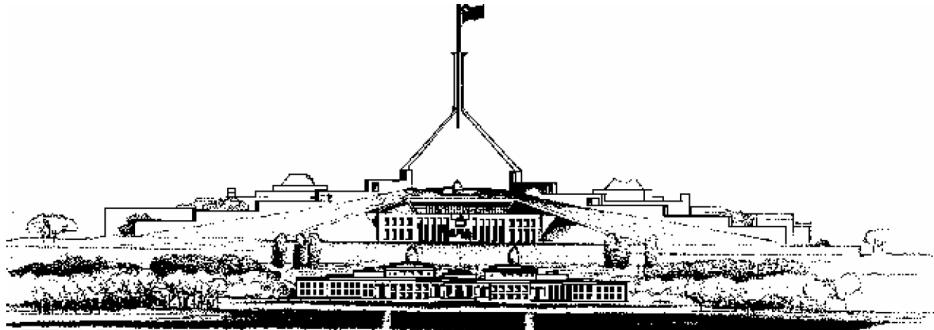




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



House of Representatives

Official Hansard

No. 13, 1950
Wednesday, 29 March 1950

NINETEENTH PARLIAMENT
FIRST SESSION—FIRST PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

PARLIAMENT OF THE COMMONWEALTH.

NINETEENTH PARLIAMENT—FIRST 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.

FOURTH MENZIES GOVERNMENT.

(FROM THE 19TH DECEMBER, 1949.)

Prime Minister	The Right Honorable Robert Gordon Menzies, K.C.
Treasurer	The Right Honorable Arthur William Fadden.
Minister for Defence	The Honorable Eric John Harrison.
Minister for Labour and National Service and Minister for Immigration	The Honorable Harold Edward Holt.
Minister for Commerce and Agriculture	The Honorable John McEwen.
Minister for External Affairs and Minister for External Territories	The Honorable Percy Claude Spender; K.C.
(¹)Minister for National Development and Minis- ter for Works and Housing	The Right Honorable Richard Gardiner Casey, C.H., D.S.O., M.C.
Minister for the Interior	The Honorable Philip Albert Martin McBride.
Minister for Health	The Right Honorable Sir Earle Christmas Grafton Page, G.C.M.G., C.H.
Minister for Trade and Customs	Senator the Honorable Neil O'Sullivan.
(¹)Minister for Fuel, Shipping and Transport	Senator the Honorable George McLeay.
Minister for Air and Minister for Civil Aviation	The Honorable Thomas Walter White, D.F.C., V.D.
Postmaster-General	The Honorable Hubert Lawrence Anthony.
Minister for the Army and Minister for the Navy	The Honorable Josiah Francis.
Attorney-General	Senator the Honorable John Armstrong Spicer, K.C.
Vice-President of the Executive Council	The Honorable Dame Enid Muriel Lyons, G.B.E.
Minister for Social Services	Senator the Honorable William Henry Spooner.
Minister for Repatriation	Senator the Honorable Walter Jackson Cooper, M.B.E.
(¹)Minister for Supply	The Honorable Howard Beale.

PARLIAMENTARY SECRETARIES.

Commerce and Agriculture	Mr. Charles William Jackson Falkinder, D.S.O., D.F.C.
Interior	Mr. Leonard William Hamilton
External Affairs	Mr. John Brooke Howse.

(¹) Designations altered on the 21st March, 1950.

THE MEMBERS OF THE SENATE.

(FROM THE 22ND FEBRUARY, 1950.)

NINETEENTH PARLIAMENT—FIRST SESSION : FIRST PERIOD.

President—Senator the Honorable Gordon Brown.

Leader of the Government in the Senate—Senator the Honorable Neil O'Sullivan.

Deputy Leader of the Government in the Senate—Senator the Honorable George McLeay.

Chairman of Committees—Senator Theophilus Martin Nicholls.

Temporary Chairman of Committees—Senators Stanley Kerin Amour, James Jarvist Arnold, William Edward Aylett, Edmund Bede Maher, Richard Harry Nash, Justin Hilary O'Byrne and John Percival Tate.

Leader of the Opposition—Senator the Honorable William Patrick Ashley.

Deputy Leader of the Opposition—Senator the Honorable Nicholas Edward McKenna.

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
Berwirth, Frederick Hubert†	South Australia
Brown, Hon. Gordon†	Queensland
Cameron, Hon. Donald‡	Victoria
Clothier, Robert Ernest*	Western Australia
Cole, George Ronald†	Tasmania
Collings, Hon. Joseph Silver*	Queensland
Cooke, Joseph Alfred†	Western Australia
Cooper, Hon. Walter Jackson, M.B.E.†	Queensland
Courtice, Hon. Benjamin‡	Queensland
Crutchley, John Owen†	South Australia
Devlin, John Joseph‡	Victoria
Finlay, Alexander‡	South Australia
Fraser, Hon. James Mackintosh‡	Western Australia
Gorton, John Grey‡	Victoria
Grant, Donald MacLennan‡	New South Wales
Guy, Hon. James Allan‡	Tasmania
Hannaford, Douglas Clive†	South Australia
Harris, John†	Western Australia
Hendrickson, Albion†	Victoria
Katz, Frederick†	Victoria
Kendall, Roy‡	Queensland
Lamp, Charles Adcock*	Tasmania
Large, William James†	New South Wales
McCallum, John Archibald‡	New South Wales
McKenna, Hon. Nicholas Edward‡	Tasmania
McLeay, Hon. George‡	South Australia
Maher, Edmund Bede†	Queensland
Mattner, Edward William‡	South Australia
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, Hon. Neil†	Queensland
Piesse, Edmund Stephen Roper‡	Western Australia
Rankin, Annabelle Jane Mary†	Queensland
Rankin, George James, D.S.O., V.D.‡	Victoria
Reid, Albert David†	New South Wales
Robertson, Agnes Robertson‡	Western Australia
Ryan, John Victor†	South Australia
Sandford, Charles Walter†	Victoria
Scott, Malcolm Fox†	Western Australia
Sheehan, James Michael‡	Victoria
Simmonds, Wilfrid Mylchreest†	Queensland
Spicer, Hon. John Armstrong‡	Victoria
Spooner, Hon. William Henry‡	New South Wales

Tangney, Dorothy Margaret†	Western Australia
Tate, John Percival†	New South Wales
Ward, Frederick Furner†	South Australia
Wedgwood, Ivy Evelyn†	Victoria
Willessee, Donald Robert†	Western Australia
Wood, Ian Alexander Christie‡	Queensland
Wordsworth, Robert Hurley†	Tasmania
Wright, Reginald Charles†	Tasmania

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

† The 30th June, 1953.

† The 30th June, 1956.

(From the 1st July, 1950.)

President—Senator the Honorable Gordon Brown.

Leader of the Government in the Senate—Senator the Honorable Neil O'Sullivan.

Deputy Leader of the Government in the Senate—Senator the Honorable George McLeay.

Chairman of Committees—Senator Theophilus Martin Nicholls.

Temporary Chairmen of Committees—Senators Stanley Kerin Amour, James Jarvist Arnold, William Edward Aylett, Edmund Bede Maher, Richard Harry Nash, Justin Hilary O'Byrne and John Percival Tate.

Leader of the Opposition—Senator the Honorable William Patrick Ashley.

Deputy Leader of the Opposition—Senator the Honorable Nicholas Edward McKenna.

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
Benn, Archibald Malcolm‡	Queensland
Brown, Hon. Gordon†	Queensland
Cameron, Hon. Donald‡	Victoria
Cole, George Ronald†	Tasmania
Cooke, Joseph Alfred†	Western Australia
Cooper, Hon. 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
Gorton, John Grey†	Victoria
Grant, Donald MacLennan‡	New South Wales
Guy, Hon. James Allart†	Tasmania
Hannaford, Douglas Clive†	South Australia
Harris, John†	Western Australia
Hendrickson, Albion†	Victoria
Henty, Norman Henry Denham†	Tasmania
Katz, Frederick†	Victoria
Kendall, Roy‡	Queensland
Large, William James†	New South Wales
McCallum, John Archibald‡	New South Wales
McKenna, Hon. Nicholas Edward‡	Tasmania
McLeay, Hon. George†	South Australia
Maher, Edmund Bede‡	Queensland
Mattner, Edward William, M.C., D.C.M., M.M.‡	South Australia
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, Hon. Neil†	Queensland
Piesse, Edmund Stephen Roper‡	Western Australia
Rankin, Annabelle Jane Mary†	Queensland
Rankin, George James, D.S.O., V.D.‡	Victoria
Reid, Albert David‡	New South Wales
Robertson, Agnes Robertson†	Western Australia

THE MEMBERS OF THE SENATE—*continued.*

Ryan, John Victor†	South Australia
Sandford, Charles Walter†	Victoria
Scott, Malcolm Fox†	Western Australia
Sheehan, James Michael†	Victoria
Simmonds, Wilfrid Mylchreest‡	Queensland
Spicer, Hon. John Armstrong‡	Victoria
Spooner, Hon. William Henry‡	New South Wales
Tangney, Dorothy Margaret†	Western Australia
Tate, John Percival†	New South Wales
Vincent, Victor Seddon‡	Western Australia
Ward, Frederick Furner†	South Australia
Wedgwood, Ivy Evelyn†	Victoria
Willesce, Donald Robert†	Western Australia
Wood, Ian Alexander Christie‡	Queensland
Wordsworth, Robert Hurley†	Tasmania
Wright, Reginald Charles‡	Tasmania

Dates of Retirement of Senators—† The 30th June, 1953.

‡ The 30th June, 1956.

THE MEMBERS OF THE HOUSE OF REPRESENTATIVES.

NINETEENTH PARLIAMENT—FIRST SESSION : FIRST PERIOD.

Speaker—The Honorable Archie Galbraith Cameron.

Chairman of Committees—Charles Frederick Adermann.

Temporary Chairman of Committees—Thomas Patrick Burke, George James Bowden, M.C., The Honorable Allan McKenzie McDonald, Rupert Sumner Ryan, C.M.G., D.S.O., Albert Victor Thompson and David Oliver Watkins.

Leader of the Opposition—The Right Honorable Joseph Benedict Chifley.

Deputy Leader of the Opposition—The Right Honorable Herbert Vere Evatt, LL.D., D.Litt., K.C.

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

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

Adermann, Charles Frederick	Fisher (Q.)
Anderson, Charles Groves Wright, V.C., M.C.	Hume (N.S.W.)
Anderson, Gordon	Kingsford-Smith (N.S.W.)
Andrews, Thomas William	Darebin (V.)
Anthony, Hon. Hubert Lawrence	Richmond (N.S.W.)
Bate, Henry Jefferson	Macarthur (N.S.W.)
Beale, Hon. Howard	Parramatta (N.S.W.)
Beazley, Kim Edward	Fremantle (W.A.)
Berry, Douglas Reginald	Griffith (Q.)
Bird, Alan Charles	Batman (V.)
Bostock, William Dowling, C.B., D.S.O., O.B.E.	Indi (V.)
Bourke, William Meskill	Fawkner (V.)
Bowden, George James, M.C.	Gippsland (V.)
Brown, Geoffrey William, M.B.E.	McMillan (V.)
Bryson, William George	Wills (V.)
Burke, Thomas Patrick	Perth (W.A.)
Calwell, Hon. Arthur Augustus	Melbourne (V.)
Cameron, Hon. Archie Galbraith	Barker (S.A.)
Cameron, Clyde Robert	Hindmarsh (S.A.)
Cameron, Dr. Donald Alastair, O.B.E.	Oxley (Q.)
Casey, Rt. Hon. Richard Gardiner, C.H., D.S.O., M.C.	La Trobe (V.)
Chambers, Hon. Cyril	Adelaide (S.A.)
Chifley, Rt. Hon. Joseph Benedict	Macquarie (N.S.W.)
Clarey, Hon. Percy James	Bendigo (V.)
Clark, Joseph James	Darling (N.S.W.)
Corser, Bernard Henry	Wide Bay (Q.)
Costa, Dominic Eric	Banks (N.S.W.)
Cramer, John Oscar	Bennelong (N.S.W.)
Creemane, John Lawrence	Hoddle (V.)
Curtin, Daniel James	Watson (N.S.W.)
Daly, Frederick Michael	Grayndler (N.S.W.)
Davidson, Charles William, O.B.E.	Dawson (Q.)
Davies, William	Cunningham (N.S.W.)
Davis, Francis John	Deakin (V.)
Dean, Roger Levinge	Robertson (N.S.W.)
Downer, Alexander Russell	Angas (S.A.)
Drakeford, Hon. Arthur Samuel	Maribyrnong (V.)
Drummond, Hon. David Henry	New England (N.S.W.)
Drury, Edward Nigel	Ryan (Q.)
Duthie, Gilbert William Arthur	Wilmot (T.)
Edmonds, William Frederick	Herbert (Q.)
Eggins, Eldred James	Lynne (N.S.W.)
Evatt, Rt. Hon. Herbert Vere, LL.D., D.Litt., K.C.	Barton (N.S.W.)
Fadden, Rt. Hon. Arthur William	McPherson (Q.)
Failes, Laurence John	Lawson (N.S.W.)
Fairbairn, David Eric, D.F.C.	Farrer (N.S.W.)
Fairhall, Allen	Paterson (N.S.W.)
Falkinder, Charles William Jackson, D.S.O., D.F.C.	Franklin (T.)
Fitzgerald, Joseph Francis	Phillip (N.S.W.)
Francis, Hon. Josiah	Moreton (Q.)
Fraser, Allan Duncan	Eden-Monaro (N.S.W.)
Freeth, Gordon	Forrest (W.A.)

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

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Gilmore, Thomas Vernon	Leichhardt (Q.)
Graham, Bruce William	St. George (N.S.W.)
Gruyden, William Leonard	Swan (W.A.)
Griffiths, Charles Edward	Shortland (N.S.W.)
Gullett, Henry Baynton Somer, M.C.	Henty (V.)
Hamilton, Leonard William	Canning (W.A.)
Handby, Herbert Harry	Kingston (S.A.)
Harrison, Eli James	Blaxland (N.S.W.)
Harrison, Hon. Eric John	Wentworth (N.S.W.)
Hasluck, Paul Meernaa Caedwalla	Curtin (W.A.)
Haworth, Hon. William Crawford	Isaacs (V.)
Haylen, Leslie Clement	Parkes (N.S.W.)
Holloway, Rt. Hon. Edward James	Melbourne Ports (V.)
Holt, Hon. Harold Edward	Higgins (V.)
Howse, John Brooke	Calare (N.S.W.)
Hughes, Rt. Hon. William Morris, C.H., K.C.	Bradfield (N.S.W.)
Hulme, Alan Shallcross	Petrie (Q.)
Jack, William Mathers	North Sydney (N.S.W.)
James, Rowland	Hunter (N.S.W.)
Johnson, Hon. Herbert Victor	Kalgoorlie (W.A.)
Kekwick, Bruce Huntley	Bass (T.)
Kent Hughes, Hon. Wilfred Selwyn, M.V.O., O.B.E., M.C., E.D.	Chisholm (V.)
Keon, Standish Michael	Yarra (V.)
Lawrence, William Robert	Wimmera (V.)
Lawson, Hon. George	Brisbane (Q.)
Lazzarini, Hon. Hubert Peter	Werriwa (N.S.W.)
Leslie, Hugh Alan	Moore (W.A.)
Lyons, Hon. Dame Enid Muriel, G.B.E.	Darwin (T.)
Mackinnon, Ewen Daniel	Wannon (V.)
McBride, Hon. Philip Albert Martin	Wakefield (S.A.)
McColm, Malcolm Llewellyn	Bowman (Q.)
McDonald, Hon. Allan McKenzie	Corangamite (V.)
McEwen, Hon. John	Murray (V.)
McLeay, John	Boothby (S.A.)
McMahon, William	Lowe (N.S.W.)
Menzies, Rt. Hon. Robert Gordon, K.C.	Kooyong (V.)
Minogue, Daniel	West Sydney (N.S.W.)
Morgan, Charles Albert Aaron	Reid (N.S.W.)
Mulcahy, Daniel	Lang (N.S.W.)
Mullens, John Michael, C.B.E.	Gellibrand (V.)
Nelson, John Norman	(N.T.)
Nott, Dr. Lewis Windermere	(A.C.T.)
O'Connor, William Paul	Martin (N.S.W.)
Opperman, Hubert Ferdinand	Corio (V.)
Osborne, Frederick Meares, D.S.C.	Evans (N.S.W.)
Page, Rt. Hon. Sir Earle Christmas Grafton, G.C.M.G., C.H.	Cowper (N.S.W.)
Pearce, Henry George	Capricornia (Q.)
Peters, Edward William	Burke (V.)
Pittard, Alan Crocker	Ballaarat (V.)
Pollard, Hon. Reginald Thomas	Lalor (V.)
Riordan, Hon. William James Frederick	Kennedy (Q.)
Roberton, Hugh Stevenson	Riverina (N.S.W.)
Rosevear, John Solomon	Dalley (N.S.W.)
Russell, Charles Wilfred	Maranoa (Q.)
Russell, Edgar Hughes Deg	Grey (S.A.)
Ryan, Rupert Sumner, C.M.G., D.S.O.	Flinders (V.)
Sheehan, Thomas	Cook (N.S.W.)
Spender, Hon. Percy Claude, K.C.	Warringah (N.S.W.)
Swartz, Reginald William Colin, M.B.E., E.D.	Darling Downs (Q.)
Thompson, Albert Victor	Port Adelaide (S.A.)
Timson, Thomas Frank, M.B.E.	Higinbotham (V.)
Townley, Athol Gordon	Dension (T.)
Trelor, Thomas John	Gwydir (N.S.W.)
Turnbull, Winton George	Mallee (V.)
Ward, Hon. Edward John	East Sydney (N.S.W.)
Watkins, David Oliver	Newcastle (N.S.W.)
Wentworth, William Charles	Mackellar (N.S.W.)
Wheeler, Roy Crawford	Mitchell (N.S.W.)
White, Hon. Thomas Walter, D.F.C., V.D.	Balaclava (V.)
Wight, Bruce McDonald	Lilley (Q.)
Wilson, Keith Cameron	Sturt (S.A.)

THE COMMITTEES OF THE SESSION.

JOINT.

HOUSE.—The President (Chairman), Senator Amour, Senator George Rankin, Senator Reid, Senator Tangney, Senator Wedgwood, Senator Wordsworth, Mr. Speaker, Mr. Bryson, Mr. Cramer, Mr. Gullett, Mr. Hulme, Mr. Rosevear, and Mr. Watkins.

LIBRARY.—Mr. Speaker (Chairman), the President, Senator Arnold, Senator Cooke, Senator Kendall, Senator Maher, Senator McCallum, Senator Robertson, Mr. Beazley, Mr. Drummond, Mr. Duthie, Mr. Hasluck, Mr. Haylen, and Mr. Wentworth.

PARLIAMENTARY PROCEEDINGS BROADCASTING.—Mr. Speaker (Chairman), the President, Senator Maher, Senator Wright, Mr. Bate, Mr. Davidson, Mr. Fraser, Mr. Gullett and Mr. Rosevear.

PRINTING.—Mr. Wilson (Chairman), Senator Gorton, Senator Hannaford, Senator Nash, Senator Sandford, Senator Scott, Senator Simmonds, Senator Ward, Mr. Daly, Mr. Haylen, Mr. Leslie, Mr. O'Connor, Mr. Osborne and Mr. Ryan.

PUBLIC WORKS.—Senator George Rankin (Chairman), Senator O'Byrne, Senator Annabelle Rankin, Mr. Bowden, Mr. Cramer, Mr. McDonald, Mr. O'Connor, Mr. Edgar Russell, and Mr. Watkins.

SENATE.

DISPUTED RETURNS AND QUALIFICATIONS.—Senator Aylett, Senator Hannaford, Senator Harris, Senator Morrow, Senator Piesse, Senator Robertson, and Senator Wordsworth.

REGULATIONS AND ORDINANCES.—Senator Tate (Chairman), Senator Arnold, Senator Guy, Senator Katz, Senator Maher, Senator Nash, and Senator Wood.

STANDING ORDERS.—The President (Chairman), the Chairman of Committees, Senator Aylett, Senator Guy, Senator Maher, Senator Mattner, Senator Morrow, Senator Piesse, and Senator Annabelle Rankin.

SELECT COMMITTEE ON CONSTITUTION ALTERATION (AVOIDANCE OF DOUBLE DISSOLUTION DEADLOCKS) BILL 1950.—Senator McKenna (Chairman), Senator Arnold, Senator Ashley, Senator Courtney, Senator Finlay, Senator Nash and Senator Sheehan.

HOUSE OF REPRESENTATIVES.

PRIVILEGES.—Mr. Clark, Dr. Evatt, Mr. Kent Hughes, Mr. McDonald, Mr. McLeay, Mr. Sheehan, and Mr. Turnbull.

STANDING ORDERS.—Mr. Speaker (Chairman), the Prime Minister, the Chairman of Committees, Mr. Tom Burke, Mr. Clark, Mr. McDonald, Sir Earle Page, and Mr. Rosevear.

PARLIAMENTARY DEPARTMENTS.

SENATE.

Clerk.—J. E. Edwards.

Clerk-Assistant.—R. H. C. Loof.

Second Clerk-Assistant (from the 4th May, 1950).—W. I. Emerton.

Usher of the Black Rod.—W. I. Emerton (to the 4th May, 1950). J. R. Odgers (from the 4th May, 1950).

HOUSE OF REPRESENTATIVES.

Clerk.—F. C. Green, M.C.

Clerk-Assistant.—A. A. Tregear.

Second Clerk-Assistant.—A. G. Turner.

Sergeant-at-Arms.—N. J. Parkes.

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.

(FIRST SESSION : FIRST PERIOD.)

PROPRIETATION ACT (No. 2) 1949-50 (Act No. 2 of 1950)—

An Act to grant and apply an additional sum out of the Consolidated Revenue Fund for the service of the year ending the thirtieth day of June, One thousand nine hundred and fifty, and to appropriate that sum.

APPROPRIATION (WORKS AND SERVICES) ACT (No. 2) 1949-50 (Act No. 3 of 1950)—

An Act to grant and apply an additional sum out of the Consolidated Revenue Fund for the service of the year ending the thirtieth day of June, One thousand nine hundred and fifty for the purposes of Additions, New Works and Other Services involving Capital Expenditure and to appropriate that sum.

NATIONALITY AND CITIZENSHIP (BURMESE) ACT 1950 (Act No. 12 of 1950)—

An Act to make certain Provisions with respect to British Nationality and Australian Citizenship in consequence of the fact that Burma has ceased to be part of His Majesty's Dominions.

SOCIAL SERVICES CONSOLIDATION ACT 1950 (Act No. 6 of 1950)—

An Act to amend the provisions of the *Social Services Consolidation Act 1947-1949* relating to Child Endowment.

STATES GRANTS (COAL MINING INDUSTRY LONG SERVICE LEAVE) ACT 1950 (Act No. 1 of 1950)—

An Act to amend the *States Grants (Coal Mining Industry Long Service Leave) Act 1949*.

SUPPLEMENTARY APPROPRIATION ACT 1948-49 (Act No. 14 of 1950)—

An Act to appropriate a further sum out of the Consolidated Revenue Fund for the service of the year ended the thirtieth day of June, One thousand nine hundred and forty-nine.

SUPPLEMENTARY APPROPRIATION (WORKS AND SERVICES) ACT 1948-49 (Act No. 15 of 1950)—

An Act to appropriate a further sum out of the Consolidated Revenue Fund for the service of the year ended 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.

SUPPLY ACT (No. 1) 1950-51 (Act No. 4 of 1950)—

An Act to grant and apply a sum out of the Consolidated Revenue Fund for the service of the year ending the thirtieth day of June, One thousand nine hundred and fifty-one.

SUPPLY (WORKS AND SERVICES) ACT (No. 1) 1950-51 (Act No. 5 of 1950)—

An Act to grant and apply a sum out of the Consolidated Revenue Fund for the service of the year ending the thirtieth day of June, One thousand nine hundred and fifty-one, for the purposes of Additions, New Works and Other Services involving Capital Expenditure.

TARIFF BOARD ACT 1950 (Act No. 13 of 1950)—

An Act to amend the *Tariff Board Act 1921-1947*.

WOOL (CONTRIBUTORY CHARGE) ACT (No. 1) 1950 (Act No. 7 of 1950)—

An Act to impose a Contributory Charge upon certain wool produced in Australia.

WOOL (CONTRIBUTORY CHARGE) ACT (No. 2) 1950 (Act No. 8 of 1950)—

An Act to impose a Contributory Charge upon certain Wool produced in Australia and exported from Australia.

WOOL (CONTRIBUTORY CHARGE) ASSESSMENT ACT 1950 (Act No. 9 of 1950)—

An Act to amend the *Wool (Contributory Charge) Assessment Act 1945*, and for other purposes.

WOOL REALIZATION ACT 1950 (Act No. 10 of 1950)—

An Act to amend the *Wool Realization Act 1945-1946*.

WOOL (RESERVE PRICES) FUND ACT 1950 (Act No. 11 of 1950)—

An Act to Establish a Fund for the Purposes of a Scheme of Reserve Prices for Wool, and to make Provision for the Distribution of the Moneys in the Fund if the Scheme is not in Operation on a certain date.

BILLS OF THE SESSION.

ACTS INTERPRETATION BILL 1950. Initiated in the House of Representatives. Second Reading.

