine or ten hours a day would be a secondary consideration. . . . If Arbitration awards had to be broken they would be broken.

Regardless of the law of the land, he said they would be broken. The honorable member for Barker went on to say—

It is the Government that is the most heartless and ruthless which attains its objective,

not one which studies Arbitration Court awards and regulations, and other minor matters.

Those are the words of that lover of liberty, the honorable member for Barker. I will say of the right honorable member for Cowper that his criticism of the budget was quite frank. He admitted that he disagreed with the Government's social services programme. He thought we were spending too much money on social services, and he said—

The social services programme is getting out of hand, like a wild horse which has broken away from the bridle.

Does the right honorable member for Cowper contend that we are doing too much for the people who are in receipt of social service benefits? If that is his opinion, as one of the leading members of the Opposition, the people of this country know what to expect if, by any mischance, an anti-Labour government is ever returned to power. It would immediately set out on the Opposition's old policy of slashing the social service benefits of this country so that it could bestow benefits in the form of taxation reductions upon its wealthy supporters.

In the campaign in which honorable members opposite are indulging to-day, these character assassins do not worry whether they attack the Prime Minister or a back-bencher. If they can misrepresent, if they can be unjust and unfair or if they can impute all sorts of things such as corruption and bribery, they do not hesitate to do it.

Mr. GULLETT.—Hear, hear!

Mr. WARD.—The un-Nordic-like gentleman from Henty (Mr. Gullett) says, "Hear, hear!" These gentlemen make all kinds of unjustified charges against members of the Government from the Prime Minister downwards. I think it will be recognized in this country, even by many people who do not support the Labour party, that our Prime Minister's honesty and integrity is beyond question. When the honorable member for New England (Mr. Abbott), following his usual practice as the hireling of the cement combine, wanted to besmirch the character of the Prime Minister, this is what he did. The honorable member gives that asinine laugh of his,

but he will not deny that on the day before he raised the matter in this Parliament he was in close conference with a Mr. Butler, who happens to be connected with Broken Hill Proprietary Company Limited, which holds 53 per cent. of the shares of Southern Portland Cement Limited. The limestone leases of that company and those of Metropolitan Portland Cement Limited adjoin at Marulan. They know that Metropolitan Portland Cement Limited is challenging the exclusive right of the combine to exploit this community, and that if they are able to withstand that challenge they may be able to approach the New South Wales Mines Department to secure the very valuable leases which are now held by Metropolitan Portland Cement Limited. The articles in the *Bulletin* newspaper from which the honorable gentleman quoted were written by a Mr. MacDonald, who is also associated with the cement combine. The honorable gentleman must not imagine for a moment that these matters can be kept secret if he and Mr. MacDonald frequent parliamentary bars as often as they do, because that is where they let their tongues run loose. The cement combine has a sludge fund out of which it pays the people who do its filthy work. I shall tell the committee in a moment who controls that fund. The honorable member for New England happens to be a director of a large public trustee company, and one of his co-directors is a Mr. Allan Lewis, who is a very close associate of Mr. Kneeshaw, who is, I understand, in charge of the sludge fund that is provided by the cement industry. It will be seen that the honorable member for New England, as the hiring of the cement combine, was prepared to attempt to besmirch the reputation of the Prime Minister of this country by charges against his character and integrity. I believe that the honorable gentleman has been unsuccessful in his attempt. He has certainly been unsuccessful in this Parliament, because the high qualifications of the Prime Minister are known to all honorable members. The honorable member for New England has a paralysed mentality. We know that he has to be told the things

that he must say in the Parliament, and that he has to have them written down for him. How often have honorable members seen him come into this chamber with a prepared speech or statement, and when somebody has asked him a question about it, he has shown that he knows nothing about it and has had to consult Mr. Butler or some other representative of the combine to get the answer to the question. This Government has nothing to fear from an appeal to the people. The real test of whether the Government is doing effective work is the amount of opposition from the anti-Labour parties. Do honorable members imagine for one moment that the Opposition lacks funds to-day? Do honorable members opposite have to worry about canvassing among their friends in order to get contributions to their fighting fund? They know that at least a quarter of a million pounds has been made available to the anti-Labour parties. Who is paying for the broadcasts that they are making over the radio networks, dramatizing certain political events and falsifying them? Because the great bankers and financial interests of this country realize that for the first time in the political history of Australia their power and influence is being challenged by the Government, it is natural that the Government should expect this opposition to be whipped up against it, and money to be poured out. Those interests would not hesitate to impugn the personal character or integrity of any member of the Government if they thought that thereby the Government could be brought down. They will stop at nothing. What is happening is the best recommendation that the Government could have. The honorable member for Swan talked of a "moderate Labour man". What is a moderate Labour man? A man is either a Labour man or he is not. Is a moderate man, according to the honorable gentleman for Swan, one who is elected to implement a certain policy and does nothing about implementing it? In my opinion, that is the kind of man who should be kept out of the Parliament. I do not claim that this Government has not made mistakes. It has, as all governments do, but it has

made an honest endeavour to rectify the many ills that exist in his country. It has met with a great measure of success and will continue to legislate in the interest of the people.