COMMONWEALTH BANK BILL 1950. Initiated in the House of Representatives. Consideration deferred by the Senate to the next meeting of the Parliament.

COMMUNIST PARTY DISSOLUTION BILL 1950. Initiated in the House of Representatives. Laid aside.

CONSTITUTION ALTERATION (AVOIDANCE OF DOUBLE DISSOLUTION DEADLOCKS) BILL 1950. Initiated in the House of Representatives. Referred to Select Committee of the Senate.

CONSTITUTION ALTERATION (PRICES) BILL 1950. Initiated in the Senate. Leave given to introduce.
F.4774.—2

THE PARLIAMENT CONVENED.

NINETEENTH PARLIAMENT—FIRST SESSION.

(*Gazette* No. 6, 1950.)

The Parliament was convened by the following proclamation:—

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:

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 appoint Wednesday the twenty-second day of February One thousand nine hundred and fifty as the day for the said Parliament to assemble and be holden for the despatch of divers urgent and important affairs: and all Senators and Members of the House of Representatives are hereby required to give their attendance accordingly in the building known as the Houses of Parliament, Canberra, at the hour of ten-thirty a.m. on the said twenty-second day of February One thousand nine hundred and fifty.

Given under my Hand and the Seal of the Commonwealth of Australia
this twenty-fourth day of January, in the year of our Lord One
(L.S.) thousand nine hundred and fifty and in the fourteenth year of His
Majesty's reign.

By His Excellency's Command,

ROBERT G. MENZIES
Prime Minister.

GOD SAVE THE KING!

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vice to and from Benalla, will the Minister for Civil Aviation arrange for the commencement of that service as early as possible? If so, will he inform me of the probable date of commencement of the service?

Mr. WHITE.—If the Victorian authorities are agreeable, I shall be glad to issue a licence for a service to and from Benalla. There are no all-weather runways on the Benalla aerodrome, but it could be used. There might also be some minor difficulties. There is no provision for amenities there yet, but some of the former Air Force huts could be used. The licence will be issued and the service will operate before long if the Victorian Government is agreeable.

Mr. MULLENS.—Is the Minister for Civil Aviation aware of the phenomenal growth and development of Trans-Australia Airlines services and of the fact that the organization established a record during 1949? Does the Minister know that the number of passengers carried over the last three years increased progressively as indicated, in round figures, by the following table:

1947	200,000
1948	400,000
1949	500,000

Mr. SPEAKER.—Order! The honorable member is giving information instead of trying to elicit it.

Mr. MULLENS.—Pardon me. My mistake. Would the Minister not agree that that socialized undertaking is efficient, businesslike and exceptionally popular with the air-travelling public, including Cabinet Ministers and legislators generally?

Mr. WHITE.—All aviation in Australia is flourishing, and it has flourished particularly in the last three months. We shall know whether Trans-Australia Airlines is a businesslike organization when its balance-sheet appears. Previous balance-sheets showed losses. The airline may have all the other qualities mentioned by the honorable member. I have no comments to make against its efficiency. The efficiency of Trans-Australia Airlines and other Australian air lines is very high. Australians, in fact, are the most air-minded

House of Representatives.

Wednesday, 29 March, 1950.

Mr. SPEAKER (Hon. Archie Cameron) took the Chair at 10.30 a.m., and read prayers.

CIVIL AVIATION.

Mr. BOSTOCK.—In view of an official statement made last week by the Victorian Minister for Transport to the effect that the Victorian Government would approve of proposals for an air ser-

people in the world. If the honorable member wants further information on the subject I shall be glad to supply it to him or, if he wishes, he can read the numerous booklets issued by Trans-Australia Airlines, Australian National Airways Proprietary Limited, and other air companies.

Mr. FAIRBAIRN.—Can the Minister for Civil Aviation state whether the number of privately owned aircraft in Australia has fallen considerably in recent years? If so, has the reduction been caused by the discouragement of private flying by means of excessive red tape, including the filling in of forms, and by compelling aviators to pay for costly inspections of aircraft? What does the Minister for Civil Aviation propose to do to encourage private flyers in this country?

Mr. WHITE.—It is true that private flying has been discouraged in recent years and that the number of flyers has decreased. Whilst I agree that every precaution should be taken to ensure safety in aviation, I believe that, with private flyers, this has been carried to extremes. One honorable member of this Parliament has shown me a form—almost as intricate as an income tax return—that he has to fill in every time he flies to Brisbane on his way to attend a meeting of this Parliament. He can make that flight in less time than it takes him to fill in the form. I propose to have that form amended, and I intend also to overhaul all the flying regulations relating to civil aviation to ensure that private flyers and aero clubs particularly, shall be encouraged.

COAL.

Mr. TRELOAR.—Can the Minister for National Development tell me what stage has been reached with test boring operations on the Ashford coal-field? Is it a fact that the private contractor has almost completed his contract and, if so, is the Department of National Development satisfied with the results? If the Department is not satisfied with the results, is the Minister prepared to recommend that additional bores be sunk on the field?

Mr. CASEY.—Ashford is one of the four principal areas in which the Bureau of Mineral Resources has been asked by various State Governments to make close investigations of coal deposits. The other areas are at Collie in Western Australia, Leigh Creek in South Australia, and Oaklands in the Riverina. Ashford is approximately 350 miles north of Sydney. The work has been going on during the last twelve months. Mine bores have been sunk and another one is in immediate contemplation. At the instance of the local authorities at Inverell and Ashford, and the New South Wales Government, the work has been done by contract, under the supervision of the Bureau of Mineral Resources. The results have exceeded expectations, in that deposits of about 3,500,000 tons of high-class coal suitable, I understand, for open-cutting, have been brought to light. Although investigational work has not been completed, the contractor, owing to other engagements, will very shortly be obliged to cease this work. The Bureau of Mineral Resources will either get another contractor to complete the work or complete it itself with its own drilling rigs. This is one of many instances in which we can avail ourselves of relatively deep open-cut coal, when arrangements to develop the field are completed.

Later:

Mr. DAVIES.—I ask the Minister for Labour and National Service whether it is a fact that long-service leave was granted to the coal-miners by an act passed by the Australian Parliament last October? Is it a fact that an agreement was drawn up between the New South Wales Government and the Australian Government whereby a fund was to be created by an excise tax upon all coal produced, to provide the money to finance long-service leave? Is the New South Wales Government still waiting for the agreement to be forwarded to it for ratification? Is it a fact that the miners are very impatient at the delay and propose to hold stop-work meetings to discuss the matter? Will the Minister investigate this matter at once with a view to the agreement entered into between the governments being finalized?

Mr. HOLT.—That particular matter has only recently come within my jurisdiction. It was formerly within the jurisdiction of my colleague, the then Minister for Supply and development. I can assure the honorable member that the Australian Government has not been idle in this matter and, indeed, that a good deal has been done in relation to it in the course of the present week. I spoke to the general president of the miners federation, Mr. Williams, earlier this week on the matter, and I also wrote to him only yesterday setting out a statement of the developments that had occurred up to the present time. I also spoke by telephone yesterday to the Premier of New South Wales, Mr. McGirr, on some aspects of the matter. A senior officer of the New South Wales Government, Mr. O'Grady, is in Canberra to-day conferring with officers of my department. Although an agreement in principle was reached between the New South Wales Government and the Chifley Government, its precise details have not been finalized in documentary form. However, I hope that to-day, as a result of the conference between the officers of my department and Mr. O'Grady, we shall have made substantial progress towards finality. We shall then have to negotiate with the governments of the other States. The policy worked out with the New South Wales Government, which is the major Government concerned in this matter, will serve to make our task very much easier in our dealings with those other States. I can assure the honorable gentleman that the whole matter is being treated as one of urgency, and that a great deal of attention is now being directed to it.

APPLES AND PEARS.

Mr. POLLARD.—Will the Minister for Commerce and Agriculture inform the House whether the Australian Government has entered into a contract to supply 3,500,000 bushels of Australian apples, including Cox's Orange Pippins to the United Kingdom Government? If so, what proportion of that contract will come from Tasmania? What are the relative proportions of Cox's Orange

Pippins and other varieties to be supplied by Tasmania? Can the Minister say whether the price negotiated with the United Kingdom Government is substantially below the cost of production of Australian apples as estimated by the previous Government and the growers? If the price does not meet the cost of production, to what extent does the present Government intend to ensure that the cost of production will be made up to Tasmanian and other Australian apple-growers?

Mr. McEWEN.—It is true that the Government has concluded an arrangement for the sale of 3,500,000 bushels of Australian apples to the United Kingdom Ministry of Food? From memory, 2,000,000 bushels are to be supplied by Tasmania, and the price of Cox's Orange Pippins will be 20s. 6d. a bushel. The price for other varieties will be 12s. 6d. a bushel. I do not know whether these figures cover the cost of production. That issue has never before been raised with this Government.

Mr. POLLARD.—It was raised with the previous Government.

Mr. McEWEN.—I have had a protracted interview with a representative group of Tasmanian apple-growers in relation to the marketing of this Tasmanian fruit, and although the group made a number of points to me it did not suggest that these were unsatisfactory prices. If that aspect had been raised the Government would have taken it into consideration. I shall confirm by letter the figures I have quoted from memory to the honorable member.

WATERFRONT EMPLOYMENT.

Mr. McCOLM.—Will the Minister for Labour and National Service impart to the House any further information that he may have concerning the situation on the Brisbane waterfront?

Mr. HOLT.—I have just been advised by Mr. Hewitt, the Chairman of the Australian Stevedoring Industry Board, that the men in Brisbane are resuming work after a mass meeting this morning. The board's representatives in Brisbane, Mr. Ball, has not received any official advice from

officers of the Waterside Workers Federation, but he understands that the meeting endorsed a resolution submitted to it by the executive that the rotation of hatches issue be referred back to Mr. Ball for submission to the Commonwealth Arbitration Court. I am informed that the meeting was very largely attended and that the decision to resume was unanimous.

Mr. EDMONDS.—The question that I address to the Minister for Labour and National Service is prompted by the unanimous decision of the waterside workers in Brisbane to return to work. Can the Minister say whether the statement made by the general secretary of the Waterside Workers Federation that he made at least two approaches to Mr. Hewitt, the chairman of the Australian Stevedoring Industry Board, to discuss the dispute is correct? If that statement is correct, does not the Minister consider, having regard to the extreme importance and value of the conciliation aspect of our arbitration machinery, that the Government should have ensured that discussions of the kind mentioned by the general secretary took place before it took the extreme step of invoking the Crimes Act, which merely brought about a result that might have been achieved by discussions between the union and the Australian Stevedoring Industry Board?

Mr. HOLT.—I have seen reports of the statement made by the general secretary of the Waterside Workers Federation to the effect that he approached the chairman of the Australian Stevedoring Industry Board on two occasions. I also know, however, that a judge of the Commonwealth Arbitration Court has publicly stated on at least six occasions since the dispute developed that although he was available for consultation on the matter, no approach was made to him. Furthermore, the judge also stated publicly in his court that he regards himself not so much as an arbitrator as a conciliator in such matters. It is clear, therefore, that if conciliation were required the judge was available, and I am glad that the union has now availed itself of that knowledge. The honorable member also referred to the action taken by the Government under the

Crimes Act. It was made perfectly clear by the Prime Minister in his first statement, and in all his subsequent statements, that the Crimes Act was not invoked because of the occurrence of this dispute, but because the Government had taken the view, on the evidence before it, that this particular issue was only one episode in a very much wider and more sinister programme of disruption on the waterfront.

BUTTER AND TEA.

Mr. GEORGE LAWSON.—Has the attention of the Prime Minister been drawn to an article which appeared in the *Courier Mail* of Brisbane, on Tuesday, the 28th March. In that article it was stated that at a meeting, held in Brisbane, of the Federated Retail Confectionery, Refreshment and Mixed Business Association of Australia, the president of the association challenged the Australian Government to prosecute members for breaches of tea or butter rationing regulations. He pointed out that the association would back, financially, any member prosecuted by the Government for such rationing breaches. In view of the promise made on behalf of the Government parties during the election campaign that if elected to govern they would abolish all controls, which includes the rationing of tea and butter, I ask the Prime Minister what action the Government proposes to take to abolish the rationing of tea and butter? Has the Prime Minister any comment to make on the challenge issued to the Government by the president and members of the association?

Mr. MENZIES.—I have not seen the publication referred to by the honorable member for Brisbane. All I can say is that no statement was made by my party that all controls were to be abolished. That is, I am afraid, a rather inexact way of stating the policy we presented to the people. All cases of breaches of rationing regulations are considered on their merits.

DIESEL LOCOMOTIVES.

Mr. RYAN.—I ask the Minister for National Development whether it is

correct that the South Australian Government proposes to import diesel locomotives from America, and that dollars have been allocated by the Australian Government for that purpose. I ask this question in view of the interest being shown by many State governments in this modern form of railway locomotion.

Mr. CASEY.—An announcement was reported in the press in the terms mentioned by the honorable member, but I do not believe that it was a correct report. The South Australian Government is proposing to import diesel electric locomotives from the English Electric Company of Britain, and not from the United States. As far as I know, and I think I would know something about this matter, there has been no allocation of dollars to South Australia for the purpose the honorable member refers to.

DEFENCE FORCES.

Mr. CHAMBERS.—Just prior to vacating the office of Minister for the Army it came to my notice that members of the Citizen Military Forces, when entering training camps, were required to supply their own towels, soap, tooth brush and tooth paste. As these lads are prepared to offer their services voluntarily for the defence of this country, could not the Department of the Army supply the four items that I have mentioned? Certain incidents have occurred which forced me over to this side of the House before I was able to give further consideration to this particular matter. I now ask the Minister for the Army whether he would be prepared to examine the matter I have mentioned to ascertain whether it is possible to supply these items to members of the Citizen Military Forces when entering camps.

Mr. FRANCIS.—I am very pleased to have an opportunity of finishing the job that the honorable member hoped to finish himself. Much has been done in the last few months to improve the conditions of the members of our defence forces, as outlined by the Minister for Air. I shall be pleased to examine sympathetically the proposal that the honorable member made in his question.

ALUNITE.

Mr. FREETH.—Will the Minister for Supply state whether it is a fact that there exist at Lake Chandler in Western Australia large deposits of alunite which are capable of being exploited for the winning of aluminium which is badly needed for defence purposes? Will the Government take steps to collaborate with the Western Australian Government to see what can be done in the exploitation of this mineral?

Mr. BEALE.—It is true that at Lake Chandler there are substantial deposits of alunite which is said to be capable of exploitation for the production of alumina for aluminium. It is not so certain, however, whether this is true. It is more likely that these deposits are very valuable in connexion with the potash industry which is extremely important to the Australian economy. When I was in Western Australia two or three days ago, the Premier of Western Australia told me about the alunite project and indicated what was being done by his Government. I understand that he does desire the assistance of the Australian Government and I believe that a letter has been written to the Prime Minister. The Department of Supply and, I believe, the department of the Minister for National Development, have been examining the question of alunite deposits. The Government will examine the matter and see what can be done to exploit the field and to assist the Western Australian Government.

BASIC WAGE.

Mr. GRIFFITHS.—Does the Minister for Labour and National Service know that there is likely to be serious industrial unrest and a possible stoppage of work in the railway services in various States owing to a majority decision of the judges of the Commonwealth Arbitration Court who ruled last week that Conciliation Commissioner V. G. Hall was not eligible to hear and determine an application made by the Australian Railways Union for a marginal increase of £1 a week for all its members? Can the Minister say what section of the Commonwealth Conciliation and Arbitration Act provides for such a determination on the part of the judges of the Court

seeing that Part II. of that measure, which deals with conciliation commissioners, would not have been infringed? Is this decision on the part of the bench a move to restrict further the work of the conciliation commissioners? Does the Minister think that the attitude of the judges of the court is in the best interests of peace in industry, the more so when it is realized that the Full Bench of the Commonwealth Arbitration Court has the important task of finalizing the basic wage case which has now been before the court for more than a year? In view of the continual spiralling of prices and the low wages received by thousands of railway employees such as labourers, fettlers, and porters, does the Minister think that it is wise for the court to further delay this hearing? Will the honorable gentleman call for a transcript of the ruling of the court and examine it to ascertain whether, in the opinion of the Government, the judges of the court erred in their judgment in regard to the Australian Railways Union's claim? If a mistake was made, will the Government order the resumption of the hearing before a conciliation commissioner?

Mr. HOLT.—It would be quite impracticable to attempt to answer in detail the very many aspects of this matter to which the honorable member has referred. I do wish, however, to comment on one or two aspects and to assure him that I will give the remainder of his questions full examination. He spoke about the possibility of unrest developing among railway men. That is a line of argument frequently put forward whenever a decision is given against a particular party before the court. If the unionists of Australia or the employers are to find themselves, or to consider themselves, in a state of unrest every time an adverse decision is given by a tribunal, there can be no hope of peace in industry in this country. What has been raised is a series of legal considerations which I propose to examine. The honorable member says that the basic wage case has now been before the court for one year and that therefore there should not be further delays. I remind the honorable member that the

case put forward by the representatives of the employers is now in its first week, and the time so far has been taken up, no doubt very properly, by the representatives of the unions in putting their case before the court. It cannot seriously be argued, therefore, that there are delays attributable either to this Government or the representatives in the case of the employers. I shall examine the transcript, as the honorable member has suggested, and see what considerations arise.

Mr. ROSEVEAR.—The Minister for Labour and National Service, when replying to the honorable member for Shortland, stressed the fact that the presentation of the case on behalf of the unions for an increased basic wage had occupied almost twelve months. Will the Minister inform me how much of that period was taken up with court vacations and with the adjournment of the hearing following the announcement by the leader of the Liberal party on the 10th November last that, if elected to office, his Government would provide endowment for the first child of a family under the age of sixteen years? Is it a fact that despite those vacations and the adjournment, the court refused to sit extra days in order to make up for the lost time?

Mr. HOLT.—I shall ascertain whether I can obtain for the honorable gentleman a statement which sets out the number of days on which the Commonwealth Court of Conciliation and Arbitration has sat on the hearing of the basic wage case since that case began. I make it clear that my previous answer did not imply criticism of the representatives of the unions for the length of time which they had considered it necessary for them to take in presenting their case to the court, and in the examination and cross-examination of witnesses. It is generally recognized that the basic wage claim is of tremendous importance to the whole economy of Australia, and it is proper that the application should be thoroughly examined. In my reply to the previous question, I was merely seeking to refute any suggestion that delays had been occasioned by the Government, or that the case had been unduly protracted by the advocates for

the employers. However, I shall ascertain whether I can obtain for the honorable gentleman a detailed statement that will cover the points that he has raised in his question.

NATIONAL DEVELOPMENT.

LOCAL GOVERNMENT BODIES.

Mr. FAILES.—In view of the numerous requests that are being received from shire and municipal councils for assistance under the Commonwealth's proposed developmental scheme, will the Minister for National Development announce the broad outlines of the scheme, indicate the type of work that will be included, and state the local governing authorities that could make preparatory investigations of such work in their own areas? Will the honorable gentleman also state whether Commonwealth assistance to be given under the scheme will be additional to that at present provided for road construction and maintenance?

Mr. CASEY.—As the honorable member has indicated, many members of this Parliament, including myself, are receiving numerous requests from local governing bodies that are anxious to get developmental projects started in their own localities. It would be entirely wrong, of course, for the Australian Government to deal with individual local authorities. Constitutionally, that is a matter for the State governments. However, I take this opportunity to point out that a proposal exists under which Australia is to be divided into a number of developmental regions. Four out of the six States have responded to the Commonwealth's proposals. The exceptions are Queensland and Western Australia. There will be approximately 100 developmental regions, each with its own regional developmental council. The intention is that known resources and the developmental potentialities of each region shall be reported upon by local authorities and that in all the regions that work of reporting shall be pursued with greater vigour and purpose. The reports will then reach the Australian Government through the State governments, and we shall have a factual basis on which to determine the future developmental programme.

I hope that the electorate of the honorable member for Lawson, together with all other electorates, will respond readily to the Commonwealth's request.

Later:

Mr. JEFF BATE.—My question to the Minister for National Development is supplementary to the question which the honorable member for Lawson has asked. Will the Minister take steps to give local government bodies a new and higher status, and increase local responsibility to the greatest possible degree? I point out that local government activity is being gravely handicapped by lack of funds, and that that position has been aggravated by the necessity for repairing damage caused by heavy rains and floods during nearly four years, which have followed twelve comparatively dry years. Roads in the well-populated country areas are in a serious condition.

Mr. SPEAKER.—Order! Will the honorable member ask his question?

Mr. JEFF BATE.—I shall do so. Will the Minister inform me whether a national works council is in existence? If it is not, will he take steps to constitute such a body? Is it possible for the States and local government bodies to be represented on such a council? Can feeder roads and the provision of water, light and power be given high priority in order to allay the nervousness of local government bodies, arising from the publicity which has been given to long-range plans for the development of the Northern Territory?

Mr. CASEY.—A body known as the National Works Council is already in existence, and I believe that the conception of the National Works Council will be developed by this Government. The States are represented, and will continue to be represented on that body, but I cannot imagine how local government bodies or even their representatives could be included in its membership. As I have stated in reply to a previous question, I do not believe that the Commonwealth, for constitutional and practical reasons, can work other than through the State governments in reaching the local government bodies. I fully understand the point

which the honorable member has made. Such matters as feeder roads and the provision of light, heat and power, which he mentioned specifically, are receiving our attention, and we hope to be able to devise a scheme for assisting local government bodies in those projects. I assure the honorable gentleman that the attention of the Government is directed not only towards the great schemes which he has mentioned, but also to the manifold smaller schemes of development which are possible in many parts of Australia.

BREAD.

Mr. DUTHIE.—Tasmania is famed for its potatoes, apples, hydro-electric power, tourists, the friendliness of its people, its King Billy pine and the floating concrete bridge over the Derwent River at Hobart. It is also noted for the very poor quality of the bread that is made there.

Mr. SPEAKER (Hon. Archie Cameron).—The honorable member was given permission to ask a question, not to publish an advertisement.

Mr. DUTHIE.—Recent researches into the quality of flour produced from wheat grown in Victoria, New South Wales and South Australia have produced startling results which indicate that the people of Tasmania are eating what is probably the worst bread in Australia because it is made from wheat of poor quality imported from Victoria and South Australia. Will the Minister for Commerce and Agriculture discuss with the Australian Wheat Board the possibility of sending wheat of better quality to Tasmania by arranging, if possible, for the shipment of wheat from New South Wales, which produces grain with a high protein content? I trust that the export of inferior wheat to Tasmania is not an attempt to lower the fighting qualities of Tasmanians, particularly of members of Parliament who represent that State.

Mr. McEWEN.—I shall bring the honorable member's representations to the notice of the Australian Wheat Board—that is, all except his references to potatoes, apples and bridges.

POSTAL DEPARTMENT.

Mr. WHEELER.—I address a question to the Postmaster-General about the working conditions of non-official postmasters. It has been brought to my notice that the department proposes to extend the working hours of certain non-official postmasters in the electoral division of Mitchell. I remind the Postmaster-General of the good work performed by non-official postmasters, and of the fact that they are called upon to discharge many duties not actually associated with their postal work. Non-official postmasters often accept appointment in order to assist in the development of their districts, and if they were to resign it would be difficult to replace them. If an extension of the hours of attendance for non-official postmasters is justified, will the Minister ensure that they are adequately remunerated?

Mr. ANTHONY.—I support the honorable member's observation about the good work that is done by non-official postmasters in Australia, and I agree that in many instances their services are given, not so much for the remuneration received, as for the purpose of assisting the district in which they live. If they were to resign their positions, the greatest inconvenience would be caused to the community, and it would be very difficult to replace them. At the same time, I point out that postal services must be self-supporting to a degree. As the volume of business transacted in a non-official post office increases, as more mail matter is handled, and as the number of telephone calls increases, the hours of attendance are extended, and the pay of the postmaster is increased. If the honorable member so wishes, I shall look into the situation as it affects non-official postmasters in the electoral division of Mitchell. Recently, the remuneration of non-official postmasters was increased. I am not satisfied that it is adequate, but for the moment it is as much as the Government can offer.

IMMIGRATION.

Mr. WILSON.—In view of the fact that many new Australians who arrive in this country have no working clothes

and no money with which to pay their fares to their first jobs, will the Minister for Immigration consider making advances where necessary to enable them to purchase working clothes and to pay their fares?

Mr. HOLT.—I can assure the honorable member for Sturt that action along those lines is taken at the present time.

Mr. CALWELL.—It has always been taken.

Mr. HOLT.—Yes, as the former Minister for Immigration has just said, such action has always been taken, and I did not mean to imply that it was a new procedure introduced by the present Government. The practice is to make a suitable issue of clothing and to see that money is available to migrants for the purpose mentioned by the honorable member. If the honorable member can bring to my notice any specific instances where that practice has not been followed I shall have inquiries made.

FLOOD DAMAGE.

Mr. RIORDAN.—Because floods and other acts of God periodically cause extensive damage and considerable personal loss in all parts of the Commonwealth, as happened during the recent extensive floods, will the Prime Minister give consideration to establishing a voluntary insurance scheme akin to that operated by the War Damage Commission to cover such catastrophes? I point out to the right honorable gentleman that the insurance companies which at present provide cover against such calamities as flood damage do so only at very high premiums.

Mr. MENZIES.—I shall take the suggestion of the honorable member into consideration.

HOUR OF MEETING.

Motion (by Mr. MENZIES) agreed to—

That the House, at its rising, adjourn to to-morrow, at 11 a.m.

PENSIONS.

Mr. COSTA.—The present Prime Minister, when delivering his policy speech on the 10th November, 1949, stated that the best way to prevent disease was to make it possible for the people to have an

adequate and proper food supply. That pronouncement appears on page 21 of his book of skite. Having in mind the plight of age and invalid pensioners, will the Prime Minister immediately increase the rate of pensions so that the recipients may be in a position to buy an adequate and proper food supply? When will the right honorable gentleman commence putting some value back into the £1 and cease giving repetitive evasions?

Mr. MENZIES.—I am sure that the honorable member will think it very fair when I tell him that to this repeated question, I deliver my previously repeated answer.

NEW GUINEA.

Mr. KENT HUGHES.—I direct a question to the Prime Minister in relation to the future of New Guinea. The President of the Government of the country known as the United States of Indonesia has chosen to disregard usual diplomatic channels and, ignoring the Dutch conference on Indonesia now sitting in Djakarta, has issued a message to Australia through the press as follows:—

Tell Australia we don't want East New Guinea, but we must have West New Guinea. Will the Government, if it has not already done so, ensure that the President of the United States of Indonesia is informed, with the usual courtesies of civilized diplomatic dealings, that Australia is intensely interested in the whole of New Guinea and does not consider that Java has any claim, on any grounds, to any part of New Guinea?

Mr. MENZIES.—Perhaps all that should be said by myself at this stage on that matter is that the Australian Government has the liveliest interest in the future of New Guinea, and of all parts of it.

PRICES CONTROL.

Mr. WARD.—I ask the Prime Minister whether, in view of the fact that there has been a considerable increase of prices over a wide field of commodities, arising out of the lifting of prices control, he will approach the States with a view to having prices control reimposed in this field or, failing that, whether he will ask the States to transfer

to the Commonwealth the power to control prices, so that the Commonwealth may exercise some control. If the Prime Minister does not propose to take some such course, will he indicate whether he proposes to take any action at all in accordance with his policy of putting value back into the £1?

Mr. MENZIES.—The answer to the honorable member's questions is in the negative.

COMPULSORY MILITARY TRAINING.

Dr. NOTT.—In view of the particularly offensive propaganda now being disseminated in the Australian Capital Territory and elsewhere relative to compulsory military training, can the Prime Minister, without disclosing the policy of the Government in the matter, indicate the position and responsibility of new Australians of military age in any prospective scheme of military service or military training?

Mr. MENZIES.—It is not possible for me to make any precise statement on that matter at this stage.

HEALTH AND MEDICAL SERVICES.

Mr. BRYSON.—I address a question to the Minister for Health, and I wish to make it clear that I do not ask for a declaration of Government policy. In view of the right honorable gentleman's repeated statements in this House that all newspaper reports concerning the negotiations with the British Medical Association, the Pharmaceutical Service Guild of Australia and the friendly societies have been false, will he make a statement setting out what negotiations have taken place, how they have progressed, and what are the possibilities of some kind of national health and medical scheme being placed before this Parliament?

Sir EARLE PAGE.—I have not said that all newspaper statements on this subject have been false. What I said was that certain newspaper statements were false, and I proved them to be false in this House. The details of a national health scheme can be worked out properly only

as the result of confidential contacts with representatives of the organizations referred to by the honorable member. I am in continuous contact with them. As a matter of fact, I shall be seeing representatives of those bodies on Sunday, Monday, Tuesday and Wednesday next. No time is being lost. I remind the honorable member that about nine months elapsed from the time he was conceived until he was born. The formulation of the national health and medical scheme will not take as long as that.

WHEAT.

Mr. BOWDEN.—I address a question to the Minister for Commerce and Agriculture. Is it the intention of the Government to take a poll of wheat-growers in the near future for the purpose of electing Victorian members to the Australian Wheat Board, an election which, by the way, is considerably overdue? If so, is the Minister able to state the approximate date on which the election will be held?

Mr. McEWEN.—It is the intention of the Government to take a poll of wheat-growers at an early date to elect two grower-representatives from Victoria to the Australian Wheat Board. The appropriate orders in council have been signed and promulgated and the Commonwealth Electoral Office has been asked to make arrangements for the conduct of the election.

COMMONWEALTH BANK BILL 1950.

SECOND READING.

Debate resumed from the 28th March (*vide* page 1255), on motion by Mr. FADDEN—

That the bill be now read a second time.

Mr. CLYDE CAMERON (Hindmarsh) [11.20].—I oppose the bill because it seeks to re-establish the Commonwealth Bank Board and by doing so it seeks to hand over to the private banks and the wealthy vested interests of this country the control of the Commonwealth Bank. The domination of the previous Commonwealth Bank Board by the private banks undoubtedly caused the last depression.

There can be no question about that. Not only was that domination the cause of the depression but it was also the sole factor in preventing any alleviation of the depression and any effort to bring it to an end. I remind the Government supporters who claim to represent farming interests that during the depression the Commonwealth Bank Board by its ruthless attack upon conditions in this country absolutely ruined thousands of farmers. The farmers themselves are well aware of that fact. I know something about farming; I was born and bred on a farm. My parents were farmers, and I lived the best part of my life on a farm. Therefore, I know at first hand the havoc that the depression brought upon the farming community.

The farmers were not the only section of the community that was affected by the depression. At one period over 560,000 of the best workers that this country has ever had were forced to go on the dole. I was one of those who at that time were forced to exist on 4s. 10d. a week while the social hyenas who call themselves bank directors waxed fat on the poverty that they caused throughout the community. One reason for our present housing problem is that during the depression the private banks, through their control of the Commonwealth Bank Board, refused to make available the requisite finance for the building of houses that were so badly needed during that period. Had the private banks been deprived of their control of the Commonwealth Bank Board during the depression, people who wanted houses then and who are still waiting for them would have been accommodated. What possible chance would any government have had of implementing a scheme such as the Snowy Mountains hydro-electric project if the Commonwealth Bank Board had been in existence during the last few years? Governments can plan and visualize all kinds of public undertakings, but unless the finance required for such undertakings is made available they can never be implemented. Had the government that was in office during the depression been free to use the credit of the country which the

Commonwealth Bank could have made available during those frightful depression years when over 500,000 employable souls were forced to live on the dole, we should have had a scheme such as the Snowy Mountains hydro-electric project already in operation. However, projects of that kind will never eventuate if the controllers of private banks are given the right to control and dominate the policy of the Commonwealth Bank and through it the policy of the government of the day. The same remarks apply to the railway standardization proposals which are now being shelved by the Government. All works of that nature could have been completed during those depression years if it had not been for the vicious policy of the Commonwealth Bank Board, dominated as it was by the private banking interests of this country. The Australian birth-rate dropped by 25,000 a year during the depression, due to nothing else but the poverty, unemployment, and degradation which stalked the country and prevented the best source of Australia's population from fulfilling a natural function. That is one of the reasons this Government is now hunting the world for suitable immigrants to fill the empty spaces of this country that would have been filled by healthy, vigorous Australians had it not been for the deliberately designed plans of the private banks during the depression.

If honorable members think that I am not telling the exact truth about the conduct of bankers during the last depression, I remind them that Sir Robert Gibson, the Chairman of the Commonwealth Bank Board, gave written instructions to the Prime Minister of the day to slash pensions, reduce wages and bring about one of the most vicious forms of retrenchment this country has seen. He addressed that letter to the Prime Minister of this country because the private banks told him to do so and he had no alternative but to carry out their instruction. If honorable members do not believe that Sir Robert Gibson's direction to the Government of the day had anything to do with the depression that followed I invite them to

examine what Professor Copland said about the depression. He wrote—

To this general confusion of thought and interplay of self-interest the banks contributed in the early stages of the crisis.

Honorable members on the Government side of the House have repeatedly twitted honorable members on this side of the House with the fact that the depression was at its height during the Scullin Government's term of office, but in raising that point they deliberately overlooked two factors: first, that the Scullin Government had no power to alleviate the sufferings caused by the depression because the control of finance was in the hands of the private banks; and secondly, that the Scullin Government had no power to abolish the privately controlled bank board because the Liberal party, which is the political stooge of the private banks and the wealthy interests, controlled the Senate.

The late Mr. E. G. Theodore sought authority for a fiduciary note issue of a miserable £18,000,000. Again, the political stooges of the private banks in the Senate, and the direct representatives of the private banks and the wealthy monopolistic interests on the Commonwealth Bank Board, decreed that no such relief should be given. They said that they did not have the money, that the country could not afford to make a fiduciary note issue of £18,000,000. But within a very few years the country was at war and when the people who previously denied the unemployed of this country sufficient money to enable them to secure a decent, respectable living found that their own hides and property were in danger, countless millions of pounds were made available. I say advisedly that the depression, with its accompanying poverty, was deliberately designed by the Liberal party, as the political stooge of the private banks, and, by the representatives of wealthy interests on the Commonwealth Bank Board. The Australian Labour party will fight any proposal for the establishment of a bank board of a kind that could lend itself to outside interference with the Commonwealth Bank.

The *Sydney Morning Herald* of the 28th March, contained a report of a statement that was made by Mr. Hewitt,

Mr. Clyde Cameron.

a member of the Liberal party, to a meeting of the New South Wales State Council of the party on the previous day, when this measure was discussed. The report is as follows:—

By this set up, the bill gives complete control to this bureaucracy. The policy of the Liberal party should be to squash bureaucrats as much as possible, rather than to put them in a position of extreme power. By this bill, the members of the Commonwealth Bank Board will be able to exercise much more power than they could in their positions under the Chifley Government.

That statement is in accord with what I have said and with what happened during the depression. The private banks told us before the last general election that the authority which controls banking in a country in fact controls that country. That is a statement with which I agree completely. If power to control the destinies of the people of Australia is to rest in the hands of any body, surely it should rest in the hands of the elected representatives of the people, who, if they impoverish the country by bad administration, can be removed from office at a general election. Such power should certainly not be in the hands of self-appointed directors of private banks, who have inherited their authority to control the finances of the country. Honorable members on this side of the House believe that a Commonwealth Bank Board, dominated by representatives of private banks who are not answerable to the people, has no right to be invested with power to do things that may affect the very existence of the people. I agree with the statement that was made by Mr. Hewitt. The present system of control of the Commonwealth Bank does not confer upon vested interests the power that would be conferred upon them if a Commonwealth Bank Board were established upon which they would be represented. Under the present system, the Governor of the Commonwealth Bank cannot become a dictator. He is subject to the Treasurer, who in turn is subject to the will of the political party which represents the majority of the people or to the Parliament itself.

The honorable member for Sturt (Mr. Wilson) said last night that the Liberal party believes in free competition whereas

the Labour party believes in monopolistic control. Let us examine that allegation. Can any honorable gentleman point to anything that the Liberal party has done to destroy the monopolistic control of the private banks? Lest there be any doubt that monopolistic control is exercised, I propose to quote from the evidence that was given to the Royal Commission on Monetary and Banking Systems by Mr. McConnan, a director of a private bank. On page 164 of the report of the Commission the following passage appears:—

There is a general understanding among the associated banks that we shall not compete with one another on questions of rate. The charges for other services, such as keeping of accounts, internal and external exchange, &c., are also fixed by agreement among us.

We are free in the matter of quoting our overdraft rates, with the exception that there is an understanding.

I personally have never seen any record of this understanding; but I believe the understanding is in existence that we will not compete against each other in the matter of rates. To illustrate that—

If I am charging a man 5 per cent. the other banker will not go to him and say—"We will give you that for 4½ per cent."

That provides complete proof that the private banks, which members of the Liberal party actually represent in this Parliament and have always championed, exercise one of the most vicious forms of monopoly that we have known. What has the Liberal party ever done to oppose the monopoly of the Broken Hill Proprietary Company Limited? Are supporters of the Government naïve enough to suggest that that organization does not enjoy a monopoly? What have they done about Australian Consolidated Industries Limited? What have they done about shipping? Indeed, have they not done everything in their power to strengthen the stranglehold that the shipping cartel has upon the country? Is it not true that the Government intends to sell the recently established government shipping line to private interests so that their monopolistic strength will be further increased? Is it not true also that the Liberal party was wholeheartedly opposed to the Chifley Government's plan to establish an independent government-owned airline? Is it not true that the present Government contemplates the

sale of Trans-Australia Airlines, or an amalgamation of that organization with Australian National Airways Proprietary Limited in order that the private combine may gain greater power? Is it not true that the broadcasting companies, which already form one of the strongest combines in Australia, are courting the Government with a view to persuading it to hand over television and frequency modulation rights to them? Are those facts that I have mentioned in keeping with the preachings of the Government?

Members of the Liberal party and the Australian Country party are the direct representatives in this Parliament of the wealthy combines and monopolies of Australia. They do not represent anybody else. They do not represent the workers, and they do not represent the farmers because the farmers, like industrial workers, are useful to the country. These people, who represent the wealthy combines that pay their expenses at every election, are not capable of speaking for the true workers because any such form of representation would conflict with the dictates of their masters. They know very well that, if they had to rely entirely upon their legitimate financial resources, they would not have enough money with which to pay for their how-to-vote cards at an election. The truth, therefore, is that this bill is neither more nor less than a political pay-out to the banks in return for the hundreds of thousands of pounds that they paid out in order to put the Liberal party into power to represent their views. We know that the private banks contributed at least £500,000 to the election expenses of the Government parties. I should like to know whether they secured the permission of their shareholders to make those contributions. Perhaps they will rig their balance-sheets in order to hide the transaction, or perhaps it is true, as has been rumoured, that they intend in the near future to levy a surcharge upon every cheque in order to reimburse themselves the cost of the campaign. Lest anybody should have any doubt about this bill being a political pay-out to the banks, I remind honorable members that in South Australia, as in other States, all kinds of new committees sprang up overnight prior to the general election. The

Citizens Committee was one of the organizations that became notorious in South Australia on account of its misrepresentation of the truth. The membership of that committee included men like Mr. Isaacson of the Bank of Adelaide. Directors of every private bank operating in the State actually distributed Citizens Committee how-to-vote propaganda, printed on paper of the same colour as was used by the Labour party, with the deliberate intention of deceiving people who had been accustomed to voting in accordance with the white card of the Labour party.

I refer again to the *Sydney Morning Herald* report of discussions at the Liberal party conference that I have mentioned. The statements that I shall quote show clearly where the loyalties of the Liberal party lie. Mr. Hewitt, one of the leaders of the private banking interests in Sydney, said—

During the elections, we were allowed to believe that the supporters of private enterprise would bring down an act, if they were elected, which would give effect to the principles of private enterprise.

Mr. A. H. Jago, who is a bank official, said—

I speak out because this is the State Council of the Liberal party and things should be said forthrightly and not kept back for some whispering campaign.

He was referring to the whispering campaign that the Liberal party had already initiated amongst bank officials to the effect that this bill represented only the thin edge of the wedge and that, as soon as the Government had gained complete power with a majority in the Senate, it would further amend the law so as to give effect in full to its pre-election promise. Mr. Jago objected to whispered promises and said, in effect, "Let us come out in the open straight away". The private banks want the profits of the Commonwealth Bank to be diverted to their own coffers. That is why they support the establishment of a Commonwealth Bank board that would hand over to them the control of financial affairs in Australia. From 1910 until the 30th June, 1949, the operations of the Commonwealth Bank produced a total profit of £85,355,000. That money has been used for the benefit of the country. It

has been used to retire some of the national debt, to build up the reserves and the capital of the bank, and to encourage research and the development of agriculture. The Commonwealth Bank is a magnificent example of a government concern that is financially successful. For the year ended the 30th June, 1948, the Commonwealth Savings Bank and the general banking business of the Commonwealth Bank returned a profit of about £1,250,000. The profits of the private banks in the same year totalled about £2,500,000. That was not enough to satisfy those greedy financial vultures who wax fat upon the poverty of the people. They want to have the profits of the Commonwealth Bank as well. Unfortunately shortage of time compels me to conclude my speech. I do so on this note, that the banks of this country want power to rob, impoverish, and enslave the people of this grand country. They want power to cause depressions at will, to dictate the policy of the democratically-elected representatives of the people, to force reductions of pensions, to slash wages and to stop the people's onward march to a better, brighter, and happier life on this earth of God's creation.

Mr. MACKINNON (Wannon) [11.46].—We have been fortunate or unfortunate in having had to listen to—

Mr. CALWELL.—I rise to order. Is an honorable member of this House who has a financial interest in a banking institution entitled to take part in this debate? Until last week the honorable member for Wannon (Mr. Mackinnon), who now proposes to address the House, was a director of a bank. He resigned his directorate after this bill was introduced. Is he now entitled to take part in the debate and to cast a vote upon a matter that affects his personal interest?

Mr. SPEAKER.—So far as I understand the position, the bill now before the House deals only with the Commonwealth Bank of Australia, and not with any private trading bank. I should say that any interest which the honorable member for Wannon may have in the Commonwealth Bank is exactly the same as that of myself and of the honorable member for Melbourne (Mr. Calwell).

MR. CALWELL.—I desire to raise a further point of order. As the bill before us proposes to repeal the Banking Act 1947 is not the honorable member pecuniarily involved because of his financial interest in one of the banks that was affected by that particular piece of legislation?

MR. SPEAKER.—I heard the honorable member's leader say last night that the act to nationalize banking was a dead letter.

MR. CALWELL.—What about my point of order?

MR. SPEAKER.—I advise the honorable member for Melbourne to be patient. Patience is a great thing in this Parliament. I assume that the honorable member for Wannon will say whether he has a financial interest which precludes him from voting on any measure before the House. If he proceeds I shall assume that he has no such financial interest.

MR. GULLETT.—I rise to order. This is the fourth occasion in two days on which the honorable member for Melbourne (Mr. Calwell) has raised points of order which have not been upheld. I suggest that these points of order are taken by him deliberately with the idea of interrupting the debate. In this instance the point of order has been raised by him to impute an improper motive, or at least something of a derogatory nature, against the honorable member for Wannon. I submit that it is your duty, Mr. Speaker, to protect honorable members from this sort of conduct, in order to ensure that the House will not be subjected to continual frivolous and unsupported interruptions, in the guise of points of order.

MR. CLYDE CAMERON.—Now give us the fascist salute.

MR. SPEAKER.—The honorable member for Melbourne was entitled to a ruling on the point of order that he raised. There is nothing in the Standing Orders which prevents him or any other honorable member from raising a point of order. On the point of order that he raised I have ruled that if the honorable member for Wannon has a private interest which has a bearing on the matter before the House—I cannot see how he can have because it deals with the Com-

monwealth Bank—he can declare it. If he does not do so I shall assume that he considers that he has no such interest.

MR. CALWELL.—I ask for a withdrawal of the remark of the honorable member for Henty (Mr. Gullett) that I have raised frivolous points of order for the purpose of interrupting and delaying the business of the House. I raised three points of order yesterday, each of which you, Mr. Speaker, upheld. In no case did you say, or did the House believe, that I had an improper motive for doing what I did. I object to the observation that I acted with an improper motive, and I ask that it be withdrawn.

MR. SPEAKER.—As the honorable member for Melbourne considers that that remark is offensive to him, I am bound to ask the honorable member for Henty to withdraw it.

MR. GULLETT.—I withdraw it.

MR. MACKINNON.—After a somewhat shaky start I should like to make my position quite clear, for the benefit of honorable members opposite. It is true that I was a member of the Victorian Board of advice of the Commercial Banking Company of Sydney Limited for about fifteen years. That is purely an advisory board, which has as much executive control as the present Advisory Board of the Commonwealth Bank. I also own a few shares in private trading banks, the total value of which would not exceed £500. When I was elected to this House my first step was to dissociate myself from the bank because I considered that I should devote myself wholly to the interests of my constituents. The statement of the honorable member for Melbourne that I resigned only a week ago, when this measure was introduced, is completely false.

MR. CALWELL.—The honorable member's resignation was announced last week. I can show him the press cutting.

MR. MACKINNON.—Unfortunately the Sydney metropolitan press neglected to publish a report of my resignation at the time that I resigned. If the honorable member disbelieves me I can produce to him copies of newspapers published in my electorate containing reports of my resignation about two months ago.

Having cleared the air on that point I shall return to the important aspect of this matter, which is the motion for the second-reading of the bill, which I support. We have listened to a very bitter tirade from the honorable member for Hindmarsh (Mr. Clyde Cameron). I shall not attempt to deal with many items that the honorable member for Melbourne may call flapdoodle, but shall confine my remarks to two or three of the points that the honorable member for Hindmarsh raised. I thought that I was hearing a chapter out of the reports of the speeches of Labour members twenty years ago when the honorable member stated that the banks had caused the depression. I consider that if that statement is examined in the light of what I shall advance during my speech we may arrive at the real truth of the matter. Does the honorable member for Hindmarsh contend that the banks of Australia were responsible for the price of wool decreasing to 10d. per lb. and the price of wheat falling to 18d. a bushel? In other words, were the banks of this country responsible for the huge falling off of our external revenue, which has always greatly influenced the living standards of Australia? If we bear in mind that the income which Australia derives from exports forms the bulk of our spending money, we shall realize that what happened in Australia twenty years ago had no bearing on the actual depression, which resulted from conditions overseas. Everybody knows that. Like every other country, Australia suffered through the effects of it. Moreover, due to the wise government of anti-Labour administrations, although the depression was prolonged, Australia was one of the first countries to get on its feet again. I think that the honorable member for Bendigo (Mr. Clarey) made an application to the Commonwealth Court of Conciliation and Arbitration in 1936 for a loading of the basic wage on prosperity grounds. That was the actual sense of the application.

The honorable member for Hindmarsh made another point in connexion with developmental schemes. He advanced the proposition that if the Commonwealth Bank Board had been in existence the Snowy Mountains hydro-electric power scheme would not have been formulated, much less commenced. The honorable

member must have a very short memory if he cannot recall the construction of the Hume weir, and other huge State undertakings which have characterized the general and steady progress of this country during the last 100 years. To try to make out a case against the Commonwealth Bank Board on those grounds is both spurious and farcical. The honorable member stated that over a period of years the Commonwealth Bank had made profits amounting to £85,355,000. A very large percentage of the Commonwealth Bank's profit has been derived from note issues. The private banks have no power in that connexion.

I shall refer now to the three main issues that confront us in this measure, namely, the repeal of the Banking Act of 1947, the administration of the Commonwealth Bank, and the measures for strengthening the financial structure of the trading department of the Commonwealth Bank and ancillary activities. It is not an exaggeration to say that bank nationalization is one of the most contentious political issues that have ever faced the people of Australia. Many honorable members opposite and their supporters would have been glad had they been in a position to drop the proposition when they saw the opposition that was shown to it in all parts of Australia. That opposition was further shown by the results of State elections conducted in the atmosphere of bank nationalization. All the assurances of the Leader of the Opposition (Mr. Chifley) will not allay the fear of his supporters in that regard. While bank nationalization remains one of the objectives of the Labour party, it is clear that it will not be a dead letter despite the decisions of the Privy Council and the High Court of Australia. The public generally realizes the force of the argument of leading Communists, such as Lenin, that control of the financial structure of a country is necessary to bring to fruition the complete socialist-Communist political theory. In their wisdom the electors gave this Government a mandate to remove that threat to freedom. In conformity with the policy of the Government the first step that it is taking in putting that mandate into force is the abolition of the threat of political control of the

financial structure. [*Quorum formed.*] Many speakers from the ranks of the Opposition, in supporting their political theories inside and outside this chamber, have devoted their energy to propagating the fallacy that the Commonwealth Bank is a people's bank, a sort of Father Christmas, and a perpetual hander-out of good things. They have tried to inculcate in the minds of the people the belief that they have only to ask the bank for anything and their request will be granted. Nothing could be further from the truth, or more deluding to the public. Any sane person with a little knowledge of the methods of government institutions will realize how far from the truth such a proposition is. The hide-bound methods governing financial transactions of government institutions apply with equal force to the Commonwealth Bank and to any other department of the government. It is only because of the competition of private trading banks that the elasticity, necessary for modern banking requirements, has been introduced into the activities of the Commonwealth Bank. The idea that the Commonwealth Bank is a perpetual hander-out of good things for nothing is deluding and fallacious.

At this stage I should like to say a word in favour of the Bank Officers Association. During the recent election campaign this body was held up to vilification and abuse, because of its activity in campaigning against nationalization of the banks. Those men who, with spontaneous energy, took on the job of campaigning in the cause of freedom, although they may have been fighting for the security of their own positions, which—after all—is no crime, deserve the thanks of Australia for their efforts. The members of the Bank Officers Association realized the full significance and the dangers of monopoly banking, perhaps more than did any other section of the community. The public of Australia owes the Bank Officers Association a debt of gratitude rather than ridicule and vilification, because its members, by their own energy and initiative, made available to the public a knowledge of the dangers that may be met with in following the socialist lead in regard to bank nationalization. Recent industrial problems have

revealed the possibility of the exercise of arbitrary political power through monopoly banking. I shall refer honorable members to a lesson that should be studied and learned for the welfare of future generations of Australians. At the height of the coal strike last year a bill was passed through this chamber with the object of controlling the funds of the unions connected with the coal-mining industry. It also provided that similar treatment would be given to the funds of other unions which might come to the assistance of the coal-miners. I do not propose to discuss the merits of that bill because it received general support from both sides of the House. The point that I desire to make is that there was power in the consequent act to control the bank accounts of citizens of Australia. It would have been almost impossible to do that under a system whereby the trading banks were acting in competition with the Commonwealth Bank. The implications of this act to freeze funds were clearly stated by certain honorable members during the debate. I shall quote from the report of the speech which the honorable member for Perth (Mr. Tom Burke) made during the second reading of the National Emergency (Coal Strike) Bill 1949. *Hansard* of the 29th June, 1949, at page 1682, reports the honorable member as having said this—

Its purpose is to prevent unions from using their funds to prolong the dispute. If the prohibition were to apply only to the miners' federation, it would not be very drastic. . . . The bill, therefore, has been drawn in wide terms. It provides that other organizations registered with the Commonwealth Arbitration Court shall be prevented from giving financial assistance that is designed to, or would have the effect of prolonging the strike.