I read with some interest recently of the happenings at the Liberal party conference in New South Wales. A poor individual, a doctor, who evidently had not much experience in politics, came to the conference and submitted a remarkable motion. He proposed that in view of the charges of corruption that were being bandied about this country concerning public men, the Auditor-General should be empowered to examine the private affairs of these people to ensure that they were beyond reproach. The poor, unfortunate man! How could he have imagined that he could get such a motion carried by a Liberal party conference? Of course it was rejected.

Mr. WHITE.—Tell us about the safe deposit box.

Mr. WARD.—I voluntarily made its contents available to the court. I offer this challenge to any member of the Opposition who may wish to take it up: I shall make the whole of my private affairs available for examination by any reputable person whom the Opposition may care to nominate, if the Opposition members will do likewise.

The TEMPORARY CHAIRMAN (Mr. Watkins).—Order! The Minister's time has expired.

Mr. McDONALD (Corangamite) [10.21].—I should not have taken part in this debate but for the provocative speech of the Minister for Transport (Mr. Ward). The honorable gentleman started by saying that in a budget debate it was competent for any honorable member to cover a wide range of subjects. The Minister himself dealt with everything but the budget. His main topic was defence policy, and he referred to happenings of 21 years ago, in an endeavour to prove that he is always right. He said that members of the Opposition were masters of strategy. That came very well from the master of strategy who invented "the Brisbane line". He claimed that Opposition members who to-day posed as defence strategists had let the

country down in its hour of peril. He said that in the early days of World War II, men were training in this country without rifles; but he omitted to add that the rifles had been sent out of this country to Great Britain when the enemy was only 30 miles from its shores. Those rifles were urgently needed to help to replace equipment lost at Dunkirk. The United Kingdom was in grave danger of invasion, and we should have been less than Britishers had we refused to send rifles to men who so badly needed them, and who used them to such good purpose not long afterwards. The Minister spoke of crying to Russia for aid. I remind him that Russia did not come into the war until that country was attacked by Germany. The war had then been in progress for two years. To stem the German invasion, Russia received generous assistance from those countries for which to-day the Soviet has not a good word to say. Has the Minister forgotten the convoys which operated between Great Britain and Russia, fulfilling contracts for the supply of war materials to the Soviet at great expense and considerable loss of British lives? If any country to-day owes a debt of gratitude to Great Britain it is Russia—the country which appears to be bent on provoking another war. The Minister defended the Soviet, and claimed that the Russians had no aggressive intentions. If he really believes that he should read the speech made yesterday by a British Minister, and a Labour Minister at that. He would find himself entirely out of step with British public opinion. The honorable gentleman went on to say that his memory had improved regarding the defence of New Guinea, and that he could remember making certain speeches on certain occasions. It is a pity that his memory of certain more recent happenings in New Guinea was not good enough to enable him to answer certain questions. Perhaps in another ten years his recollection of those events, too, will have improved to such a degree that he will be able to give adequate, although I am sure not satisfactory, replies to the questions. The Minister also talked about members of the Opposition running away from their responsibilities. That came rather badly from the man

who is known as the "run-away Minister"—the man who claimed parliamentary privilege and ran away from a royal commission set up by his own Prime Minister. No member of this chamber should be a better authority than he on running away from responsibilities.

Mr. WHITE.—He has just run out of the chamber.

Mr. McDONALD.—Yes. The Minister has voiced frequent criticism of private banking institutions, yet not long ago he paid a private trading bank the high tribute of lodging with it a safe deposit box. He did not seek this service of the Commonwealth Bank, of which he is such an ardent supporter; he went to the Bank of New South Wales, presumably because he thought that he would get better service there than from the Commonwealth Bank. This is the Minister who has had the colossal cheek and audacity to lecture honorable members on this side of the chamber.

My sole intention in rising to-night was to draw the attention of the public to the Minister's inaccuracies and to tell the truth regarding these matters.

Progress reported.

ADJOURNMENT.

BROADCASTING.

Motion (by Mr. HOLLOWAY) proposed—

That the House do now adjourn.