Speaking in the same strain, the honorable member for Fremantle (Mr. Beazley) is reported at page 1710 of *Hansard* of the same date as having made this comment—

I do not see that there is any sense in pretending that this measure is not coercion or that it does not propose a curtailment of civil liberty.

I submit that under a system of monopoly banking the power to curtail civil liberty could be used, as was indicated by the honorable member for Fremantle, for political purposes by the government of

the day. That is the moral that I wish to point in connexion with the whole matter of bank nationalization. That is the real threat to this country, although it has been airily dismissed by the Leader of the Opposition.

I shall now discuss the second portion of the bill, which deals with the control of the Commonwealth Bank. The Leader of the Opposition made his main attack on the bill in connexion with the proposed appointment of a Commonwealth Bank Board. He tried to persuade honorable members that control by a number of economists was by far the most satisfactory method of controlling the finances of Australia. The Australian public will not accept that proposition. Some of the schemes that were planned and carried through to completion by experts have been by no means to the advantage of taxpayers. I instance the undertaking by the British Government in the East African colonies, including Tanganyika, Kenya Colony and Northern Rhodesia, for the production of ground nuts to provide vegetable oils for the people of Great Britain. Despite a huge expenditure which at present is estimated to be about £27,000,000 sterling there has been no tangible result. The long-term plan has not been fulfilled and there is no sign of its fulfilment. I can only hope that the scheme undertaken in central Queensland will not follow the same lines as that huge partial failure in East Africa. That is a case of a scheme which, planned in some back room, has proved a complete failure when related to the cold, hard world of reality. That is why honorable members on this side of the House think that if the Bank Board is to advise the Government on the administration of economic and financial matters in accordance with the Government's policy, it must be strengthened by having on it a representative cross-section of the community.

Mr. DAVIES.—The Administration is doing very well without that.

Mr. MACKINNON.—I thought that anybody who had made an analysis of the economic conditions of Australia over the last twenty years would realize that the position at present is unique in the history of Australia. As a result of the high prices obtained for Australia's exports,

the income and spending power of the people have reached a level without precedent in this country. In the debate on the 1945 Banking Act the present Prime Minister (Mr. Menzies) said that one of the first acts of his party would be to reconstitute the Commonwealth Bank Board, and in actual fact that is what the Government is doing now. All the arguments of the Leader of the Opposition and other honorable members opposite will not convince the public of Australia that this bill does not provide for wider knowledge and a greater spread of information, while providing an absolute safeguard to ensure that the public of Australia will have the final decision in their economic and financial affairs. I want to make that point quite clear, because honorable members opposite have attacked that particular provision. They have tried to establish that it is not sound enough to assert the rights of the Government in a dispute with the Bank Board. A close study of the proposal will clearly demonstrate that the government of the day, as the representative of the people, will have the final say in the event of any dispute, and quite rightly, because that is in accordance with the highest form of true democratic principles.

I do not propose to deal at any great length with the third portion of the bill, which deals with the strengthening of the financial structure of the Commonwealth Bank; with its trading activities and various ancillary activities which are necessary to-day. I should like to close on this note. Australia is living not in the past but in the present. Financial and economic mistakes have been made throughout history and it is only by mistakes that lessons are learned. To try to adapt the arguments of twenty years ago to a bill that is modern in its conception and gives effect to the best principles of democracy is only to attempt to delude the people of Australia.

Mr. HAYLEN (Parkes).—[12.10].—I have listened with great interest to the honorable member for Wannon (Mr. Mackinnon) traversing in a tortuous way the history of banking, and I got out of his speech nothing more than the usual Liberal jargon about the rights of the people and civil liberties. The honorable

member rather discounted his own case when he claimed that the depression was not so bad after all and that Australia was the first country to emerge from it. That is just an old bromide that has been pedalled round in every newspaper and from every platform over the last fifteen to twenty years. The marks of the depression were left all over this country up to the time of the enlistments for the war which began in 1939. Those marks were shown in the health standard of the first men to enlist who did so well in the field despite the fact that the country had not done very well by them or their parents between the two wars.

Mr. GULLETT.—What nonsense!

Mr. HAYLEN.—The honorable member is an expert in nonsense and is not worth worrying about. He should go back to his sheep and his farm. The history of banking is so tied up with the history of the development of this country that any scars from the depression that were postulated from this side of the House have something to do with banking and banking control. The honorable member for Wannon talked about the depression in a light-hearted manner. He should discuss the depression with the former member for Wannon, who would tell him what happened to him at that time. The House was given a lot of poppycock about the spontaneous upsurge of the bank employees for freedom and liberty. There has not been any show in the Tivoli that would draw a louder laugh. This spontaneous upsurge was similar to those that Hitler organized. He sent his agents round with intimidatory pistols and they said, "We shall have a spontaneous welcome to Hitler in the square". The history of the 1947 Banking Act has been written and is not under discussion by honorable members except to say that it has been pronounced upon by the higher authority of the Privy Council and the High Court. The honorable member suggested that those men who worked for the banks were heroes in the election campaign who fought for the pass against the marauders of the Labour party. Honorable members on this side of the House stick to the proposition that the Labour party put to the country in relation to banking and the

Bank Board. We accept the decision of the High Court and the Privy Council. When we find that the Liberals, who have been swept back into this Parliament on a wave of popular approbation, still hold to the fantastic story of the past, we become very sick indeed. The honorable member for Evans (Mr. Osborne) who has inherited a part of my electorate, has referred to the matter of profits. He had asked the honorable member for Hindmarsh to distinguish between profits and losses. His election showed a handsome profit, because, on his own admission, the banks paid for it entirely.

Mr. OSBORNE.—I rise to order. The honorable member for Parkes must have mistaken me for someone else. I could never have made the admission to which he refers and it is not true, and I made no observation about profits either by interjection or otherwise. His remarks are offensive to me.

Mr. SPEAKER.—Order! If the honorable member for Evans is of the opinion that the honorable member for Parkes has said something that is offensive to him, he may ask for a withdrawal of it.

Mr. OSBORNE.—I ask for a withdrawal of so much of the remarks of the honorable member for Parkes as refer to me, on the ground that they are offensive to me.

Mr. SPEAKER.—The honorable member for Parkes will withdraw those remarks.

Mr. HAYLEN.—I withdraw them. I have dealt with the honorable member for Wannon. I think that the approach that he made to the matter should have been discarded in this House long since. According to his reasoning, there is nothing ugly in the past relative to banking, and there is nothing but bright sunshine in the future, because the Government is going to restore the Commonwealth Bank Board.

I now come to the Jekylls and Hydes who sat at the table last night—the Treasurer (Mr. Fadden) and the Prime Minister (Mr. Menzies), who speak with two voices, which makes it very difficult to know when one is Jekyll

and the other is Hyde. The play on words does not matter. The Prime Minister and then the Treasurer, stated that they had a mandate from the people. I should be quite prepared to agree with that, if the Treasurer would say just who is interpreting this mandate. Is it the Prime Minister? Is it the Treasurer himself? Is it the *Sydney Morning Herald*, or Mr. Jago, of the Bank Officers Association? They all speak with different voices. Is it the Minister for Social Services (Senator Spooner), who was nearly thrown out of a meeting of the New South Wales Council of the Liberal party, at which members of that party proclaimed their intention of saying what they thought about the banking bill? They said that there would be no whispering campaigns. Mr. Jago made a libellous attack on the London School of Economics. His attack was echoed by the honorable member for Wannon, who, in the course of a peripatetic speech, finished up wandering across North Africa to Kenya, where men are very senior and wear the striped pants to which I referred on another occasion. He said that in that territory, a ground-nuts scheme had failed because of the way in which it had been planned. He sought to link that failure with the overwhelming success of the Commonwealth Bank in this country.

Mr. Hamilton interjecting.

Mr. HAYLEN.—There is a particularly noisy jackass from Western Australia who is making a disturbance.

Mr. SPEAKER.—Order! The honorable gentleman may not refer to an honorable member of this House as a jackass. He must withdraw that expression. It is not parliamentary.

Mr. HAYLEN.—I do not know to what other Australian bird I could liken the honorable member.

Mr. SPEAKER.—The honorable member is not entitled to refer to another honorable member as a bird. He must withdraw that term.

Mr. HAYLEN.—Then I shall say that the honorable member for Canning (Mr. Hamilton) is not a jackass.

Mr. SPEAKER.—Order! I ask the honorable member to withdraw the term that he used.

Mr. HAYLEN.—I withdraw it. Returning to the Jekyl and Hyde at the table, I ask again "Who is interpreting the Government's policy on the abolition of the Commonwealth Bank?" First we had the Treasurer's explanation, but we all know his facile way of dealing with a situation. He is full of charm. He has assured us that there is nothing dangerous in the bill. He has said, in effect "It has all the stuff that you had in your own bill". But we know the right honorable gentleman both personally and politically, and we have no difficulty in seeing the "nigger in the woodpile". He added "Of course there is the little matter of the Commonwealth Bank Board. We intend to have a board of ten, but everything else in the bill is only what old Chif. says".

Mr. SPEAKER.—Order! The honorable member may not refer to the Leader of the Opposition as "old Chif". He must refer to the right honorable gentleman either as the Leader of the Opposition or as the right honorable member for Macquarie.

Dr. EVATT.—The honorable member for Parkes was merely making a quotation.

Mr. HAYLEN.—Yes. I had no intention of being in any way disrespectful to my distinguished leader. I was merely dramatizing the words of the Treasurer. However, I shall return to the Treasurer, and the attempt that he made to delude members of the Opposition—which, of course, is impossible—to impress his new followers, and to mislead the public generally about the proposed bank board. The Treasurer was supported by the Prime Minister by interjection last night, and I shall refer to that matter later. We are assured that this proposal is harmless, and is being made as a consequence of the mandate given to the Government at the general election. So, in the Treasurer and the Prime Minister, we see two doves sitting side by side on the treasury bench billing and cooing. They would have us believe that the proposed Commonwealth Bank Board will be the best of good things in the best of all possible worlds. However, the bill has not met with the approval of some outside people who claim to have put the Government where it is. First of all, the *Sydney Morning Herald*

gathered up her skirts and talked in a disorderly manner to the Government, saying "This is not what I expected. This is a disappointing banking reform. The composition of the board conforms neither with the recommendations of the royal commission on banking nor with the remarks of the Prime Minister in his policy speech". Having said that, the *Sydney Morning Herald* flounced out in all directions, and the cause was taken up by the New South Wales State Council of the Liberal party, which apparently is most perturbed about the matter. The Minister for Social Services, who, in his innocence, attended the meeting, found himself the storm centre. No matter how the incident may have been reported, it is clear that the issue was decided finally by a majority of 50 votes to 40, which, as honorable members of this chamber who are used to voting will concede, indicates a considerable brawl. Oil was not poured on troubled waters for a long time. I understand, too, that the honorable member for Bennelong (Mr. Cramer), who is one of the "twenty fixers" of the Liberal party, had a look at the meeting, found the climate not to his liking, and went instead to a meeting of the Sydney County Council. The hard, cold fact is that there are obvious signs of dissent amongst the Liberals themselves about the strength or weakness of the policy of that party. That causes one to consider the matter more closely. Clearly, although this banking legislation is cunningly dressed to look innocent, it is really most dangerous to the banking practice and philosophy of this country.

We attack this proposal now as we have attacked it before. Is there any indication that the proposed Commonwealth Bank Board, small but select, will be any more useful to the country than the present Advisory Board is? The honorable member for Hindmarsh (Mr. Clyde Cameron) cited some interesting figures showing the progress of the Commonwealth Bank since 1945, when the strangling and stultifying provisions of the law were removed by Labour legislation. The progress of the bank has been phenomenal. It is true that the bank's activities and its profits were boosted by the war. But I remind the House that when the

previous Commonwealth Bank Board was in existence, the annual Commonwealth budget was only about £100,000,000, whereas to-day it is five or six times that sum. However, considering all these things, the trading activities of the Commonwealth Bank, unhampered, and certainly unsolicited, have undoubtedly been a revelation to commerce and banking circles in this country, and have evoked the admiration of the world. I ask the Treasurer, a hard-headed business man who is entrusted with the purse-strings of this nation, why he believes that he should sack an advisory board that has done such excellent work for the doubtful advantage of a type of board that has a very bad history indeed. In view of the success of the Commonwealth Bank and the unlimited confidence that it obviously enjoys in the eyes of the people, why should the Government, even in the face of strong opposition from some of its own followers—again I have in mind the New South Wales State Council's dispute with it—introduce into this House a bill which it claims makes only trifling alterations to the present practice? Everybody mistrusts the Government's motives. Does the honorable member for Wannon or any other honorable member believe that the people of Australia are not fully aware of the significance of the Commonwealth Bank as the people's bank, as a central bank, and as a great bulwark that will be capable of financing this country in a time of depression or of war? The Treasurer himself referred to the part played by the former Leader of the Australian Country party, the right honorable member for Cowper (Sir Earle Page), in the development of the Commonwealth Bank. Why, then, do we have this attempt to re-introduce board control, which has such an atrocious history in this country?

Written into our history is the part played in the depression of 1929-32 by the then Commonwealth Bank Board. At that time, a collection of stupid, muddling, "once-a-weekers" were able to tell governments whether or not money would be made available to them. At least some of the responsibility for the sufferings of this country during the depression must be accepted by the

trading banks and by the Commonwealth Bank Board, which, year after year, sat in solemn conclave. Again I ask the Treasurer, "What advantage will be derived from restoring board control to the Commonwealth Bank?" Whether or not he and his colleagues were swept into office by the money and power of the trading banks, the fact remains that the Liberal party and the Australian Country party now hold the reins of government. We agree that they have a mandate from the people, but we deny the Treasurer's right to interpret that mandate as authority to destroy the Commonwealth Bank by re-establishing the Commonwealth Bank Board. The Prime Minister said in his policy speech that there would be a small board. A board of ten members cannot be regarded as small. The honorable member for Hindmarsh referred to the profits that had been made by the Commonwealth Bank. What kind of a job has this bank done for Australia over the years? Since 1910, it has made profits totalling £85,000,000. The honorable member for Wannon said that the Commonwealth Bank had made a lot of money out of the note issue. I remind him that many private banks had an opportunity to make money out of their own note issue until those notes ceased to have any value. During the great depression towards the end of last century, notes issued by the private banks were called "shin plasters".

In 1948-49, profits amounting to £1,250,000 were ploughed back to make the Commonwealth Bank a bigger and better institution. That money did not go to private shareholders. I say, quite seriously, that I cannot understand the Government's vendetta against men who, in an advisory capacity, have given great service to the Commonwealth Bank. They are to be replaced by a nebulous five and a fearless five. Where are these men to come from? They must be men with wide experience, but they must be without political contacts. They must not be associated with big business, and I take it that they must not be associated with industrial life. Where are we to get them? Obviously, the Government is not looking for five able men at all. It wants five

stooges of stooges, who will do exactly what they are told. They will be business or political rejects. We on this side of the chamber know how the Commonwealth Bank Board will be constituted. We know its ugly history of ineptitude. The appointment of five men will merely be a shambling attempt by the Government to comply with its election promise. I sympathize with the Treasurer, who only now is realizing the magnitude of his task. The work of the Commonwealth Treasurer to-day is tremendous, and on top of that he is expected to engage in the destructive business of imposing a board on an organization that is already leaping ahead, and doing excellent work.

The Leader of the Opposition referred to another feature of the work of the Commonwealth Bank which the Treasurer would do well to consider, that of secrecy in regard to such matters as dollar allocations, variations of the exchange rate, &c. I have no wish to make imputations against any one, but only dedicated men could resist the temptation to capitalize information that might come to them; perhaps not the ordinary business man who might be dragged in after a wide cast to fill a position on the board. My contention is that there is no justification for a board. Of course, if only a board could bring the bank to the peak of its prosperity, the appointment of a board should be considered. No particular significance attaches to the word "board" as such, but boards have a bad history in association with banking. Private members on a bank board are liable to consider the interests of their future rather than those of the people, and we have not yet forgotten the attitude of the Commonwealth Bank Board to the Prime Minister of the day during the depression, nor its niggardly closing of the purse strings just when it should have been drawing them open in order to save the people from degradation and despair. If my use of those words annoys honorable members opposite I have no apology to make. The people hope that the Government will not interpret its mandate in such a way as to interfere with the banking system to its detriment. Too many people suffered too much during the depression for them to have refrained from

searching for causes. Every village hotel was a forum, and every repertory theatre was a discussion group where people inquired into the causes of the depression. It was recognized that the Commonwealth Bank Board had more than a little to do with it, and that, when the need arose, it was not equal to its task. Now, in 1950, the Treasurer, an experienced man, comes forward with the proposition that the only way to increase the prosperity of the bank, to make this shining success even more successful, is to bring back the sort of control that almost destroyed it before.

Some classical evasions have been practised by the Treasurer and the draftsmen in the framing of this bill. Of course, I blame the Treasurer for this, not the draftsmen. For instance, we are informed that if a dispute arises between the Executive and the board, a minute regarding the dispute shall lie on the table of the House. Of course, by that time, the whole issue will have been resolved. That is a most undemocratic procedure, and the Government is mistaken if it thinks that the people will be deceived.

Mr. FADDEN.—Does the honorable member know that his leader associated himself with such a recommendation?

Mr. HAYLEN.—I heard what my leader said about this bill last night. The honorable member for Lowe (Mr. McMahon), who inherited a lush part of my former electorate, spoke about dictators. It was not right, he said, that the policy of the Commonwealth Bank should be controlled by a dictator, and he suggested that the members of a board would not be dictators. Surely honorable members have not forgotten the dictatorial attitude of the Chairman of the Commonwealth Bank Board, Sir Robert Gibson, when the Labour Government was in office during the depression. That attitude was one of the worst features of the control of the Commonwealth Bank by a board.

The Government proposes to change the method of control of the Commonwealth Bank, but the proposed change is certainly not warranted on the performance of the men who, in the past, constituted the Commonwealth Bank Board. If history repeats itself, as it has an unfortunate knack of doing, what will the Treasurer say if the policy

initiated by the Commonwealth Bank Board, the appointment of which the Labour party has so bitterly opposed, plunges the country into another depression? I assume that the Treasurer has considered that point.

I am certain that the people will not agree to allow the trading banks to hamstring the Commonwealth Bank by forcing the adoption of a policy that would restrict its trading opportunities. That is certainly what was foreshadowed by the screams of Mr. Jago in Sydney last Monday night. He is one of those who would curtail the trading activities of the Commonwealth Bank. Among Government supporters, there are two schools of thought on the banking issue. Those who belong to one school are content that the crisis is past, and that the private banks will not be nationalized. They are satisfied with the status quo. Those who belong to the other school are the rabid haters of the Commonwealth Bank, who wish to see it stripped of its trading powers, and turned into a central bank only, so that the racket of private banking on an unrestricted basis may be restored. That cannot happen because to-day there is a lion in the path, in the shape, not of any political party, but of the history of the past. That history has been a very sad one, for although the Commonwealth Bank could not have avoided the consequences to this country of the depression it could have controlled them. Depressions cannot, of course, be avoided; but their incidence can be controlled to a considerable degree. That is what will have to be done when the next depression occurs. Those people in the country districts of Australia who have become so rich in the last few years, and who have now departed from their allegiance to the Australian Labour party, will find that the conditions which precipitated the last depression will recur and will cause another depression. We are selling our wheat and wool overseas at what amount to famine prices. Australia to-day is not very popular amongst two-thirds of the peoples of the world because of the high prices for our primary produce that we are demanding from starving people.

However, the farmers have seized the opportunity to pay off their farms, and

mortgages aggregating £80,000,000 have been discharged, so that once again the ownership of the land is vested in the farmers themselves. Of course, the present high prices will not last forever, and if the farmers are to be buttressed against a depression, which may occur at any time during the next two or three years, they must accumulate some reserves now. That is another reason why we should have a strong central bank, with an imaginative idea of what to do with the money in its vaults, and an understanding of the financial vitality of the nation. We must be courageous enough to spend money in advance. That is the simple story of social credit—spending money in advance in order to cushion the effects of a future restriction. Honorable members on this side of the House fear, and fear deeply, that the Commonwealth Bank Board that is to be established by the present tory Government will have all the elements of restriction and conservatism. As the Leader of the Opposition (Mr. Chifley) said last night, the Government is like the Bourbons, who learned nothing and forgot nothing. I am afraid that its creature, the Commonwealth Bank Board, will be of the same type. When bad times come again it will turn up the minutes of the meetings that the former board held in 1931 in order to find out what it did during the depression. Then it will be only a matter of time before the present structure of the Commonwealth Bank, which has been erected so painfully and after so many years, will be pulled down about our ears.

Many of the comments that have been made by supporters of the Government in advocacy of this measure were extremely naïve, and some of their interjections were quite innane. Obviously they do not understand the nature or the purpose of a central bank. We must strengthen our central banking system to the limit and ensure that the component parts shall be efficient and sufficiently flexible to cope with any situation that may develop. Having in mind the likelihood of the recurrence of a depression, it is all the more important that the control of the bank shall be free and flexible. In my opinion the establishment of a board to

control the bank is a retrogressive measure, and is dangerous because of the unsavoury history of the earlier bank board. We have no assurance whatever that the proposed board will function any more efficiently than did the old board. That board met once a month and depended for leadership and direction on the inflexibility of the Chairman. That will happen again. Let us not pretend that the appointees to the proposed board are going to work miracles—the miracles have already been worked in the Commonwealth Bank under its present control. That bank is to-day one of the most solid and efficient financial institutions in the Empire. Why tinker with a good job? I again ask the Treasurer to explain in the course of his speech in reply the Government's sudden shift of plans. I refer honorable members to the *Hansard* reports of his utterances on banking. Of course, I suppose every honorable member stands the risk of being condemned at some time or other when confronted with his previous utterances, and I am perhaps more liable to that fate than are most other honorable members. However, *Hansard* shows that the present Treasurer and the Prime Minister comported themselves like raging lions in this chamber when the banking legislation of 1947 was being debated. To-day they display only the charming attributes of sucking-doves. I recall the right honorable gentlemen proclaiming most vehemently after turning to the serried row of bank officers and underwriters, I nearly said “undertakers”, in the strangers’ gallery —“We will repeal this measure when we are returned to power”.

Mr. SPEAKER.—Order! The honorable member's time has expired.

Motion (by Dr. EVATT) put—
That the honorable member for Parkes (Mr. Haylen) be granted an extension of time.

The House divided.

(MR. SPEAKER—HON. ARCHIE CAMERON.)

Ayes	34
Noes	62
Majority	—
	28

AYES.

Auderson, Gordon
 Bird, A. C.
 Bourke, W. M.
 Calwell, A. A.
 Cameron, Clyde
 Chambers, C.
 Chifley, J. B.
 Clarey, P. J.
 Clark, J. J.
 Costa, D. E.
 Creemane, J. L.
 Curtin, D. J.
 Davies, W.
 Drakford, A. S.
 Duthie, G. W. A.
 Evatt, Dr H. V.
 Fitzgerald, J. F.
 Griffiths, C. E.

NOES.

Adermann, C. F.
 Anderson, Charles
 Anthony, H. L.
 Bate, Jeff
 Beale, Howard
 Berry, D. R.
 Bowden, G. J.
 Brown, G. W.
 Cameron, Dr. Donald
 Casey, R. G.
 Cramer, J. O.
 Davis, F. J.
 Den, R. L.
 Downer, A. R.
 Drummond, D. H.
 Egging, E. J.
 Fadden, A. W.
 Failes, L. J.
 Fairhall, A.
 Fulmek, C. W. J.
 Francis, J.
 Freeth, G.
 Gilmore, T. V.
 Graham, B. W.
 Grayden, W. L.
 Hamilton, L. W.
 Henty, H. H.
 Harrison, Eric J.
 Hasluck, P. M.
 Haworth, W. C.
 Holt, H. E.
 Howse, J. B.

Tellers:
 Daly, F. M.
 Sheehan, T.

Hulme, A. S.
 Jack, W. M.
 Kekwick, B. H.
 Kent Hughes, W. S.
 Lawrence, W. R.
 Leslie, H. A.
 Mackinnon, E. D.
 McBride, P. A.
 McColm, M. L.
 McDonald, A. M.
 McEwen, J.
 McMahon, W.
 Menzies, R. G.
 Opperman, H. F.
 Page, Sir Earle
 Pearce, H. G.
 Pittard, A. C.
 Robertson, H. S.
 Ryan, R. S.
 Swartz, R. W. C.
 Timson, T. F.
 Townley, A. G.
 Treloar, T. J.
 Turnbull, W. G.
 Wentworth, W. C.
 Wheeler, R. C.
 White, T. W.
 Wilson, K. C.

Tellers:
 Davidson, C. W.
 Gullett, H. B. S.

Question so resolved in the negative.

Sitting suspended from 12.50 to 8 p.m.

Mr. DRUMMOND (New England) [8.0].—I realize that this bill is apt to be debated from the standpoint not so much of banking machinery as of the principles which are inherent in it and the conflicting ideologies which may be regarded as influencing the passage of the legislation. It appears to me that when we are considering the bill, we must have regard to the conditions of the world in which we live, because any banking policy which is adopted by a country must be affected by the events which have happened, which are happening and which may happen throughout the world. We must also take into consideration the fact that the war literally destroyed almost completely the economies of nations which, before the conflict, had been prosperous. They were trading with one another and were increasing their own wealth, but their prosperity has

gone up in smoke in more senses than one. The world to-day, especially the western world as it is termed, is able to carry on by virtue of the fact that it lives on gifts from the United States of America. Those gifts are made in the form of loans and under the Marshall plan, but whatever we like to call them, they are likely to be gifts in the true sense of the word before the economy of the world, and particularly that of the western world, is completely reconstructed. That rehabilitation will not be achieved until a proper balance of trade has been attained. People talk about inflation and associated financial subjects, but they skirt around the fact that the real trouble relative to the shortage of dollars and currency difficulties generally, is really the result of the destruction of economies, which prevents nations from exchanging freely a maximum quantity of goods. If we in Australia were able to sell to the United States goods to the same value as those which we require from that country, we should make a material contribution to the solution of the dollar problem. If Great Britain were able freely to pay in exports for everything that it receives, the sterling problem would be solved almost automatically.

The banking position in Australia is complicated by the fact that we have a favourable trade balance with Great Britain of approximately £500,000,000, which is increasing because that country is not able to repay us in goods for the goods which we sell to it. I am not complaining about that position. If that is the price which we must pay for maintaining the British Commonwealth, supporting the British economy and acknowledging all that Great Britain means to us in terms of sentiment, cash and trade, I have no objection. I am simply stating it as a fact which complicates the present situation and has a definite effect upon the banking position in Australia. According to the most expert advices, the economies of the western countries are beginning to recover. There are indications that, under the Marshall plan, manufactures in those countries have more than recovered the standard of 1938, and agriculture is rapidly reaching the level of that year.

Having made those preliminary remarks, I pass on to the objections which have been raised, principally by the Leader of the Opposition (Mr. Chifley) to the Government's banking proposals. I remind the House that, recently, the right honorable member for Barton (Dr. Evatt) made a broadcast from station 2KY on banking policy. I shall read a passage from the report of his address which was published in the *Sydney Morning Herald*. It is as follows:—

The question is whether the Governor of the bank should have at his side not merely a council to advise, but a board to share the decisions with him, and perhaps overrule him in the exercise of his great powers and functions.

Another extract from the report of that address reads as follows:—

You can easily and readily understand Mr. Chifley's objection to setting up any board which could override the Governor, a board which might not act in the interests of the people.

The objections which the Leader of the Opposition voiced last night to certain features of the bill were fundamentally the same as those expressed by the right honorable member for Barton in the broadcast to which I have referred. Let us examine the position with the object of ascertaining whether the Opposition has a real case from the standpoint of the public. I propose to read a passage from the policy speech of the present Prime Minister (Mr. Menzies) on the 10th November, 1949, when opening the election campaign on behalf of the Liberal party and the Australian Country party. I realize that the passage may have been quoted on previous occasions, but as it is germane to my argument, I shall repeat it. It is as follows:—

We therefore propose—

- (b) To provide that if the Treasurer disagrees with the Board's policy, he shall refer the matter to Parliament for its decision. That is, we shall restore the sound principle that great financial decisions shall not be secret, and that the elected representatives in Parliament should be able to control them.
- (c) To provide some much-needed check to inflation of currency, we shall restore parliamentary control over the Commonwealth note issue.

What do the Opposition's objections to the bill mean in plain terms? The Leader

Mr. Drummond.

of the Opposition in his speech last night, and the right honorable member for Barton in the broadcast to which I have referred, have said, in effect, "We contend that the Government has no right to pursue its banking policy, despite the fact that an overwhelming majority of the people endorsed it". If members of the Opposition obstruct the passage of this bill, or even use their majority in the Senate to destroy it, they will show that they are not in accord with the principles of democracy and parliamentary government. I emphasize that parliamentary government, under the British system, enjoins that, provided a policy has been put clearly to the people, and they endorse it at a general election, it is the bounden duty of the Opposition to respect that policy and give it a chance to be proved a success or a failure. The attitude of the Leader of the Opposition and his supporters to the principles of this bill, which were put clearly and in express terms to the people, who endorsed it, is contrary to our conception of parliamentary government. The Chifley Labour Government was defeated at the election on the 10th December last, and the Opposition is now a relatively small section of this House. Yet the Labour party has implied that it will use its majority which, by political accident or design, has been created in the Senate, to circumvent the intentions and the expressed will of the people. Honorable members opposite may be able to justify that policy to themselves, but I suggest to them that if they call themselves parliamentarians they should think again. One convention of British parliamentary government, which has been accepted for many years, is that, provided a political party, through its leader, expresses its policy in clear terms at a general election, that policy should be respected and given a chance to prove itself either a success or a failure.

Mr. BEAZLEY.—How well the Legislative Councils have respected that convention!

Mr. DRUMMOND.—The Legislative Council of New South Wales has respected it again and again whether its majority has supported the Government or the Opposition. So far as I can recall, the council has not at any time deliberately defeated a policy which had

been put clearly to the people at a general election, but it has again and again defeated a policy which had not been put clearly to the people. For instance, the Legislative Council of New South Wales rejected a proposal which was equivalent, in the State sphere, to the Chifley Government's plan for the nationalization of banking in Australia. I emphasize that the Leader of the Opposition and his supporters are not entitled deliberately to circumvent the intentions of electors of Australia by obstructing the passage of this bill. The banking policy which an overwhelming majority of the people endorsed at the last election will, in the final analysis, prove right or wrong. I believe that it will prove right, and if honorable members opposite describe themselves as democrats, they should respect the will of the people, and give the Government's banking proposals a chance to succeed.

Mr. PETERS.—If the Government puts value back in the £1, it will have the support of the Opposition.

Mr. DRUMMOND.—Quite so. The Leader of the Opposition complained of the failure of the Commonwealth Bank Board during the financial and economic crisis in the early 1930's. I had the misfortune to be a member of a government in New South Wales when that economic blitz struck not only Australia but also many other countries. There was no real understanding on the part of any body in this country—and, judging by the advice that we received at that time from overseas, in any other country—of the real nature of the economic crisis that was then affecting the world. Anybody who to-day seeks at this late hour to blame, in the light of after events, the attitude of mind that was general at that particular time, is simply seeking a means of obscuring the real questions that are before the nation now. In that former time every government failed, but every government did not continue to fail. The New South Wales Government with which I was subsequently connected between 1932 and 1941, more and more appreciated the factors that were really operating and that could be used to mitigate the effects of that crisis. We saw the total collapse of a Labour government in New South Wales that went

down in a wallow of debt and unemployment such as we had never seen before, and we saw our own Government gradually pull New South Wales out of the crisis. I do not claim the credit for that fact, but I do say that when a right honorable gentleman rises in this House and derides the point of view adopted by other men at that particular time because they did not understand the crisis at first, he hardly assists the present argument to any sensible conclusion.

The Leader of the Opposition said that there was a lack of knowledge of economics among the bankers who appeared before the Royal Commission on Monetary and Banking Systems. I might reply in kind and say that there are a great many bankers who regret very deeply the lack of knowledge of finance among economists. I desire to deal with this matter in a quite dispassionate way and say that, whilst it may have been true that there was, amongst the bankers who appeared before the commission, a lack of appreciation of the wider factors that affected the finances of nations, that, at least, is another phase that might be considered to have passed, to a great degree. We are all extremely wise about what is over, but what we want to know is that which is still to come. These men had a great knowledge of affairs as they stood at that time. If we can show the same degree of capacity in maintaining the financial stability of this country in the course of events of greater magnitude which may arise in the future as these men did in their time, we then shall be very fortunate indeed. The right honorable gentleman also defended the policy of having nobody but experts, presumably appointed by himself, to conduct the financial affairs of Australia. He expounded the theory, if not in express words then by implication, that only experience in economics and finance—presumably political experience—could save the world. It is fair to say that that is the reasonable deduction to be drawn from the remarks of the right honorable gentleman.

I shall therefore refer briefly to some of the results that can spring from the activities of expert planners. I shall refer first to happenings in Britain and then to the Australian

scene. In the United Kingdom, as we know, there has been a complete welter and orgy of handing over to experts the control of a great nation. This fact is germane to this discussion about the banking policy that should be followed. We should examine briefly what planners can do. According to a well-documented book entitled *The Road Ahead*, in 1947 Mr. Emanuel Shinwell, who was then Minister for Fuel and Power in Britain, told the House of Commons that he had ordered all electricity for trade to be shut off in London, the Midlands and the extensive industrial areas around those sections of Britain. The immediate consequence of that action was paralysis of the whole of the industrial life of those areas. It caused 2,000,000 people to be thrown out of work and the loss of 800,000,000 dollars worth of export trade. Instead of lasting for two or three days, as Mr. Shinwell had predicted, that black-out actually lasted three weeks. Eventually he had to inform the House of Commons that—

Everybody knows we are going to have a coal shortage except the Minister.

That is the result of an attempt on the part of a government to make decisions by planning, such as thousands of business men are making every day—split-minute decisions in some cases—about whether they should take one step or another. It is no more possible to confine such matters under the control of expert boards than it is to control the winds of heaven.

Mr. ROSEVEAR.—Why did Mr. Shinwell make that decision?

Mr. DRUMMOND.—He made it because he had made a most unholy mess, through following the advice of the coal-planners, in connexion with the provision of coal for the people during the most dreadful winter that Great Britain had ever experienced.

Mr. ROSEVEAR.—Was there not a blizzard and a freeze-up at that time?

Mr. DRUMMOND.—I shall refer to one more instance of what planning can do for an unfortunate country, when the planners think that they know all the answers and sweep aside all the business experience that other men have accumulated over generations. According to the

documented evidence in the book from which I have already quoted, Mr. Shinwell suggested to the Minister for Transport, Mr. Barnes, that he might convert 1,200 locomotives into oil-burners so as to conserve coal.

Mr. CLYDE CAMERON.—I rise to order. I desire to know whether the honorable member for New England (Mr. Drummond) is in order in giving a discourse on the production of coal in Britain during a debate on a bill dealing with banking.

Mr. SPEAKER.—The honorable member for New England is in order in making such remarks during a second-reading speech.

Mr. DRUMMOND.—I intend to link up my remarks with the express statement of the Leader of the Opposition that only experts should be in control of the Commonwealth Bank, and presumably, banking and economic experts.

Mr. CURTIN.—Men like Sir Otto Niemeyer.

Mr. DRUMMOND.—He was one of the people who would probably be wiser to-day in this matter than many other people are.

Mr. ERIC J. HARRISON.—Sir Otto Niemeyer was brought to Australia by the Scullin Government.

Mr. SPEAKER.—Order! There are altogether too many interjections. The honorable member for New England is entitled to a fair hearing. I never object to a relevant interjection, but apparently some of the interjections being made during this honorable member's speech are being made just for the sake of interjecting.

Mr. DRUMMOND.—When I was interrupted, I was pointing out that Mr. Shinwell arranged with Mr. Barnes for the conversion of 1,200 locomotives into oil-burners in order to save coal. He went ahead and converted 93 locomotives at a cost of 6,000,000 dollars. But by the time the conversion was complete the planners found that they could not import oil for those locomotives and they had to turn round and, presumably at a cost of another 6,000,000 dollars, convert the oil-burners back into coal-burners. I consider that that instance is an excellent argument for associating men who have industrial and business knowledge with

the experts from the Treasury who are to be members of the proposed Commonwealth Bank Board. I have a knowledge of, and respect for, quite a number of Treasury experts, and I consider that they are very able men. But if anybody should suggest to me that those experts know all the answers about every aspect of the commercial and industrial life of this country merely from a study of figures, I should answer that that is just plain rubbish. If a number of able and public-spirited men who understand industry, commerce, transport and matters of that kind, are associated with the Treasury experts on the board, the result will be beneficial. At least one individual familiar with primary production should be appointed to the board and I hope that rural primary production will not be overlooked in the selection of men to be appointed to it. The greater part of our financial resources that is accruing overseas is the result of the export of rural primary production. Anything else is a mere drop in the bucket. If the proposed board is constituted without at least one man of first-class ability to advise it on the subject of rural primary production, it will be a previously lop-sided board. However, this Government is not likely to make such an error of omission. Since the question whether planners make mistakes has been challenged I ask honorable members to consider what the planners did with the wheat industry of this country at a time when the world was tearing itself to pieces and when every grain of wheat that could have been grown should have been grown to assist the world when the war was over. I ask them to remember the restrictions that the experts placed upon the growing of wheat at a time when the meanest intellect should have known that, with the Ukraine wheatfields practically destroyed and with central Europe overrun, there would be a greater shortage of that commodity than the world had ever known. I have a very great respect for experts in finance and economics. They have their place. But when they come to deal with the tremendous ramifications of business, manufacturing industry and commerce in all their aspects, they are unable to foresee the contingencies that people living under a

freer economy can foresee and guard against in the normal circumstances of life.

The purpose of the Labour party in respect of banking is undoubtedly—and I do not consider that I am unfair in saying this—to enforce socialism upon this community. The Leader of the Opposition is reported to have said—and as far as I know he has not denied it—that the issue is between socialism and capitalism. In the limited time at my disposal I am not able to traverse the whole of the arguments that I should like to develop, but I desire to say to my fellow Australians on both sides of the House that if ever a true statement was made it was made by the English journal, the *Economist*, a week before the last British general election, when it published the following paragraph:—

The Labour Party, if it is returned, will go on nationalizing because it has neither the courage nor the initiative to do anything else, and the Conservative Party will go on doing nothing for the same reason.

In this House there is courage and initiative, ability and capacity, and if we cannot hammer out for this community a reasonable compromise between socialism, which will send this country into slavery and the reversion to a form of capitalism that might be fascism, we deserve to have this country taken over and run on different lines. The measure before the House is in accordance with the Government's policy. It is an attempt to bring back common sense, to give this community a balanced financial control, and to afford private enterprise an opportunity to get on with the job. I believe that there is a determination, both on the part of the Government and the community itself, to make sure that we do not neglect matters which, by giving rise to social injustice, would undermine our system. I support this measure for reasons that I have put briefly before the House and I regret that the lack of time precludes my placing before honorable members the remainder of the evidence I have that supports my case.

Mr. FRASER (Eden-Monaro) [8.30].—One of the strangest arguments used in this controversy is that the Labour

party has no right to oppose the legislation now before the House. The suggestion has been made that because the Government obtained a victory at the polls on the 10th December last, the Labour party must therefore accept everything that the Government chooses to put before it. If that were the function of the Opposition, there would be no work for the Opposition to do in this Parliament. I was most interested to hear that argument repeated in the House to-night by the honorable member for New England (Mr. Drummond). What merit is there in the honorable gentleman's contention? It is a direct contradiction of the course that was consistently adopted during the life of the last Parliament by those who now sit on the ministerial bench. It is in complete disregard of the policy and attitude adopted by oppositions in British parliaments ever since the establishment of parliamentary democracy. It is in complete contrast with the policy adopted by the Liberal and Australian Country parties, which were then known as the Nationalist and Australian Country parties, when they had a majority in the Senate and the Scullin Government was in office in the House of Representatives. Coming to more recent times, it is in complete contrast with the policy which had the acclaim of all those who now sit opposite, and of the whole of the press of Australia, that was adopted by the Legislative Council of Victoria towards the Cain Labour Government in that State a year or so ago. That would be so even if it could be claimed that the Menzies Government has a mandate for this legislation. The fact is that this Government has no mandate for the legislation which is now before us. In the first place, although honorable members opposite are numerically in a large majority, on the official figures of the Chief Electoral Officer the parties opposite—the combined Liberal and Australian Country parties—did not succeed in obtaining 50 per cent. of the votes polled by the whole of the Australian electors at the election held on the 10th December. Secondly, the policy which is now being debated was decided by the people of Australia at the general election in 1946. I need no better evidence of that than the words of the

present Treasurer (Mr. Fadden). Speaking in this House on the 18th September, 1947, the right honorable gentleman is reported in *Hansard*, volume 193, at page 17, to have said—

The election campaign of 1946 was fought upon the Commonwealth Bank Act of 1945. That is the act with which the legislation now before us deals. So far from being in conformity with any mandate which the parties opposite received from the Australian people, this bill is in direct variance with the pre-election attitude of the Liberal and Australian Country parties. It is at variance with the official joint declaration of those parties and with the speeches which honorable members opposite made from the hustings throughout the election campaign. It is a flagrant contradiction of the speeches made by the leaders of the present Government when the Chifley Government's banking legislation of 1945 was before this House. Let us refresh our minds about some of the things that were said of the 1945 legislation by those who now sponsor the bill before us. The 1945 legislation was described by them as "a giant step towards socialism", and as "nationalization on the sly". The present Prime Minister (Mr. Menzies) said of the 1945 legislation that it was "reactionary and unsound". He declared that it weakened the central banking system of this country and provided a chance for destroying the currency. He declared that the Commonwealth Bank, instead of entering into competition with the private banks, should be a "bankers' bank", or a "bank of banks", and that fair competition between the Commonwealth Bank and the private banks would mean the slow strangulation of the private banks. He also said that competition between the Commonwealth Bank and the private banks "cannot be fair". He went on to say—

We shall take prompt steps to restore board control to the Commonwealth Bank, free from political interference, and to secure a complete restoration of parliamentary authority in this matter.

In the same debate the present Treasurer described the 1945 banking legislation of the Chifley Government, which he now proposes to leave intact except for one provision, as a "revolutionary measure"

and as a "sentence of death" on the trading banks of Australia. Incidentally, he then expressed his satisfaction with and admiration of the manner in which the Australian banking system had "steered this country through depression", and he added that the 1945 banking legislation could lead only to "instability and lack of confidence". He said that it would "make currency policy a plaything of politics". Those sentiments were echoed on the election platforms of this country by those who now sit on the ministerial bench. In spite of that, this bill leaves intact the edifice of control of the banking and credit system which the Chifley Government erected in 1945. The provisions in that legislation which the present Prime Minister and the present Treasurer then violently assailed are to be left entirely unaltered. For example, no change is proposed in the machinery of control over the trading banks which the 1945 legislation established. They now propose to leave unaltered, at least on paper, those drastic powers of the bank. The trading activities of the Commonwealth Bank are not to be divorced from its operations as a central bank, as the Prime Minister and the Treasurer advocated on the election platforms of this country. The power of the bank and of the Government to control credit is not touched by this bill. The Prime Minister and the Treasurer, and those who sit behind them, have thrown overboard the former loudly proclaimed view of the Liberal and Australian Country parties that there must be no political interference with the control of banking policy. It is no wonder that on their first reading of the bill, even the supporters of the present Government were dismayed. They recognized the political cowardice that gave birth to the Government's legislation in its present form. On the day following that upon which the Treasurer made his second-reading speech on this bill the *Sydney Morning Herald* said—

For the Government so soon after the election to be compromising to such an extent will be attributed to a desire to placate Labour and avoid a fight in the Senate.

To retreat now, however, after so decisive a mandate has been given on a vital principle, must seem a sheer act of appeasement.

Far from winning an easy passage for the Government's legislation it is calculated to restore Labour's confidence and stimulate demands for further concessions all along the line.

It is to be noted that the *Sydney Morning Herald* has not pursued that line. It has received satisfactory assurances from the Government. On the Sunday following, after the Treasurer had made his second-reading speech, Mr. Oliver Hogue, the *Sunday Sun* political columnist, made the following comment:—

If a Labour government had brought down such a bill even ten years ago, it would have been condemned as dangerously radical.

We had the spectacle of naive members of the New South Wales State Council of the Liberal party also expressing their dissatisfaction, disappointment and concern that this Government was not carrying out the policy on which it had gone to the people. What, then, is the truth? Is it a genuine repentance on the part of the present Government? It is said that—

While the light holds out to burn,
The vilest sinner may return.

Is it possible that the Prime Minister, the Treasurer, and those who sit behind them, have now seen the error of their ways and the falsity of the criticisms which they directed against the 1945 legislation of the Chifley Government? Although the Commonwealth Bank is a socialist institution, the Treasurer, in his second-reading speech, has incorporated into this legislation the very provisions that were placed in the legislation by the Chifley Government in 1945 which were designed to strengthen that institution. In fact, the right honorable gentleman went further and tried to outvie the socialists in his declarations of what this Government intended to do to strengthen the Commonwealth Bank as a socialist institution. He made a strong point of the fact that this Government would provide additional capital for the bank and that it would take other steps to place the bank in an even stronger position than it had occupied before. Is that genuine repentance? The history of the anti-Labour parties in regard to this matter throughout the

years has been that they have opposed, as far as they have dared, every progressive measure that has been adopted by the Labour party for the strengthening of the Commonwealth Bank and the financial system of this country in the interests of the people.

The right honorable member for Cowper (Sir Earle Page), one of the guilty men who was responsible for the banking legislation introduced by the Bruce-Page Government, which established the Commonwealth Bank Board of business men and that did so much to wreck the economy of this country in the depression years, is at present a member of the Government and sits on the front bench. Has he repented? Does he really believe that he should strengthen this socialist institution and place it in a position where it can compete even more strongly with the private banks of this country? I do not believe that he has done so. It is true that the *Sydney Morning Herald*, on the day following that on which the Treasurer delivered his second-reading speech on this bill, voiced its anguished protest against the perfidy of the members of the Government. It is true that the members of the New South Wales State Council of the Liberal party, in their first shock of surprise, expressed similar sentiments. But there has been no further criticism from the *Sydney Morning Herald*. It is clear that satisfactory assurances have been given to that journal. The Minister for Social Services (Senator Spooner) was able to re-assure his doubting colleagues in the New South Wales State Council of the Liberal party. Of course, there has been no repentance on the part of the Government! What it is trying to do is to appear not to be destroying an edifice which it knows very well the people overwhelmingly support. The leopard from McPherson does not change his spots. It is significant that there has been no outcry from the trading banks. They have been told, "Don't worry about what we have said and done in all the other provisions of the legislation. Look at Part V. in which you will see that we are establishing in control of this bank a

Commonwealth Bank board on which there will be a majority of representatives of private outside finance and the Treasurer of this House who is a spokesman for outside finance. Look at that part and you will see that the Government has safeguarded the rights of private financial institutions throughout Australia".

When the Treasurer moved the second reading of this bill he was at great pains to explain that of the ten members to be appointed to the new board, five would be officers of the bank board and of the Public Service. He also elaborated the fact that the bill disqualifies any director or employee of a trading bank from membership of the Commonwealth Bank Board. He glossed lightly over the provision that at least five members of the board shall be persons who are not officers of the bank or of the Public Service and who, therefore, must be representatives of outside business interests. Indeed that will be the only sphere from which they can be drawn and so those five members, with the Secretary of the Treasury, who votes as the Government directs, will form the controlling majority of the bank board which will be able at all times to overrule the Governor of the bank and other trained and expert men who will advise him. The provision disqualifying private bank directors is pure eyewash. It does not disqualify shareholders in private banks or men who may resign their directorships with private banks on the day they are appointed to this board and who may take up their directorships again on the day they resign from the board after having done the job they were put there to do. It does not disqualify from membership of the board the most arrant representatives of vested financial interest in this country. This bill leaves the way wide open for representatives of private business and private finance to have a controlling voice in deciding whether the Commonwealth Bank shall expand its operations in the public interests or whether those operations shall be restricted in the interests of private financiers. None of the clauses put into the bill will be of value so long as

those men are in control of this institution as the Government intends that they shall be. The bill gives to the representatives of private finance to be appointed to the board an opportunity to decide that new branches of the Commonwealth Bank shall not be opened in Australia and that existing branches shall be closed. It gives to them power to ensure that the operations of the Commonwealth Bank shall be restricted in the interests of private financiers. It enables the majority on the board, consisting of these outside business representatives and the Treasurer's nominee, to carry out his instructions and to exercise a direct control over interest rates, a matter on which the interest of the trading banks may be at complete variance with the public interests of Australia which honorable members opposite are supposed to represent. It enables banking policy measures of the highest national importance to the well-being of every family to be decided by amateurs, strolling into the bank once a month for board meetings. We have seen by disastrous experience what has been the result of that kind of influence on the bank in the past. Under the Government's proposals, matters in which secrecy is of the utmost importance, such as devaluation or appreciation of currency, must be entrusted in advance to men who have private business interests.

There is no question of whether honorable members opposite have done an act of repentance. There is no doubt that they are still serving the interests which they were elected to serve—the interests which financed the campaign which brought them into this Parliament. Honorable members opposite have not repudiated their obligations.