Mr. HUTCHINSON (Deakin) [10.28].—I desire to raise a matter which is of great importance to all honorable members and to the country. It arises from a statement issued to the press to-day by the Prime Minister (Mr. Chifley) concerning the proposed establishment of a new board to control broadcasting in Australia. That statement, following on the announcement a fortnight ago that frequency modulation broadcasting was to be reserved exclusively for the national stations, with resultant starving of commercial stations in the future, has led to widespread discontent. Earlier to-day I asked the Prime Minister a question concerning the proposed establishment of the board, but to that question I received, in effect, no reply. What is the reason for this

apparently super body that is to be set up to control all broadcasting in Australia, both commercial and national? How far is its control to extend? Is its establishment to be the beginning of government interference that will ultimately lead to the socialization of commercial broadcasting stations? Does it mean the end of the right of management or is it to be merely a co-ordinating body and a decider of radio ethics? Even if it is to be merely a co-ordinating body its establishment must mean a considerable intrusion into the rights of free management. It is interesting to point out that the question of co-ordination was discussed by the Broadcasting Committee prior to the compilation of its fifteenth report presented to this Parliament on the 1st May, 1947. I quote from the committee's report because it has a vital bearing on the question of whether the establishment of the proposed board is the beginning of a government plan completely to socialize all broadcasting in Australia, or whether the board is to be a body set up to attend to the co-ordination of programmes. The report stated that the Treasury representative considered it would be difficult to co-ordinate the national and commercial services, and added that perhaps the only solution to the problem would be nationalization. The representative of the Postmaster-General's Department said in unequivocal terms that that department preferred the present dual system, which has been referred to by people competent to judge radio as the finest broadcasting system in the world. It is interesting to refer to the considered opinion of the members of the Broadcasting Committee regarding co-ordination as given in paragraph 54 of the report—

Needless to say there are differences of opinion amongst us on the question of a move in that direction, as it would probably lead to, if not involve, nationalization. Realizing that a question of very high policy is involved, we suggest that the matter be debated on the floor of the House, so that all points of view may be fully considered with the object of endeavouring to find a solution which would be desirable and equitable in the interests of all concerned.

Those were the opinions expressed by the members of the committee, both Labour and non-Labour. Can it be said, therefore, that the proposed establishment of

the board is the beginning of nationalization? It is true that in the United States of America, as mentioned in the Prime Minister's statement to the press to-day, there is a body called the Federal Communications Commission, which looks over the field of broadcasting. In Australia the Minister concerned with broadcasting has powers under section 60 (1) and (2) of the Australian Broadcasting Act which approximate to those given to the Federal Communications Commission in the United States. The Minister is assisted by advisory committees in the States. This new body is to be either superimposed on this structure or is to take the place of the State committees. Pending further clarification, the position would therefore appear to be that the new body will be the real controller of radio in Australia. If the Government runs true to form this body will consist of party-political nominees. By such means, political influence could be exerted over radio. Such a power would be dangerous for any government to have, but possessed by a government whose avowed objective is socialism, one of the greatest means of informing the public might well be lost to the people. I listened to the news over the radio this evening, when the Prime Minister's announcement about the proposed new body was referred to. The answer given to my question was mentioned, wherein the Prime Minister stated that the board would be a supervisory body, which leads me to believe that the kind of body contemplated, at least for the time being, is something approaching the co-ordinating body which, in the view of all the members of the Broadcasting Committee, would ultimately lead to nationalization. As I have said, that was also the view taken by the Treasury representative on the committee. Honorable members have learned by this time to distrust the Prime Minister and all the Ministers of his Cabinet in respect of any statements that they make concerning the socialization objectives of the Government. It was announced in the radio news session to-night that the Australian Labour party conference sitting in Canberra had adopted without alteration the socialistic programme or objective ex-

pressed in the Labour party's old platform, and that it had announced its intention to proceed with the nationalization of banking, and insurance, and, amongst other things, shipping and radio. The announcement of the Government's intention to recommend to the Parliamentary Labour party the establishment of the new board to control broadcasting came after a Cabinet meeting held this morning subsequent to the determination on the socialization objective made by the Australian Labour party conference. I believe that there is involved in the proposal to establish a board to control radio, as there is involved in the Government's intentions with respect to frequency modulation, a very grave challenge to radio interests in Australia. But more than that is involved. There is a very grave challenge to all of us who value the right to express our free opinions in the way we desire, and that possibly is the most important point that arises. If the proposed board is to be a supervisory body, then the Treasury representative and all the members of the Broadcasting Committee have stated quite clearly that its establishment must lead to the nationalization of radio. If the Government's move is only the beginning of a greater move to be taken later on, which may be assumed from the announcement of the Australian Labour party conference to which I have referred, it means the beginning of the end of commercial radio in this country. Socialization of radio would certainly mean the removal of one of the greatest public organs that are available at the present time to the Australian people. I should be most interested to hear a further elaboration of this subject from the Government side before the House adjourns to-night.

Question resolved in the affirmative.

PAPERS.

The following papers were presented:—

Commonwealth Public Service Act—Appointments—Department—

Civil Aviation—J. Irvine, M. M. O'Halloran.

Labour and National Service—A. L. H. Carruthers.