This bill also means that the proposed board, as did its predecessor of ill omen, can ensure that the Commonwealth Bank will not compete with the trading banks for either new business or existing business. We know that is what the previous Commonwealth Bank Board did for twenty years. The bill also means that the Treasurer, and every honorable member who sits cravenly behind him can act the part of Pontius Pilate in this

matter; they can wash their hands of all responsibility. They can say, "This is the decision of the bank board. It is not our decision", while the masses of the people of this Commonwealth are again economically crucified. Why has the Government adopted this cowardly method of achieving its objective instead of a frank and open method? If I may be permitted to do so, I shall quote a short extract from a broadcast I delivered on a recent Sunday night. It reads—

In my opinion, these features are not an evidence of the political progression leftwards of the Prime Minister (Mr. Menzies) and the Treasurer (Mr. Fadden). They are an evidence of the dynamic force of the Labour party in Australian politics. The march of progress may be halted when Labour is defeated, but much that has been achieved is held because as its value becomes manifest to the public and as the reasons for it become better understood, the non-Labour parties become unwilling to venture on repealing those laws. Non-Labour forces, in victory and defeat alike, make slow retreat after retreat giving unwillingly away as much ground as they feel they must in order to hold the rest.

Mr. TURNBULL.—Who said that?

Mr. FRASER.—I said that over stations 2CA, 2XL and 2BE in the weekly talk I give over those stations at 6.45 p.m. every Sunday.

Mr. SPEAKER.—There is altogether too much laughter and cross-firing.

Mr. FRASER.—When it was first proposed to establish the Commonwealth Bank, the proposal was opposed by those who were the political predecessors in the same political faith as the honorable members who now sit on the Government benches. They opposed the establishment of the bank in the most violent terms, and did everything possible after its establishment to prevent its development because they knew that so long as they could prevent its expansion they could continue to mislead the people of Australia as to its value but that once the bank was established and had been in operation for a few years it would be a hopeless task to bring about its abolition.

By the infamous Bruce-Page banking legislation of 1923 and 1924 such people, instead of openly abolishing the Commonwealth Bank, placed it in the hands

of a board controlled by businessmen who were representatives of outside private financial institutions and who, for the next twenty years, sabotaged its operation in the interests of the Australian people. The board appointed by the Bruce-Page Government actually made a decision that the Commonwealth Bank should not be allowed to compete with the trading banks of this country either for new business or for business then shared by the trading banks, no matter what terms the trading banks offered to their customers. When Labour, on its return to office, brought forward its 1945 banking legislation, another great step forward was taken in the progress of the banking system of this country and it will not be the last step which will be taken by the Labour party in that direction. On that occasion, honorable members opposite once again violently opposed all the provisions of the proposed new laws. They attacked the legislation and organized nation-wide protests and members of this House were inundated by telegrams which had been paid for by the private trading banks of this country in an endeavour to simulate an impression of mass opposition to the legislation. Once again, the opinions of honorable members opposite have not changed. They still serve the same outside financial masters, but during the five years that that legislation has been in operation the people of Australia have become aware of its value and the Government does not dare openly, by legislation, to repeal the 1945 act. Instead, it takes the politically cowardly method of again placing the control of the bank in the hands of a board controlled by representatives of private financial interests and it hopes, by that means, to escape the political consequences of the sabotage of the people's bank.

Members of the Government will find it impossible to get this legislation passed through this Parliament and they will find it impossible to get it passed by the people of Australia, because the people of Australia know what happened to them previously when the control of their economic destinies was placed in the hands of a board of Commonwealth Bank directors who represented the private banking interests of this country. They

Mr. Fraser.

will never again permit the control of the Commonwealth Bank to be taken out of the hands of the representatives of the bank, the Public Service and the government of the day which has been elected by the people and is responsible to them. We know the disastrous mistakes that were made in the depression years by the Commonwealth Bank Board composed of once-a-month amateurs. I say nothing against Sir Robert Gibson. I believe he was personally, a fine and sincere man. He did his best. He would have done well if he had been allowed to continue his business as a bedstead manufacturer. However, he had to formulate policy which he had not the experience to determine. As a result of such decisions, 700,000 Australians lived on the dole or on relief work in years during which this country was crying out for useful work to be done. That occurred because the Commonwealth Bank Board refused to provide even £18,000,000 of fiduciary currency in order to enable some, at least, of these problems to be tackled. That was the experience of the Australian people then, and the figures of the Commonwealth Statistician show—

Mr. SPEAKER.—Order! The honorable member's time has expired.

Motion (by Mr. BEAZLEY) put—

That the honorable member for Eden-Monaro (Mr. FRASER) be granted an extension of time.

The House divided.

(Mr. SPEAKER—HON. ARCHIE CAMERON.)

Ayes	41
Noes	65
	—
Majority	24
	—

AYES.

Anderson, Gordon	Griffiths, C. E.
Andrews, T. W.	Harrison, E. James
Beazley, K. E.	Haylen, L. C.
Bird, A. C.	Holloway, E. J.
Bourke, W. M.	Keon, S. M.
Bryson, W. G.	Lawson, George
Burke, Tom	Minogue, D.
Calwell, A. A.	Morgan, C. A. A.
Cameron, Clyde	Mulcahy, D.
Chambers, C.	Mullens, J. M.
Chifley, J. B.	Peters, E. W.
Clarey, P. J.	Pollard, R. T.
Clark, J. J.	Rordan, W. J. F.
Costa, D. E.	Rosevear, J. S.
Crean, J. L.	Russell, Edgar
Curtin, D. J.	Thompson, A. V.
Davies, W.	Ward, E. J.
Drakeford, A. S.	Watkins, D. O.
Duthie, G. W. A.	Tellors:
Fitzgerald, J. F.	Daly, F. M.
Fraser, A. D.	Sheehan, T.

NOES.

Adermann, C. F.	Hulme, A. S.
Anderson, Charles	Jack, W. M.
Anthony, H. L.	Kekwick, B. H.
Bate, Jeff	Kent Hughes, W. S.
Beale, Howard	Lawrence, W. R.
Berry, D. R.	Leslie, H. A.
Bostock, W. D.	Mackinnon, E. D.
Bowden, G. J.	McBride, P. A.
Brown, G. W.	McColm, M. L.
Cameron, Dr. Donald	McDonald, A. M.
Caskey, R. G.	McEwen, J.
Corser, Bernard	McMahon, W.
Cramer, J. O.	Menzies, R. G.
Davis, F. J.	Opperman, H. F.
Dean, R. L.	Osborne, F. M.
Downer, A. R.	Page, Sir Earle
Drummond, D. H.	Pearce, H. G.
Drury, E. N.	Pittard, A. C.
Eggins, E. J.	Robertson, H. S.
Fadden, A. W.	Ryan, R. S.
Falies, L. J.	Swartz, R. W. C.
Fairbairn, D. E.	Tinson, T. F.
Fairhall, A.	Townley, A. G.
Falkinder, C. W. J.	Treloar, T. J.
Francis, J.	Turnbull, W. G.
Freeth, G.	Wentworth, W. C.
Gilmore, T. V.	Wheeler, R. C.
Grayden, W. L.	White, T. W.
Hamilton, L. W.	Wilson, K. C.
Handy, H. H.	
Harrison, Eric J.	
Hasluck, P. M.	
Haworth, W. C.	
Howse, J. B.	

Tellers:
Davidson, C. W.
Gullett, H. B. S.

In division:

Mr. SPEAKER.—Order! There is too much conversation. The House will have to get into the habit of taking divisions in silence, or some honorable members will not be taking part in some of them. I can still hear conversation. Honorable members should not speak at all. One honorable member who is talking now is an ex-Minister and he ought to know better.

Mr. CALWELL.—I raise a question of order, Mr. Speaker. Under the Standing Order by which you impose silence, are honorable members expected to maintain a monastic silence for three minutes?

Mr. SPEAKER.—I said "silence". If the honorable gentleman prefers monastic silence, he may enjoy it.

Mr. CALWELL.—I have another question, Mr. Speaker. Under what standing order is this ban of silence imposed?

Mr. SPEAKER.—It is imposed by the Speaker's authority.

Mr. WARD.—It would not be the Crimes Act, would it?

Mr. SPEAKER.—If anybody else speaks, I shall put Standing Order 301 into force for the rest of the night.

Mr. WARD.—What is Standing Order 301?

Mr. SPEAKER.—It provides that the Speaker shall order a member whose conduct is grossly disorderly to withdraw

immediately from the House during the remainder of that day's sitting without question put. Any honorable member so ordered to withdraw will be conducted outside by the Serjeant-at-Arms.

Mr. WARD.—Is a quiet conversation disorderly conduct?

Mr. SPEAKER.—Conversations that I can hear are disorderly.

Question so resolved in the negative.

Mr. ANTHONY (Richmond—Postmaster-General) [9.10].—The honorable member for Eden-Monaro (Mr. Fraser) whipped himself into a frenzy over the Commonwealth Bank Bill. I greatly admired the speech made earlier in the debate by the Leader of the Opposition (Mr. Chifley), because I believe that he spoke from the depth of his heart, mistakenly but nevertheless sincerely. The honorable member for Eden-Monaro made the kind of speech that one would expect a rabble-rouser to make in the Sydney Domain or on the Yarra bank.

Mr. TOM BURKE.—Mr. Speaker, I object to that word being used in relation to an honorable member of this House, and I ask that it be withdrawn.

Mr. SPEAKER.—What is the word to which the honorable member objects?

Mr. TOM BURKE.—"Rabble-rouser".

Mr. SPEAKER.—Objection has been taken to the word. The Minister will withdraw it.

Mr. ANTHONY.—I shall withdraw it as the honorable member is somewhat sensitive about it, although it is a commonly used expression. The question that the House must consider is whether this Government is entitled to obey the mandate that was given to it less than three months ago. The people require the Parliament to give full consideration to that question, and we ought to be debating it now. Members of the Opposition have asked the Government from time to time, in challenging tones, "What about putting your policy into effect? When are you going to start doing the things that you promised the people that you would do if you were elected?". I remind honorable members of the speech that was made by the present Prime Minister (Mr. Menzies) over all national broadcasting stations on the 10th November.

In the light of the right honorable gentleman's declaration on that occasion, there could have been no misunderstanding about what would be done by the Liberal party and the Australian Country party if they were elected to office. This is what that right honorable gentleman said, as the leader of a minority group in the previous Parliament—

We therefore propose—(a) to set up under control by Parliament, a small board of directors of the Commonwealth Bank of which the Governor of the bank shall be chairman.

This bill will establish a board. The right honorable gentleman also said—

We . . . propose—(b) to provide that, if the Treasurer disagrees with the board's policy, he shall refer the matter to Parliament for its decision.

That provision is embodied in the bill.

Mr. BREYSON.—Where?

Mr. ANTHONY.—Apparently the honorable member has not studied the bill. The right honorable gentleman's declaration continued—

That is, we shall restore the sound principle that great financial decisions shall not be secret and that the elected representatives in Parliament shall be able to control them.

That is provided for in the bill.

The Leader of the Opposition last night virtually challenged the mandate that was given to this Government by the people three months ago to give effect to the promises that were made on behalf of the Liberal party and the Australian Country party in relation to banking. He and his supporters have harked back to the 1945 legislation of the Labour Government and the result of the 1946 election. They have said, in effect, "We were given a mandate in 1946 which confirmed and justified the banking legislation of 1945", but now these so-called democrats declare that they are entitled to reject the measure before the House by virtue of the power that they control in the Senate.

Mr. POLLARD.—And so we shall.

Mr. ANTHONY.—How did the Labour party secure that majority in the Senate?

Mr. POLLARD.—Constitutionally.

Mr. ANTHONY.—Constitutionally! By a constitutional rigging of the Senate

ballot! When the system of proportional representation was introduced for Senate elections, the Labour government's legislation did not provide that all of the 36 senators should retire, as it should have done, so that the people might have had an opportunity to re-elect an entirely new Senate in accordance with their own wishes on the 10th December last. Instead, eighteen senators were left in office although they had been elected three years previously under the old system. The honorable member says that the Opposition is going to use its power in another place to thwart the carrying out of the Government's promises to the people of Australia.

Mr. POLLARD.—The Minister did not vote against the bill laying down rules for the election of the Senate.

Mr. ANTHONY.—The honorable member for Lalor (Mr. Pollard), and those who support him, consider that that is a proper democratic process. When a specific point of policy on banking is one of the foremost issues upon which an election campaign is fought and an overwhelming majority of the electors adopt that policy, it is completely wrong and undemocratic to attempt to thwart the decision of the people. We are compelled to implement the policy announced to the people in December. We must explain the various clauses of this bill and reply to certain arguments that have been advanced by the Opposition. If the argument put forward last night by the Leader of the Opposition—that the members of a bank board must necessarily be persons experienced in the business of banking and that only experts can be directors of a banking institution—is applied to the boards that govern most of the institutions in this country, it will be seen to be fallacious. If that principle were applied to government in this country, a Cabinet Minister would be obliged to have an expert knowledge of the particular department that he controlled. I suggest that in those circumstances, very few members of Parliament would be qualified to administer a department. But some of the most successful Ministers frequently have been men with little education and little experience in high business

positions; they have risen from labouring jobs. Such men, by virtue of their common sense, and their ability to consider and properly to assess the advice given to them, have been outstanding administrators. The same principle applies to almost any board that is in control of almost any institution. For example, the board of directors of a hospital is frequently composed of business men, farmers and other people who have had no prior knowledge of the work they are called upon to do. After appointment they acquire that knowledge, and, in general, become able administrators. Another example is afforded by an institution such as the Australian Mutual Provident Society. The directors of that organization are not all experts in insurance, yet it is one of the most successful business undertakings in Australia. The jury system, which is a basic institution, affords another example. The men charged with assessing the guilt or innocence of an accused person—to follow the argument of the Leader of the Opposition—should be learned in the law. However, the most important qualification of a jurymen is not a knowledge of law, but the ability to assess the value of the evidence and the authenticity of the facts that are put before him. That same qualification is required by any board of directors, any Cabinet Minister or any director of the Commonwealth Bank. If the men controlling the Commonwealth Bank each possessed a life-time of banking experience, whether in the Commonwealth Bank or in a private trading bank, it would follow that they certainly would not have had the experience of the everyday life of the community with which banking specifically deals. In the everyday life of the community the estimation of business risks, the knowledge of business practices and trends, and the development of industry in various sections of the community must be well understood by a board controlling a banking institution, or, indeed, any other public body.

Honorable members opposite have said that if a board such as is proposed is set up, it will take unto itself the function of credit control. The five independent men proposed to be appointed to the board will be amateurs, but the other gentlemen

will be the Governor of the Commonwealth Bank, the Deputy Governor, the Secretary to the Treasury, Dr. Roland Wilson, and Professor Melville. They all are men with long and wide experience of banking. In addition to those men five others will be appointed.

Mr. CLYDE CAMERON.—The Minister should give their names to the House.

Mr. ANTHONY.—Their names are not known because the identity of the people to be appointed has not yet been determined. It has been said that these men will be beyond the control of Parliament. Perhaps honorable members opposite can inform me where the material difference lies, except in an advantageous way, between the proposals of the former Prime Minister (Mr. Chifley) in his banking bill of 1945, and the proposals in this particular measure in relation to the control by the Parliament of the Commonwealth Bank Board. The right honorable member for Barton (Dr. Evatt), when broadcasting recently over radio station 2KY, said—

Now I turn to section 9 of the Banking Act. The Commonwealth Bank must keep the Treasurer of the Commonwealth informed of its monetary and banking policy. In the event of any differences of opinion between the Commonwealth Bank, that is the Governor on the one hand, and the Government, that is the Treasurer of the Commonwealth on the other, they are bound to try and reach agreement. Finally, if they are unable to reach agreement it is always competent for the Treasurer, that is the Government, to tell the bank that the Government will accept the responsibility for the adoption by the bank of a policy in accordance with the opinions of the Government.

Mr. ANDREWS.—That is a very vital point.

Mr. ANTHONY.—The honorable member says that that is vital. I say that is extremely important. The Government goes further, because, whereas the old act only required the Treasurer to give a decision to override the bank board, in the future the same practice will prevail but the Treasurer will have to lay on the table of the Parliament a statement showing the merits of both sides of the dispute so that the Parliament itself will have an opportunity of seeing it and, if necessary, discussing it. Under the act passed in 1945, the reasons for the difference of opinion could be as a closed

book, known only to the Treasurer and the bank. In those circumstances the people of Australia would have no opportunity at all of knowing what was the root of the trouble.

Mr. WILSON.—The Parliament cannot give a direction. That is the important thing.

Mr. ANTHONY.—The Parliament can give a direction. If the Government is not acting in accordance with the will of the Parliament, then the Parliament will be able to take complete possession of the matter and to override anything done by the Government.

Mr. CLYDE CAMERON.—What clause of the bill makes that provision?

Mr. ANTHONY.—If the honorable member had been in the Parliament for a little longer he would have known that a majority vote of the Parliament can displace a government. Therefore, the Parliament has complete control of the actions of the Government.

Mr. CLYDE CAMERON.—But what is the operative clause?

Mr. ANTHONY.—If my friend does not know that a majority of the House can determine policy on banking or on anything else, then he should. Therefore, insofar as the direction of the Parliament and the maintenance of the supremacy of the people over the bank board are concerned, this bill goes much further than its predecessor of 1945. That is because it will bring right down to the floor of the House the matters in dispute between the Treasurer and the Commonwealth Bank Board.

A great deal has been said by the Opposition about an attempt to strangle the Commonwealth Bank, and to put it in an unfavorable position in relation to the trading banks. I again point to what has already been said by the Government, that, contrary to embarrassing the Commonwealth Bank, this bill provides for an increase of the funds of that bank by no less than £1,000,000 a year.

Mr. BIRD.—Camouflage.

Mr. ANTHONY.—If it be camouflage to give the bank further funds to allot to its Industrial Finance Department and its

Rural Credits Department, then it is a very useful kind of camouflage. It is the sort of camouflage that was not used by the preceding Government because, although the Commonwealth Bank was short of funds in 1949 and was compelled to restrict its activities in respect of industrial acceptance—loans for time-payment purchases of motor cars and that sort of thing—and although it was compelled to make its terms harsher in order to restrict business, that Government did nothing to help it by increasing its capital funds.

Mr. ANDREWS.—The Commonwealth Bank took that action not because of shortage of capital.

Mr. ANTHONY.—It definitely was because of shortage of capital, because, as soon as this Government assumed office the Commonwealth Bank put the proposition to it that, if the bank was to pursue the policy of increasing its business insofar as advances for the purchase of machinery and other capital items was concerned, it would have to be provided with more capital. This bill provides no less than £1,000,000 a year to the Commonwealth Bank's capital fund for those purposes.

Mr. ANDREWS.—Is that to help to strangle the private banks?

Mr. ANTHONY.—I do not think it is necessary to talk about strangling anybody.

Mr. SPEAKER.—Order!

Mr. ANTHONY.—There is plenty of business in this country for the Commonwealth Bank and all the trading banks. There is no need to discriminate between them. The Commonwealth Bank is doing, in its various departments, very little of that sort of business that is done by the trading banks. The Commonwealth Bank is performing a very useful service in those departments. It has been suggested by honorable members opposite that the Government might appoint to the board persons who had been directors of the trading banks. That point is covered by the provision in the bill which disqualifies any such person from appointment.

The Government was elected by the people to put into effect a stated policy, and one of the biggest issues at the last

general election was banking. The policy upon which the Government was elected explicitly provides for the appointment of a Commonwealth Bank board. It will not be exactly like the previous board, but will be appointed on such conditions that the Parliament will retain supremacy over banking matters. Even if the Labour party decides improperly to use its majority in the Senate, this bill will ultimately be passed, because it represents the will of the people of Australia.

Mr. CURTIN (Watson) [9.32].—I marvel at the sublime simplicity of the Postmaster-General (Mr. Anthony). All the arguments that I have heard in favour of the appointment of a Commonwealth Bank board leave me cold. The Postmaster-General said that the Government has a mandate from the people to appoint a bank board. The honorable gentleman is a member of a party which received the magnificent total of 10 per cent. of the votes cast in the last general election, yet he talks about having received a mandate. I wonder that he has the audacity to sit on the treasury bench and tell the people of Australia how they ought to be governed. The Labour party will see that the Government does not appoint a bank board that will act against the interests of the people of Australia. I have heard much talk about a mandate. The Liberal party, like a dog baying at the moon, says, "We have been sent here by the people. We have a mandate". Well, who has the mandate, the Liberal party or the Labour party? The Liberal party received only 39 per cent. of the votes cast, and it is a miracle that it ever got into office. The Labour party received 2,110,806 votes, whereas the Liberal party received only 1,818,000.

I now propose to discuss the activities of the private banks as they affect the welfare of the people. The money-changers have returned to the temple now that the country is being governed by the unholy alliance of the Liberal party and the Australian Country party. For the time being, the members of those parties are like cooing doves, but I notice that they think it necessary to face one another when they talk, lest one stab the other in the back, as happened before.

The private banks are now demanding their pound of flesh. They want a return for the millions they spent in putting the present Government into power, and the return they demand is the shackling of the Commonwealth Bank. We have often heard about the poor widow who has her mite in a private bank, and we are told that she must be protected. The private banks were little concerned over the widow's mite when they poured the money of depositors into the coffers of the Liberal party during the general election campaign. They were quite prepared to ride rough-shod over the widows so long as they gained their point. Everybody knows of the malicious lies that were told during the campaign by the stooges in the employ of the private banks. Bank officers, they called themselves, and respectable people, but they were not too respectable to grovel in the cess-pools of malicious lies for the benefit of the Liberal party. Some of them went to persons in my electorate and told them deliberate untruths. They represented themselves as being engaged in the taking of a Gallup poll. They asked widowed women if there had been any deaths recently in the home, and whether any member of the household of voting age was away in the country, and for what purpose.

Mr. McCOOL.—They were checking the rolls.

Mr. CURTIN.—I am not so naïve as is the honorable member. They were making those inquiries for one purpose; that is, for dual voting.

Mr. SPEAKER.—The honorable member must address the Chair. He will find me an attentive listener.

Mr. CURTIN.—I crave your indulgence, Mr. Speaker, and ask for your protection against honorable members opposite. My opinion is, and always has been, that the trading banks are prepared to do anything, even to upset the economy of Australia, in order to get the working class back where it was in 1930, when 700,000 Australians, mechanics, artisans, professional men and bank officers, were caught up in the maelstrom of private finance, and were thrown out of employment. I suffered with the others. For eight years I was on the dole, because

of conditions for which the private banks were responsible. My home was sold up by a grasping landlord. There is a shortage of houses now, but there was no shortage then, because people were being kicked out of their homes for not paying rent. Those are the conditions that the champions of the private banks would like to restore. Notwithstanding what the Postmaster-General has said, the Labour party is in control in the Senate.

Mr. SPEAKER.—The honorable member must not refer to the other House of the Parliament. To do so is contrary to the Standing Orders.

Mr. CURTIN.—We have the numbers in the other House.

Mr. SPEAKER.—Order!

Mr. CURTIN.—I mean in another place.

Mr. SPEAKER.—The honorable member must discuss the bill before the House. For all practical purposes, the other House of the Parliament does not exist.

Mr. CURTIN.—With respect, I point out that, for all practical purposes, once the bill leaves this House, it will cease to exist. This is a bankers' bill, and it is being put through this House at the instigation of the private banks. Members of the Australian Country party are being dragged along by the nose, much against their will. Although the Prime Minister (Mr. Menzies) promised to appoint only a small board, the number of members is now to be ten, because the Australian Country party is stubbornly resolved to be represented on it. I ask honorable members to note how the five independent members of the board are to be appointed. If an attempt were made to appoint trade union officials in that way, the Crimes Act would be invoked. The members of the Commonwealth Bank Board are to be appointed for terms ranging from one year to five years. The other members of the board will be appointed for a period not exceeding five years. Do honorable members get the trick? Only the representatives of the private banks will be appointed for the longest period. The honorable member for Wannon (Mr. Mackinnon) stated that he is not financially interested in any of the private banks, and that he had dissociated himself from them prior to

his election to the Parliament. I recall that another gentleman went through similar gyrations. He resigned from a bank before a general election, but when he was defeated, he quickly rejoined that financial institution. I do not question the honesty of the honorable member for Wannon, but I hope that he will not follow in the footsteps of the other gentleman to whom I have referred. I regret that the honorable member for Evans (Mr. Osborne) is not in the chamber.

Mr. WHEELER.—He is here.

Mr. CURTIN.—When the honorable member for Hindmarsh (Mr. Clyde Cameron) was speaking, the honorable member for Evans interjected, declaring that he doubted the authenticity of the honorable gentleman's statements. I shall read an extract from an article that was published in *Smith's Weekly* about the honorable member for Evans, and I challenge honorable members opposite to laugh it off if they can. It reads as follows:—

Bank Officers throughout Australia have been shocked and mystified at the failure of Stanley E. Card, general secretary of the United Bank Officers' Association of New South Wales, to gain Liberal selection for the new federal seat of Evans. Here is the amazing inside story for Card's failure. Until the night before he presented himself to the Liberal party selecting committee he was odds-on-favourite.

An anonymous three-page circular was received through the post by delegates to the selecting committee bitterly attacking Card. There was no time for Card to defend himself: he was passed over in favour of a last-minute nominee.

Dismissing Card, the representative of the employees—

I remind the House that the employees of the private banks did all the hard work for the Liberal party in the general election campaign. They went from door to door, interviewing householders and condemning the Labour Government's banking proposals. Those employees are now working even harder in trying to gain from their employers improved conditions similar to those enjoyed by the staff of the Commonwealth Bank. The article continues—

The Liberal selection committee—

Mr. OSBORNE.—I rise to order. The honorable member for Watson claims

that he is reading an extract from a newspaper article, but he is interpolating his own comments. I should like to know whether he is in order in doing so. I may add that I know the article by heart.

Mr. SPEAKER.—Order! The honorable member for Evans will find that it is a common practice for honorable members to interpolate their own comments when they are reading quotations. The honorable member for Watson may proceed.

Mr. CURTIN.—The article continues—

Dismissing Card, the representative of the employees of the private banks, the Liberal selection committee selected F. M. Osborne as the Liberal candidate for Evans. A resident of Gordon, Osborne is a solicitor, whose firm has the control of the legal business of the Commercial Banking Co. of Sydney. Osborne's brother is general manager of the Commercial Banking Co. of Sydney. Electors of Evans will see the close relation between the bank and Osborne and through Osborne to the Liberal Party.

After having rejected Mr. Card's candidature for the electorate of Evans, the selection committee of the Liberal party gave him, as a sop, its endorsement for the electorate of Watson. The honorable member for Evans was lucky that he did not have to contest Watson against me. The unfortunate Mr. Card did not like the sop, and considered that after he had done all the hard work in conjunction with Mr. Jago, he should have received a better deal. However, he was passed over for the brother of the general manager of the Commercial Banking Company of Sydney. Honorable members will see the association. The people of Australia are lucky to have protection against the private banks in this chamber. There are to be five supposedly independent members on the Commonwealth Bank Board. Those independents are the ones whom we have to watch. We know perfectly what independents are likely to do, and we shall have to be careful of them. The Postmaster-General was so naïve that he claimed not to know the identity of those five independent members. Although I am a new member of the Parliament, I have

been able to pick them without any difficulty. The complete and sublime simplicity of the Postmaster-General must have amazed his colleagues.

I now strike a more serious note. To the financial and economic depression of the 1930's can be attributed all the shortages in Australia. During those unhappy years, many of our building tradesmen were thrown out of work, but they were offered jobs in New Zealand by the Savage Labour Government, which wanted to build homes for the people of that dominion. Our unemployed building tradesmen sailed to New Zealand, and have not returned to Australia. Even more serious during the depression was the position of apprentices. "Patriotic" employers hastily asked industrial tribunals to scrap all apprenticeship agreements, because they had no work for their apprentices. The industrial tribunals, with a stroke of the pen, scrapped those agreements, and youths who had served two, three or four years of their apprenticeship became unemployed. For the next five, six or seven years they did not have a square meal. Many of them enlisted in the services upon the outbreak of war in 1939 simply because they wanted a job. Those conditions prevailed in the 1930's when the financial wizards of the private banks exerted considerable influence in determining the credit policy of this nation. The Chifley Government began to re-establish the labour strength of Australia. Young men, who were discharged from the services, had to be taught trades. I have been a member of rehabilitation committees and dilution committees, and I know that young ex-servicemen would still be at a dead end had it not been for the wise and far-seeing policy of the Labour Government and the work of representatives of trade unions. They were the only persons who were "game" to grapple with the problems of post-war reconstruction, including the rehabilitation of ex-servicemen. The wisdom of the policy of training those young men is demonstrated in the increasing production of our factories. All the shortages that have existed during and since the war are being gradually overtaken. The ironmasters, who are clamouring for additional labour, were among those employers who threw their

apprentices on the industrial scrap-heap during the economic depression. Since the advent of the Liberal Government they desire to approach the Commonwealth Court of Conciliation and Arbitration for a reduction of wages—

Mr. BERRY.—Rubbish!

Mr. CURTIN.—The union of which I am a member is now fighting applications for a reduction of wages and for the introduction of a 44-hour working week. Employers are also trying to "buy off" their employees with incentive payments. The bait seems most attractive. The employees are told that the system of incentive payments will enable them to earn more money. I sound the warning that the only result that would accrue from the introduction of a system of incentive payments would be to kill the human being, body and soul. I had a personal experience of the system in operation when the right honorable member for Bradfield (Mr. Hughes) was Prime Minister in 1919. The system would pay for twelve months, and the employees would be pleased with their increased earnings, but those conditions would not continue indefinitely. After my fellow workers and I had been receiving incentive payments for twelve months we were told that we were earning more than the general manager was. The shipyards were closed, and we were thrown on the industrial scrap-heap. The yards were then re-opened, but the workers had to accept the hourly rates of pay that were being offered, and maintain the output that they had attained under piece-work rates. That is the trick, and honorable members on this side of the chamber will not allow our youths to be deluded into accepting it again. The clothing trades are riddled with the system of incentive payments, but the prices of our clothes, far from being reduced, are rapidly rising. The system is an example of the trick that those wizards of finance, the private bankers, "put over" the workers. They use you honorable members opposite as "stooges" in their game, simply because you have not had the experience necessary to enable you to see through their smoke-screen.

Mr. SPEAKER.—Order! Will the honorable member address the Chair? This is not a public meeting.

Mr. CURTIN.—I shall do so. Every honorable member opposite believes that one day, he may be the leader of the Liberal party and the Prime Minister of Australia. Each of them also believes that the Liberal party will lead him out of the wilderness. I warn honorable members opposite that the Liberal party is leading them into the wilderness, whence there is no return, because the people of Australia will "wake up" to them.

Mr. BERRY.—Does the honorable member intend to discuss the bill?

Mr. CURTIN.—My remarks are closely related to the bill. The honorable member for Griffith (Mr. Berry) would not know that. He has had no experience of the industrial life of the country and has never produced anything. The figure denoting the aggregate production of members of the Liberal party would be "nil". Those persons who are the loudest advocates of the system of incentive payments for the purpose of making the workers increase their production, are the greatest loafers of all. They never work, yet they always tell the other fellow how much harder he should work.

Mr. DALY.—They are good golfers.

Mr. CURTIN.—Good golfers and good polo players.

Mr. SPEAKER.—Order! Will the honorable member relate his remarks more closely to banking?

Mr. CURTIN.—Pardon me for digressing. I desired to lead honorable members opposite along what I describe as the "stony path of production", in order that they might obtain a knowledge of some of the subjects that are to be discussed by the Parliament. However, I return to the subject of banking. The iniquitous proposal of the Government to re-establish the Commonwealth Bank Board is another link in the chain that will shackle the Australian people to the financial tycoons of the world. The people were so shackled for years until the Chifley Government gave them freedom of thought and association. Now we find that those financial wizards again want to shackle and enslave the people of Australia and send them back to where they were in 1930. All I can say is that the people did not show much

wisdom when they elected the Liberal and Australian Country parties to office in this Parliament last December. I believe that they just did not know what they were doing, because of all the misrepresentation and confusion that then prevailed. They were told by the whisperers in the dark that if the Labour Government were returned to office they would lose their savings, and that the little shop on the corner—the little plumber's shop, the tinker's shop and the horse-shoeing forge—would be nationalized. They fell a victim to the wiles of those financial agents of the banks who doubtless were well paid. These bank officers were seconded from the banks for a fortnight or three weeks. They were told to go about among the community spreading propaganda, and to come back every Thursday and submit a chit for their expenses, stating where they had been and what they had done. The expenses that they had incurred were payable at the Commonwealth Bank—the very bank that they are now trying to destroy.

MR. SPEAKER.—Order! The honorable gentleman has exhausted his time.

Motion (by Mr. TOM BURKE) put—

That the honorable member for Watson (Mr. CURTIN) be granted an extension of time.

The House divided.

(**MR. SPEAKER**—HON. ARCHIE CAMERON.)

Ayes	41
Noes	62
		—	
Majority	21	—

AYES.

Anderson, Gordon	Griffiths, C. E.
Andrews, T. W.	Harrison, E. James
Beazley, K. E.	Haylen, L. C.
Bird, A. C.	Keon, S. M.
Bourke, W. M.	Lawson, George
Bryson, W. G.	Minogue, D.
Burke, Tom	Morgan, C. A. A.
Calwell, A. A.	Mulcahy, D.
Cameron, Clyde	Millican, J. M.
Chambers, C.	O'Connor, W. P.
Chifley, J. B.	Peters, E. W.
Clarey, P. J.	Pollard, R. T.
Clark, J. J.	Ridgeway, W. J. F.
Costa, D. E.	Rosevear, J. S.
Creemmin, J. L.	Russell, Edgar
Curtin, D. J.	Thompson, A. V.
Davies, W.	Ward, E. J.
Drakeford, A. S.	Watkins, D. O.
Duthie, G. W. A.	Tellers:
Fitzgerald, J. F.	Daly, F. M.
Fraser, A. D.	Sheehan, T.

NOES.

Adermann, C. F.	Howse, J. B.
Anderson, Charles	Hulme, A. S.
Anthony, H. L.	Jack, W. M.
Beale, Howard	Kekwick, B. H.
Berry, D. R.	Kent Hughes, W. S.
Bostock, W. D.	Lawrence, W. R.
Bowden, G. J.	Mackinnon, E. D.
Brown, G. W.	McBride, P. A.
Cameron, Dr. Donald	McCoim, M. L.
Corser, Bernard	McDonald, A. M.
Cramer, J. O.	McEwen, J.
Davis, F. J.	McMahon, W.
Dean, R. L.	Menzies, R. G.
Downer, A. R.	Opperman, H. F.
Drury, E. N.	Osborne, F. M.
Eggins, E. J.	Pearce, H. G.
Fadden, A. W.	Pittard, A. C.
Fairless, L. J.	Robertson, H. S.
Fairbairn, D. E.	Ryan, R. S.
Fairhall, A.	Swartz, R. W. C.
Falkinder, C. W. J.	Timson, T. F.
Francis, J.	Townley, A. G.
Freeth, G.	Trelour, T. J.
Gilmore, T. V.	Turnbull, W. G.
Graham, B. W.	Wentworth, W. C.
Grayden, W. L.	Wheeler, R. C.
Hamilton, L. W.	White, T. W.
Handby, H. H.	Wilson, K. C.
Harrison, Eric J.	
Hasluck, P. M.	
Haworth, W. C.	
Holt, H. E.	

Tellers:
Davidson, C. W.
Gullett, H. B. S.

Question so resolved in the negative.

MR. DRURY (Ryan) [10.11].—The honorable member for Watson (Mr. Curtin), in the course of his speech, treated us to a remarkable display of mental agility in the number of subjects with which he dealt. They included a trip to the moon and back, during which he admitted that he felt cold and so enlisted our sympathy. His speech was hardly a closely reasoned argument either in favour of the Banking Act of 1947 or against the institution of a Commonwealth Bank Board. He made a number of charges against members of the United Bank Officers Association and against the private trading banks, charges that had been made also by earlier speakers. I do not propose to cover that ground again because those charges were answered this morning by the honorable member for Wannon (Mr. Mackinnon). Instead, I shall refer briefly, to the speech made in the House last night by the Leader of the Opposition (Mr. Chifley) which contained several statements that I consider should be answered. The right honorable gentleman said that he could see sinister implications in the Government's proposal to appoint a Commonwealth Bank Board. I find it very difficult to follow that line of reasoning, because it seems to me that the appointment of a board to control the activities of such a vast financial organization as the Commonwealth Bank is as

justified as, and, in fact, a great deal more justified than, the appointment of a board of directors to control the affairs of an ordinary limited liability company. The Opposition's approach to this measure is made in a very partisan and poor spirit. The honorable member for Watson, by feats of mental agility, attempted to prove—and perhaps succeeded in proving to his own satisfaction, but certainly not to ours—that the Government had not received a mandate from the people to appoint the proposed board. Well, the clear, overall majority that was obtained by the parties now in office can be interpreted in only one way, and that is that the people of Australia whole-heartedly endorsed the proposals of the joint Opposition parties, as they then were, in respect of banking. Those proposals were two-fold in nature—first, to repeal the Banking Act 1947, and, secondly, to appoint a Commonwealth Bank Board. A great deal has been said, both during the course of the Leader of the Opposition's speech last night and of speeches since then, which does not bear very much on the measure itself. The Leader of the Opposition said that the bill makes no provision for the parliamentary control that would be necessary in the event of any difference of opinion existing between the Treasurer and the proposed board. He did not name the legal authority from whom he had obtained the advice that such parliamentary authority could not be exercised. I can only assume that it was on the advice of the same legal authority that his Government fought the trading banks of Australia in the High Court and before the Privy Council for a period of almost two years at the expense of the taxpayers. The right honorable gentleman said that the bill constitutes an attempt on the part of the Government to impede the progress of the Commonwealth Bank. He also said that in the past governments formed by the parties now sitting on this side of the House had hindered the development of the bank. Those statements are neither fair nor accurate. They are rebutted by the provisions of this measure which seek to increase the capital and extend the operations of the bank. The opposi-

tion of honorable members opposite to the private banking system has been very clearly manifested. Their partisan attitude towards the private banks has coloured the whole of their contributions to this debate. The Leader of the Opposition has accused honorable members on this side of the House of having somersaulted on this measure and of having betrayed a trust. With respect, I suggest that the right honorable gentleman should be the last person to make such charges. When introducing the Banking Act 1945, he said—

The bills which have been brought down are designed to adapt the banking system to the changing conditions and to provide the Commonwealth Bank, as leader of the banking system, with adequate powers to serve the national interest.

On the 27th November, 1946, he said—

The principal powers of the trading banks to create credit have been brought under the control of the Commonwealth Bank by the provisions of the Banking Act 1945, which give the Commonwealth Bank authority to lay down the advances policy to be followed by the banks and to control the purchase of securities by the banks. The Government does not consider that it is necessary to impose any further control.

His words are of particular importance in relation to the point that I am seeking to make. During the general election of 1946 the right honorable gentleman and those who support him gave the electors of Australia no inkling of their plan to bring about the nationalization of banking if they were returned to office. In 1947, only nine months after the right honorable gentleman had made the statement that I have just read, he announced cryptically one Saturday morning that the banks would be nationalized. The legislation which this bill seeks to repeal was forced through this Parliament against the will of the people. The protests of the then Opposition and of people throughout the country were treated with utter contempt by the Chifley Government. In the light of what I have outlined, the moving words of the Leader of the Opposition towards the close of his speech last night about the democratic rights of the people seem to be of the nature of political hypocrisy. It seems to me that in concentrating all its artillery on the Government's proposal to establish a Commonwealth Bank

Board the Opposition is seeking to divert public attention from the fact that the nationalization of banking is still an essential and, indeed, a principal plank of the policy of the Labour party. Clause 3 of the bill provides—

The Banking Act 1947 is repealed.

That clause is at least equal in importance to the clauses which provide for the establishment of the Commonwealth Bank Board, yet honorable members opposite have clearly avoided dealing with it. I was amazed to hear the Leader of the Opposition claim, in his home-spun, but not exactly picturesque language, that "bank nationalization is a dead horse in the track". The nationalization of banking cannot be a dead issue as long as it remains a part of the objective of the Labour party. Despite the fact that in certain major respects the Banking Act 1947 was declared invalid, not only by the High Court, but also by the Privy Council, I point out that the Privy Council did not rule specifically that bank shares and bank property could not be legally acquired by the Government. No honorable member on this side of the House has any doubt about the course that Labour would have pursued had it been returned to office on the 10th December. In his policy speech the present Leader of the Opposition clearly stated that if his party were returned to office the Commonwealth Bank would pursue a policy of virile competition with the trading banks. We know, and legal authorities will bear us out, that the Labour Government had adequate means to enable it to get round the then existing impasse. Had the Chifley Government been returned to office, it would have succeeded with its policy of squeezing out the trading banks. It is still the policy of the Labour party to squeeze out the trading banks and that fact has coloured the speeches of honorable members opposite on this measure.

Because I regard clause 3 of the bill as of great importance, I propose to make a few observations about bank nationalization. No English-speaking country has nationalized its trading banks. Throughout the British Commonwealth of Nations and the United States of America, and, indeed, in most other countries, a trading bank system is in operation under which the trading

banks provide banking services for the community in active competition with one another. Notwithstanding the disparaging remarks that were made by the Leader of the Opposition and other honorable members opposite, about the trading banks, the fact remains that the competitive joint stock bank is still an integral part of the banking system of all English-speaking countries and, indeed, of most foreign countries as well. Most countries agree with the principle of a central bank and that it should be the function of such a bank to determine the broad monetary policy of the country, leaving the private banks to handle the ordinary every-day banking affairs of the community. Under the provisions of the Banking Act 1945, which has been mentioned at some length in this debate, and which was referred to by the Treasurer (Mr. Fadden) in his second-reading speech, the Labour Government had ample powers to ensure that the trading banks should conform strictly to the credit policy laid down by the Government and to the overall financial tone of the national economy. Banking procedure is founded on confidence, but a measure such as the Banking Act 1947 must, in its essence, have destroyed that confidence. The people have shown unmistakably their confidence in the trading bank system. The establishment of a monopoly bank, as was proposed by honorable members opposite, would have destroyed, both at home and abroad, confidence in our banking system. The political control of banking is clearly against the principles of democratic government. That statement is supported by the fact that approximately 1,500,000 of our people place their business in the hands of the private banks in preference to those of the Commonwealth Bank. Both the honorable member for Watson (Mr. Curtin) and the honorable member for Eden-Monaro (Mr. Fraser) devoted a portion of their speeches to an attack on the private banks. Notwithstanding attacks of that kind it is generally admitted that the private banks provide an efficient and economic banking service for the community. Not even the most ardent supporters of the nationalization of banking and of the Banking Act 1947 would claim

that a monopoly bank would provide as efficient and economic a service as that provided by the trading banks.

Several honorable members opposite have referred to the difficulties that resulted from the financial and economic depression of 1929-32. The private banks played a vital part in helping to soften the impact of the world slump and to restore trade and industry in this country. They assisted the government of the day to cushion the effects of the depression to the amount of approximately £85,000,000, including overseas funds and gold reserves. That assistance was made possible by the prudent policy that had been adopted by the trading banks in amassing overseas funds. Since the depression overseas monetary experts have admitted that, as a result of the raising of the exchange rate, which was first suggested by the trading banks, and not by the Commonwealth Bank as one would have thought, Australia was greatly assisted to emerge successfully from the effects of the depression. That does not indicate that there has been incompetence in the trading banks as has been suggested by the Leader of the Opposition. In 1934 the late Mr. J. A. Lyons, who was then Prime Minister, said—

Had it not been for the financial institutions we should have been faced with the complete and absolute collapse of everything worth while in our country. The banking institutions were the sheet-anchor of this country during the depression period. They saved us from absolute and complete failure.

The attack on this bill by the Leader of the Opposition was inspired by his well-known long-standing prejudice against the existing banking system. His arguments were not based on sound economic grounds. The right honorable gentleman was a member of a royal commission that was appointed in 1936 to inquire into the monetary and banking systems then in operation in Australia and to report whether any, and if so, what, alterations were desirable in the interests of the people of Australia as a whole, and the manner in which such alterations should be effected. The royal commission presented a lengthy report, one paragraph of which is particularly apt to this discussion. Dealing with the desirable objectives, structure and functions of the

monetary and banking system, the commission reported—

The general objective of an economic system for Australia should be to achieve the best use of our productive resources, both present and future. This means the fullest possible employment of people and resources under conditions that will provide the highest standard of living.

The next question is, what kind of monetary and banking system will best achieve this objective? In our opinion this result in the present circumstances of Australia will be most likely to follow from a system of central banking in which trading banks and other financial institutions are integral parts of the system, with a central bank which regulates the volume of credit and currency.

The interesting point about that report is that the present Leader of the Opposition was the sole dissentient from it. The other five members subscribed to that finding. The Leader of the Opposition has been biding his time since the report was made in order to give effect to what appears to me to be a private grudge against the private trading bank system.

Despite the remarkable somersault, not on the part of the Government, but on the part of honorable members of the Opposition who have not made any attempt to stand by such of the provisions of their 1947 legislation as are still operative, the fact remains that socialists and Communists regard a government monopoly of finance as an indispensable first step in their common objective to socialize the means of production, distribution and exchange. This is the real reason behind the Opposition's attack on the formation of a Commonwealth Bank Board as is proposed by this measure. The Government recognizes that a flexible and competitive trading bank system, and not the rigid totalitarian banking system on the socialist model, is the best for this country. In introducing this legislation, it is carrying out the findings of the royal commission on banking in 1936. What is more important is that the people of Australia have recognized this system as the best. The need for the closest co-operation between trading banks and the Commonwealth Bank as the central bank is fully realized and there is nothing in this bill which could be construed as disturbing that relationship. On the contrary, the financial structure of the country will be strengthened. By

making provision for the establishment of the bank board as well as by repealing the 1947 legislation the Government is honouring its election promise, is helping to safeguard the democratic rights of the people of Australia and is carrying out the mandate given to it on the 10th December last by the people of Australia. I therefore have much pleasure in supporting the measure.

Debate (on motion by Mr. BIRD) adjourned.

ADJOURNMENT.

BURMA—WATERFRONT EMPLOYMENT—HOUSING—IMMIGRATION—PENSIONS.

Motion (by Mr. BEALE) proposed—
That the House do now adjourn.

Mr. KENT HUGHES (Chisholm) [10.38].—In a statement to the press on Saturday, the 25th March, the Minister for External Affairs (Mr. Spender) stated that a loan of £6,000,000 had been granted by the Governments of the United Kingdom, Pakistan, India, Ceylon and Australia to the Government of Burma. Nobody who has recently studied Burmese affairs will disagree that Burma needs this money very badly. It was asked for by Burma some time ago and has now been granted. Actually the Premier of Burma, I think in July last, sought £150,000,000 in order to restore economic stability to Burma. In spite of the fact that it needs financial assistance, Burma needs something else very much more and it would seem that the loan mentioned has been made without any other consideration whatever. Burma is one of the two key countries of South-East Asia. The other is Indo-China. In view of the fact that Burma is one of the rice bowls of that area of the world, it is almost a key country in relation to international problems. Unfortunately, we have not been told whether any other considerations have been granted or suggestions made to the Burmese Government. If the loan has been granted without any other consideration, I feel that the money might as well have been thrown into the Irrawaddy or the Salween river.

Every member of this House will join with the Minister in making a gesture of friendship and of help to Burma in its great difficulties, and no one wants to complicate the matter by making statements such as that made by the ex-Minister for External Affairs, the right honorable member for Barton (Dr. Evatt), in New Delhi on the 1st March, 1949. That statement caused a lot of trouble, particularly in Burma, which considered that it might lose considerable face as a result of it. At this stage there is no point in discussing whether Burma should have received its independence as early as it did. That independence was granted by the British Government and it is a fact that we have to accept. Post-war Burma was a very difficult country to govern. It had been invaded and counter-invaded, all administration had broken down and arms and equipment and ammunition were left lying all over the place. The Burmese considered that they could govern themselves and they were given their independence, but the result has been disastrous from the standpoint of stability in Burma. There have been civil wars, some of Burma's ablest men have been assassinated and the result has been heavy casualties, catastrophes of all kinds, consternation on the part of most of the people living in Burma and finally disintegration and chaos. There are five groups of people in Burma. There is the People's Volunteer Organization. There are two Communist parties, the White Flag and the Red Flag. There are the Karens, who desire autonomy; and there is the Burmese Government party. Unfortunately in this civil war the Karens, who were loyal to the Allies and to democracy throughout the war, now want autonomy. This was granted to them by the Burmese Government, but it insisted that they should be disarmed, and therein lies the cause of discord up to the present time. As a result of bitter experience in the past, the Karens know that if they are disarmed they will probably suffer massacres at the hands of undisciplined mobs that are armed. The Premier of Burma, Thakin Nu, is a sincere Buddhist who is much beloved by his people. His war minister, General Ne

Win, is a capable leader. A great deal of responsibility rests on the shoulders of these two men. Until the civil war between the Burmese Government and the Karens can be settled there is no hope of peace, prosperity or economic stability in Burma. That is the problem which faces us.

I should like to suggest to the Government, through the Minister at the table (Mr. Beale), if it is not too late, that the Burmese Government should be asked to invite the United Nations to appoint a mediator in the dispute between the Karens and itself. The Burmese Government has agreed to autonomy being granted to the Karens and only the matter of being disarmed is causing trouble. If that is not done, the money advanced to the Burmese Government might just as well be sunk in the sea. British arms and equipment have been used against people who were loyal to us throughout the war. If what happened in China happens in Burma as a result of the Chins and the Kachins joining hands with the Chinese Communist armies, equipment and machinery which have been bought with the £500,000 which Australia is providing will fall into the hands of the Communists and once again we shall have committed a grave error. For that reason, I ask the Minister at the table to bring this matter before the Government. Any observer who has followed recent events in Burma will agree that at the present time only the most consummate statesmanship inside and outside Rangoon can save that country from even worse disasters than it has suffered during the last eight years.

In to-day's press there is a paragraph which states that the Red Flag Communists have got rid of the White Flag Communists and have set up a rebel government at Prome, 160 miles north of Burma. I request the Minister to ask the Government to give these suggestions serious consideration.