Lands Acquisition Act—Land acquired for Postal purposes—St. Leonards, New South Wales.

Northern Territory Acceptance Act and Northern Territory (Administration) Act—Regulations—1948—

No. 3 (Darwin Administration Ordinance).

No. 4 (Brands Ordinance).

Papua-New Guinea Provisional Administration Act—Ordinance—1948—No. 7—Appropriation 1946-47.

House adjourned at 10.38 p.m.

ANSWERS TO QUESTIONS.

The following answers to questions were circulated:—

COMMUNISM: STATEMENT BY MR. JUSTICE SIMPSON.

Mr. HOLLOWAY.—On the 21st September, the honorable member for Eden-Monaro (Mr. Fraser) asked me whether I would inquire from Mr. Justice Simpson as to whether his comments on communism at the opening of the State Congress of the Australian Capital Territory branch of the league were correctly reported and, if so, whether it is considered desirable that a member of the Bench should express publicly such strong views. Inquiries have been made, and it appears that the press reports of Mr. Justice Simpson's statements were substantially correct. Mr. Justice Simpson did not speak as a member of the judiciary, but in his private capacity as a returned serviceman of two wars. Freedom of speech is basic to the whole ideal of democratic citizenship, and any member of the judiciary speaking as a private citizen is quite entitled to express publicly his views on any matter of public interest.

INDUSTRIAL LIFE INSURANCE POLICIES.

Mr. HARRISON asked the Treasurer, *upon notice*—

1. How many industrial life insurance policies were terminated during 1947 by the Australian Mutual Provident Society, the Mutual Life and Citizens' Assurance Company Limited, and the Australasian Catholic Assurance Company Limited?

2. What amount was paid by policy-holders to the respective concerns on such policies and what amount was paid out by each organization to policy-holders during 1947?

Mr. CHIFLEY.—The answers to the honorable member's questions are as follows:—

1. According to the returns submitted to the Insurance Commissioner, the number of industrial life insurance policies terminated during the financial year ending in 1947, by way of death, maturity, surrender, &c., was as follows:—Australian Mutual Provident Society, 51,454; Mutual Life and Citizens' Assurance Company Limited, 40,181; Australasian Catholic Assurance Company Limited, 9,369.

2. No information is available as to the amount paid by policy-holders under these policies. The amounts paid out by the companies, by way of death, maturity, surrender, &c., during the financial year ending in 1947 were:—Australian Mutual Provident Society, £2,188,614; Mutual Life and Citizens' Assurance Company Limited, £605,192; Australasian Catholic Assurance Company Limited, £193,730.

METROPOLITAN CEMENT PROPRIETARY LIMITED.

Mr. ABBOTT asked the Treasurer, *upon notice*—

1. Will he give the date upon which approval was given for the allocation of 1,189,110 dollars to Metropolitan Cement Proprietary Limited to purchase a second-hand cement plant from the Ford Motor Car Company of America?

2. What were the dates upon which the Capital Issues Board approved—(a) the writing-up of the share values of Metropolitan Cement Proprietary Limited from £87,508 to £125,000; and (b) the increase of its fully paid capital from £125,000 to £250,000?

3. Is it a fact that he personally approved the dollar allocation and the inflation of Metropolitan Cement Proprietary Limited—fully-paid capital?

Mr. CHIFLEY.—The answers to the honorable member's questions are as follows:—

1. Approval in principle was given by the Minister for Trade and Customs and myself on the 17th February, 1948, to the issue of a licence covering the importation of a second hand cement-making plant from the United States of America conditionally upon satisfactory evidence being produced that this plant had been inspected and found to be technically suitable. The tentative approval at this stage was necessary to permit of the company's representatives proceeding to America to carry out inspection. This having been completed, authority to issue the licence was subsequently given on the 16th March, 1948. This licence was for a sum of £A.371,572, being the e.i.f. and e. cost of the plant. No moneys in any form have been provided by the Commonwealth Government in respect of this plant, the provision of funds to meet the commitment being the subject of

arrangements between the importer and its own bankers in the terms of the contract of purchase. The Government has no details of such arrangements. The original licence issued to Metropolitan Cement Proprietary Limited was amended on 12th August, 1948, by substituting the name of Metropolitan Portland Cement Limited as licensee.

2. (a) and (b). No approval has been granted under the Capital Issues Regulations to an issue of capital by the company. The company increased its issued capital from £87,508 to £112,508 by making, within the exemption limit allowed by the Capital Issues Regulations, an issue of 20,000 £1 shares in August, 1947, and 5,000 £1 shares in January, 1948. The company's application to issue 12,492 shares which would have brought its issued capital to 125,000 £1 shares was refused. The proposal to make a bonus of 125,000 £1 shares to the shareholders, thus increasing the capital to £250,000, was also refused.

3. See reply to Nos. 1 and 2.