Mr. MULLENS (Gellibrand) [10.42].—I desire to direct the attention of the Minister at the table (Mr. Beale) to the fact that there is room for the exercise

of great tact and discretion, especially by some members of the Government parties, in the type of questions asked and answers given relative to trade union activities and individual trade unionists. There is a tendency for certain members on the other side of the House to make an Aunt Sally of trade unions and trade unionists. I submit to the Minister that such conduct can be very harmful in its effect on the attitude of the individual trade unionist towards his job and on the attitude of the union itself to national problems and crises. For example, the *Sun* of the 8th March, quite inadvertently I take it, quoted the Minister for Trade and Customs (Senator O'Sullivan), referring to the Colonial Sugar Refining Company Limited, which happens to have a refinery at Yarraville, in the electorate of Gellibrand, as having said that shortages of sugar were due, in the main, to strikes in sugar refineries. That is absolutely untrue, for the simple reason that there have been no strikes of members of the Sugar Workers Union in the refineries of the Colonial Sugar Refining Company Limited, and whatever have been the deficiencies of production, and whatever has been the loss felt by the community through a shortage of sugar, or through a preponderance of brown sugar over white, that state of affairs has definitely not been due to the striking propensities of the Sugar Workers Union. I have here a mass of evidence which has been submitted by the union, but which I do not wish to quote at this late hour. However, it is an extraordinary thing that this monopolistic concern, which has huge capital resources, perseveres with plant and equipment that are entirely incapable of doing the job required, and that the blame for lack of production is then assigned to the workers in the industry. Whatever production deficiencies have been apparent at Yarraville have been due entirely to shortages of plant, the use of obsolete machinery and a succession of break-downs. The men employed there work twelve-hour shifts, and they are so efficient that the management has paid tribute time after time to their efforts, their honesty and their pride in their calling. The implications that

lie behind these attacks on workers may not seem important to honorable members, but they are, in fact, extremely significant.

The honorable member for Capricornia (Mr. Pearce) touched a very raw spot recently when he referred to some supposed peccadillo on the part of two wharf labourers who had been found in the lounge of the liner *Orontes*, of all places, having a sing-song round the piano. The honorable gentleman's remarks sounded highly facetious, but I have received evidence from the Waterside Workers Federation that the men were not wharf labourers or that, if they were, the stevedoring authority or the master of the vessel should have been responsible for keeping them out of the lounge. Why does a supporter of the Government ask a question about wharf labourers disporting themselves in fun and frolic in the lounge of *Orontes*? The honorable member for Capricornia said that his informant was a passenger on the vessel. Was the passenger a participant in the party? Was it a cocktail party or a sherry party? Were the ladies pleased to have the wharf labourers there? The situation must have been a novel one, if there were any wharf labourers there. No doubt they adorned the lounge and any complaints that were made arose from the jealousy that overwhelmed male passengers when the bright young things at the party showed preference for the he-men from the Waterside Workers Federation.

Mr. GULLETT.—Ha, ha!

Mr. MULLENS.—I can understand the honorable member's laughter. It would be a great novelty. Many parties are staged in the lounges of vessels like *Orontes* and *Orcades*, and I have no doubt that members of the Waterside Workers Federation would know how to conduct themselves as well as do some of the people who normally frequent such places.

Such attacks upon workers are very serious. The Waterside Workers Federation in Melbourne is controlled by the Australian Labour party, and I do not want honorable members who ask questions about the control of the organization in Brisbane or Sydney to confuse the

issue. If they succeed in doing so, they will do a great disservice to Australia. The waterside workers are responsible men who have a pride in their calling, and I hope that such facetious witticisms as I have mentioned will not be repeated in future in this House. Even if, inadvertently, a waterside worker were found indulging in a little horse-play in the sacred precincts of the lounge of *Orontes*, the matter is not one that ought to be stressed in the National Parliament.

Mr. GULLETT.—Then why on earth is the honorable member making this speech?

Mr. MULLENS.—I am about to draw attention to the serious implications of such propaganda. Is it not a fact that, when an honorable member asks a "Dorothy Dix" question that elicits a certain type of answer from a Minister, some shreds of discredit are attached to the organization or the individual concerned? Such practices are deplorable. If Ministers and their supporters are genuinely endeavouring to obtain the co-operation of the better elements in the community, the anti-Communist members of the working class organizations, they must desist from these wise-cracks. If they want to do any reforming, they ought to devote their attention exclusively to the persons who normally frequent such places as the lounges of *Orontes* and *Orcades*.

Mr. WARD (East Sydney) [10.50].—I bring a very urgent and important matter to the notice of the Government to-night because I realize that the Parliament is about to adjourn for three weeks over the Easter period and that this will be one of the few remaining opportunities for me to discuss the subject during the current sittings. I have been waiting very patiently for the Government to implement many of the promises that its representatives made during the election campaign. One of its chief complaints against Labour governments, both Commonwealth and State, was that they had not proceeded rapidly enough with the construction of houses. I have taken particular pains to ascertain whether home construction programmes have been

speeded up since this Government took office, and I have learned that all that the Government has done, or even attempted to do, has been to send abroad another party of alleged experts for the purpose of investigating the possibilities of obtaining prefabricated houses. The task of the party is, not to place orders, but merely to inquire from what countries and what firms such structures may be obtained. The party is not interested in designs, and I am at a loss to understand why such expert knowledge as it has should be required. In my opinion, the Government intends to do nothing at all about housing and has merely sent this body of alleged experts abroad in an endeavour to convince the general public that something is about to be done. Any honorable member who asks a question about housing, one of the most important subjects that could be raised in this House, is immediately told that the matter is a responsibility of State governments. Then, if he inquires from the State governments, he is told that they are doing all they can to expedite home construction, and that in the meantime they are doing their utmost to provide temporary accommodation, but that they would get much better results if the Commonwealth would only co-operate by making available additional service establishments for use as emergency settlements. Many thousands of Australian families are to-day not even hoping to have permanent homes allotted to them. They are waiting anxiously for emergency accommodation. We have read many reports about the disgraceful kind of emergency accommodation that is provided for many Australians to-day, and we have heard representatives of the clergy condemn the environment in which young Australians are being reared.

Many honorable members would greatly benefit from visits to some of the alleged housing settlements. Yet many people to-day hope for nothing better than a room in some such place because they know that their chances of obtaining permanent dwelling-places are negligible. In New South Wales many magistrates are no longer ordering evictions because they know that there is not

even enough emergency accommodation to provide for the displaced tenants. I wonder how much longer the people will continue to suffer under this state of affairs! Many supporters of the Government spoke disparagingly during the Address-in-Reply debate about the conditions under which many Australian men and women are expected to live and raise families, but at the same time they continue to talk about the importance of immigration in order to increase our population. Why do they not give some thought to the decline of the natural increase of our population due to the lack of proper housing? How many ex-servicemen are still trying to establish homes for themselves and their wives? Many women who married servicemen during the war or afterwards have had to return to their parents' homes while their husbands continue to search for accommodation. Some of them registered their applications for houses as long as six years ago in New South Wales, and I believe that the situation is just as bad as that in other States. For years they have been participating unsuccessfully in ballots and searching for accommodation of some sort. The task of raising children under such conditions is heart-breaking. I know of dozens and dozens of cases in which parents suffering from contagious diseases, such as pulmonary tuberculosis and other forms of tuberculosis, are forced to sleep in rooms with young children. Sometimes as many as six members of a family have to sleep in one room. What does the Government propose to do about the situation? Its supporters directed particular attention to the housing problem during the general election campaign and declared that Labour governments had failed to do very much about it.

I ask the Government this question: Is it a fact that thousands of Australian families are living under the conditions that I have described? If so, no matter who was responsible in the first place, the fact is that this Government is now in charge of the affairs of the nation and has an obligation to do something about it. It talks about bringing 200,000 immigrants into the country this year.

Estimating that those new citizens will be distributed in the proportion of four to one home, the Government will be required to provide 50,000 houses for them. The annual rate of house construction at present is no higher than that figure. What about the people who already live in Australia? Despite the glittering promises that were made to them during the election campaign, their chances of obtaining homes are actually less to-day than they were then. We must face the facts. Unless the Government does something definite, many people will die of old age before they obtain permanent homes or even before they are given an opportunity to take accommodation in emergency settlements. A state of emergency exists, and the Government should act accordingly. There is no risk of war at the moment, and it has many service establishments that could be made available for housing purposes. For instance, there are the Victoria Barracks at Paddington, Sydney, which are not fully occupied. Many people could be housed there. I do not want to be told again that housing is a responsibility of the State governments. This Government is in control of national affairs, and the housing shortage is a national problem. If it cannot provide proper accommodation for the people who are living in Australia now, it has no right to continue to bring hundreds of thousands of new citizens into this country only to add to the misery of the homeless. I ask the Government to announce what it proposes to do about the situation.

Mr. HOLT (Higgins—Minister for Labour and National Service and Minister for Immigration) [10.59].—The honorable member for East Sydney (Mr. Ward) has discussed the problem of housing in Australia in a general way and has also dealt with some particular aspects of it. I know of no country to-day, whatever its form of government may be, that does not suffer from a housing shortage. That situation, of course, arises from the destruction caused by war in many countries and the diversion of manpower and materials to the prosecution of the war. Thus, every country, including even the United States of America with

its great resources, has a housing problem. I cannot name one country that is doing more to solve its housing problem than is Australia. That is a tribute not to any particular government, but to the joint efforts of the Australian people. Only to-day, a social worker from Great Britain spoke to me about the noticeable progress that was being made with private home-building in this country. As we pass through the suburbs of our capital cities we are impressed by the amount of private building. I am not saying that all is being done that might be done or the problem is being solved with the rapidity we desire, but there is evidence that a good deal is being accomplished in this country. One of the factors which limits the output of homes in Australia to-day is the shortage of iron and steel products, which stems from the lack of coal. Until the production of the basic commodities of coal, iron and steel is increased, and until there is a recognition on the part of some of the sections of the building industry that a fair day's work should be given for a fair day's pay, houses will not be built as rapidly as this country needs. The honorable member has spoken about the importation of prefabricated homes as though that is all that this Government is trying to do to overcome the housing shortage. The Government does not regard the importation of prefabricated houses as anything more than a rather expensive supplement to what can be done with our own Australian resources. The need is great, and the importation of prefabricated homes will proceed. The importation of such buildings has been endorsed by governments of all political parties in this country, and it is helping to alleviate to some extent the housing shortage in Australia. The honorable member made particular reference to the demands of migrants for houses. Once again the honorable member for East Sydney shows that he is out of step, even with his own colleagues, on the migration policy, and in particular with the former Minister for Immigration (Mr. Calwell). The rate of migration to Australia is much the

same now as it was when the previous Government, of which the honorable member was a senior Minister, was in office. All that this Government is doing, in this respect, is to carry out broadly the programme launched so successfully by its predecessor. The honorable member criticized Ministers for talking about bringing into the country 200,000 migrants this year. We are doing more than talking about it, we are bringing in migrants at that rate this year, and they are being successfully absorbed by the Australian community.

Quite deliberately, we have done what we could to avoid any undue impact by migrants upon the housing situation. In the first place, following the previous Government's programme, we are setting up, through our holding and reception centres and migrant workers' hostels, a form of accommodation which does not eat substantially into the housing requirements of the Australian people. The holding centre accommodation is largely that used as former service establishments and no longer required for that purpose. Migrant workers' hostels will contain, at the end of this year, beds for 52,500 migrants. That is a tremendously large programme. The accommodation has been provided by a process of improvisation. Former service huts, where convenient, have been used; former munitions establishments have been adapted as housing centres, and former wool stores have been fitted with special installations to make them habitable by migrants who are to work in their neighbourhood. All that work is being done with a minimum use of the material which might be required for housing purposes. My final point is that as many as practicable of our migrant workers are placed in those industries which make a direct contribution to the solution of the housing problem. Thousands have been placed in brickworks, tile works and cement works.

Mr. WARD.—Not too many thousands. Can the Minister give the actual figures?

Mr. HOLT.—I have already given the figures and I shall be happy to repeat them if the honorable member wants them. Some thousands of migrants

have been diverted to industries manufacturing building materials, and they are making a real contribution to that type of production. The number so diverted would be greater if more hostel accommodation were available for them, and as hostels are constructed we hope to be able to place more migrants in industries which materially assist in the construction of homes. All the matters that I have detailed, the activities of the State governments, the operations of private builders and the like, add up to a substantial contribution towards the solution of the housing shortage. Comparing the situation in this country with that in Great Britain, we find that private enterprise is permitted by the regulations in Great Britain to build only one home for every four homes constructed under government auspices. It is not even permissible for a man to build his own home in his own time because of the rigid policing of the regulations. This country has a much more balanced programme of housing, in which governments do a great deal and private enterprise is encouraged to make its contribution. Then there is an additional programme in the construction of migrant accommodation for people who in their turn will help to solve the problem. We may not all be doing as much as we could do, but this Government is determined to press on with vigour and ability towards a solution of the problem. All that we ask is for reasonable time so that we can deliver the goods. We can promise that the people will be satisfied with the results that we shall give them.

Mr. CALWELL (Melbourne) [11.10].

—I have been very interested to hear the post-election tributes that have been paid by the Minister for Labour and National Service (Mr. Holt) to the work of the Chifley Government in the matter of housing. I read the policies of the Liberal and the Australian Country parties before the last election, but did not find any such tributes contained in them. The Chifley Government was in power from 1945 to 1949, the only period in post-war history when housing construction could be undertaken. If the honorable gentleman had paid such tributes to the Chifley Government before the election as he has done

this evening, then perhaps the people would have had a better appreciation of what was being done at that time, and what had been done for some years previously, by the Chifley Government. In 1947, 40,000 homes were constructed in Australia by private and government enterprise. In 1948, 50,000 homes were constructed. The target last year was 60,000, but because of the coal strike and other industrial troubles only 54,000 were erected. That was still not enough, and 60,000 a year or even 100,000 a year is not enough for our growing population and for the needs of the migrants who are coming here in great numbers. When I was Minister for Immigration I was prepared to do anything possible, and I took as many risks as were necessary, to bring as many people here as I could; even if accommodation could not immediately be provided for them. The Minister for Labour and National Service did not say what the Government proposed to do to carry out its election promise to erect more houses, and that is a matter about which every elected representative has the right to inquire. I have been interested in housing and in finding all sorts of accommodation for the people. I suggested the use of the wool stores to house migrants and had some converted into hostels. I hope that the present Government will use as many of them as possible. With the assistance of the previous Minister for the Army (Mr. Chambers), the previous Minister for Air (Mr. Drakeford), the previous Minister for the Navy (Mr. Riordan) and the previous Minister for Defence (Mr. Dedman), I utilized all available service establishments. There are still some that could be used, such as the Kapooka camp, which was being considered in conjunction with a Mildura property. I am glad that the Government bought the Mildura property, even if the Victorian Liberal Government black-mailed them to some extent on the price. However, a few hundred thousand pounds are neither here nor there these days, and I think that the Government did the right thing in buying it.

When the honorable member for Chisholm (Mr. Kent Hughes) was Minis-

ter for Transport in Victoria, he brought the first proposal for the use of prefabricated houses to me, as Minister for Immigration, and got a ready acceptance of it. The Chifley Government waived duties and other financial charges, and for originating that experiment the honorable member is entitled to credit, as is the Chifley Government for its co-operation. We cannot find shipping to carry all the prefabricated houses it is suggested we should bring here. We have to do something more in the way of prefabrication in this country, and we must not rely on iron and steel for roofing, but must try to make the best possible use of concrete tiles, which should be produced in greater numbers, and which can be produced more cheaply and more efficiently than some of the more usual types of tiles. We must make new approaches to the problem. If the honorable member for East Sydney (Mr. Ward), in the light of conditions in his own electorate, says that he has doubts about the speed with which the migration programme is being carried out, he is entitled to express his view. He is also entitled to make suggestions about Victoria Barracks, in Sydney, which the Chifley Government thought it inadvisable to use for temporary housing. Those premises may have to be taken by this Government for that purpose, and so also, perhaps, may Victoria Barracks, in Melbourne. Many good Australians are living under very unsatisfactory conditions, and some of them are waiting for war service and housing commission homes. A difficult situation will develop unless every member of this Parliament endeavours to find temporary solutions of the very grave housing problem. It is of no use to suggest that we leave it alone and do the best we can. If I were Minister for Immigration to-day, I would be faced with the same problems that face the Government, and would have had to try to find other means of housing our people. The more people we bring to this country the greater becomes our difficulty because every person who comes in to-day is a potential householder, if not to-morrow, then in eighteen months or two years.

Perhaps we shall have to ask the State governments and municipalities to co-operate with the Australian Government

in a grand emergency plan. We should have had to tackle the problem if some of our capital cities had been bombed in the last war. We shall have to face it if they are bombed in a future war. The whole housing programme may be hampered by restrictive local government regulations. It may be that the State governments are granting too many permits for the building of big houses, or for houses in areas where they are not needed as badly as in some others. There is also the proposition that some of the big homes in Toorak, Melbourne, and in Bellevue Hill, Sydney, which are occupied by very few people should be taken over. To take an extreme case, one may find a couple of old maids with twenty cats occupying a house with ten rooms. That may be something in the nature of hyperbole, but it is true that there are in Australia plenty of big houses that could be better used by people who are in need of them than they are being used to-day. The right of property is not absolute, and just because people possess title deeds to property they are not entitled to hold that property to the detriment of the community. Possibilities exist also in various clubs in the cities, such as the Union Club, in Sydney, and the Melbourne Club, in Melbourne, to which the honorable member for Henty (Mr. Gullett) belongs, as also does the honorable member for Flinders (Mr. Ryan). I cannot see that any one needs two or three beds to sleep in. Perhaps it might also be necessary to take over the Athenaeum Club. Many such premises may have to be taken over, or the immigration plan may break down.

I refer now to the remarks of the honorable member for Chisholm about Burma. I hope that Australia will not find itself committed to the expenditure of £500,000 before the Parliament is consulted on the matter. I hope that we shall not be committed to a programme of assistance to Burma, which might be no more successful than was the programme of American aid to China. I trust that the democracies will not be committed to backing governments which cannot last,

Mr. Calwell.

or that we shall have the mortification of seeing the materials that we supplied to those governments being used later against the democracies themselves. I hope that what the honorable member for Chisholm has said will not be lost upon the Government that he supports.

Mr. PEARCE (Capricornia) [11.19].—Some little time ago, the honorable member for Gellibrand (Mr. Mullens), referring to a question which I had asked said he deplored what he termed my facetiousness. I assure the honorable member that I fully realize the responsibility that rests upon me as a member of this House. I asked a question. In answer to my question, the Minister promised to have the matter investigated. The Waterside Workers Federation has written to me, and advised me that the men who were allegedly in the lounge of the liner *Orontes* were not waterside workers at all. I deplore the fact that the honorable member suggested in a facetious manner that if the men were in the lounge, they were there seeking the favours of the ladies who were present. It is he who was facetious and he has done the Waterside Workers Federation a grave disservice.

Mr. CURTIN (Watson) [11.22].—Once again, I bring to the notice of the Government the distressing plight of age and invalid pensioners, and widows in receipt of pensions. Because of the deterioration of the purchasing power of the £1, the circumstances in which pensioners are living are beyond description. While we are waiting for the Government to put some "pep" into its endeavours to increase the purchasing power of the £1, I suggest that the Government should make an immediate cash grant of £10 each to all those receiving widows' pensions, and age or invalid pensions, to enable them to buy warm winter clothing. Surely every honorable member here will favour that proposal. While we are living comfortably ourselves, we should consider the plight of those less fortunately circumstanced. We are now in the middle of the autumn, and it is time something was done to help these people.

Mr. BEALE (Parramatta—Minister for Supply) [11.23].—*in reply*—The suggestion made by the honorable member for Watson (Mr. Curtin) will be considered by the Government.

Mr. WARD.—Will it receive any practical consideration?

Mr. BEALE.—It will certainly receive more practical consideration than was given to any proposal placed before the honorable member for East Sydney (Mr. Ward) when he was holding ministerial office. Honorable members are obliged to the honorable member for Chisholm (Mr. Kent Hughes) for his thoughtful reference to the problems confronting the people of Burma, and the proposal to grant them aid. Many Australians felt anxiety over what they believed to be the precipitate action of another government in granting complete autonomy to the people of Burma. That feeling was expressed by the former Minister for External Affairs (Dr. Evatt) and I share it. However, that is history. The honorable member's remarks are appreciated, and will be brought to the attention of the Government.

The honorable member for East Sydney discussed housing. Everybody knows that houses are scarce, that the housing situation is serious, and that the matter is bearing heavily on a great many people. The Government is deeply conscious of that, and is doing what it can in a difficult situation. The honorable member for East Sydney said that housing was not the concern of the States. Of course it is. That was recognized by the last Government when it framed the housing agreements with the States, under which the Commonwealth pays about £15,000,000 a year to the State governments to enable them to carry out housing projects of their own.

Mr. WARD.—Not enough.

Mr. BEALE.—Perhaps, but the payment of that money to the States is an indication that the State governments have a responsibility in this matter, and that they are endeavouring to discharge that responsibility. Private enterprise is also playing its part, as is indicated by the large number of dwell-

ings being erected in various parts of the country. We know that the number is not large enough, but we also know that there is a shortage of certain basic materials. A Labour government was in office for eight years, during the last four of which the country was at peace. It is the veriest humbug for the honorable member for East Sydney to ask what the present Government, which has been in power for only three months, is doing about housing, when the Government of which he was a member was in power for four years after the war ended without, apparently, doing enough to overcome the housing difficulty. If the honorable member were a little less provocative, a little less inflammatory in his utterances, and a little more concerned with the preservation of industrial peace, we might be able to get more coal, more steel, and more houses.

Question resolved in the affirmative.

PAPERS.

The following papers were presented:—

Commonwealth Public Works Committee Act—Twenty-first General Report of the Parliamentary Standing Committee on Public Works.

Lands Acquisition Act—Land acquired for Postal purposes—St. Kilda, Victoria.

House adjourned at 11.25 p.m.

ANSWERS TO QUESTIONS.

The following answers to questions were circulated:—

COAL.

Mr. MENZIES.—On the 22nd March, the honorable member for Macarthur (Mr. Jeff Bate) asked a question relating to coal production from the 1st January to the 25th February this year as compared with the same period last year. It is presumed that the honorable member was referring to New South Wales only and the following are the figures for the periods referred to by the honorable member:—

Coal production in New South Wales,
1st January-26th February, 1949.
1,466,700 tons.

Coal production in New South Wales, 1st January-25th February, 1950, 1,661,500 tons.

DOLLAR DEFICITS.

Mr. MENZIES.—On the 21st March, the honorable member for Perth (Mr. Tom Burke) addressed a question to me concerning dollars. I have given consideration to the matter, in consultation with the Treasurer, and desire to inform the honorable member that, as the Government has not yet completed its review of policy in relation to the many different aspects of the dollar problem, it would be premature to issue any comprehensive statement on the matter at this stage.

PENSIONS.

Mr. HOLLOWAY asked the Prime Minister, upon notice—

In view of the considerable length of time which must elapse before the overall investigations now being made by the Government into the position of both ex-service and civilian pensioners can be completed, will he discuss with his appropriate Ministers the need for some immediate adjustment so that the loss of purchasing power which they have suffered due to the constant increase in prices of consumer goods and services since the last adjustments were made may be restored.

Mr. MENZIES.—The answer to the right honorable gentleman's question is as follows:—

I refer the right honorable member for Melbourne Ports to the answer given to a question addressed to my colleague the Minister for Social Services by Senator O'Byrne in the Senate on Thursday, the 16th March, in relation to social service benefits. My colleague's reply touches on the subject of the honorable member's question also. I would merely add that the matter will be considered by the Government as soon as practicable.

PETROL.

Mr. MENZIES.—On the 8th and the 14th March, the honorable member for Herbert (Mr. Edmonds) and for Perth (Mr. Tom Burke) respectively asked questions concerning consumption and stocks of petrol. I am now able to inform the honorable members that the relevant figures are as follows:—

	Gallons.
Seaboard stocks at end of February, 1949	42,684,000
Seaboard stocks at end of November, 1949	63,548,380
Seaboard stocks at end of February, 1950	67,689,983

Consumption of petrol in December, 1949 ..	34,782,794
Consumption of petrol in February, 1950 ..	42,270,809

IMMIGRATION.

Mr. HOLT.—On the 21st March the honorable member for Lalor (Mr. Pollard) asked the following question:—

The Municipality of Braybrook has discovered that large number of new Australians, including those who have obtained their release and those who are the present inmates of hostels, are purchasing subdivisional land on the fringes of the City of Melbourne. That is very desirable and laudable; but it is feared that they may be exploited by land selling agents because they may be unaware that water, sewerage or electricity mains have not been reticulated to the properties being offered for sale. The municipality fears that such conditions may result in the establishment of colonies of migrants. Will the Minister favorably consider co-opting municipalities through the formation of advisory committees which could help educational officers of the department to protect new Australians by imparting to them information with respect to land offered for sale, relating to valuations, availability of public services and any other information that may be of value to them?

I informed the honorable member that I would bring his question to the notice of my departmental officers and see what further action can be taken on the matter. I now advise him as follows:—

The *New Australian*, a monthly journal issued by the Department of Immigration in simple English has frequently warned new arrivals to exercise care when purchasing houses or land so that they will not be defrauded. In the May, 1949, issue the following article appeared:—

Immigration Officers in some States have reported that some European migrants have paid deposits on blocks of land and have been given receipts on pieces of paper.

The Department of Immigration warns migrants who are not familiar with Australian customs against this practice.

Migrants wishing to buy land are advised to conduct the business through a solicitor or estate agent who, for a small fee, will ensure that the migrant is not defrauded.

In the issue for December, 1949, migrants were advised to consult the local building authorities before erecting homes, lest they infringe local building ordinances. It was again suggested that, when buying land, they should consult a solicitor who would help them with the title and the sale. In view of more recent reports that migrants had been defrauded because of their ignorance of Australian customs, the next issue of the *New Australian* will contain a further suitable warning. As a result of the Australian

Citizenship Convention held in January last, Good Neighbour Councils and New Settlers' Leagues within each State are co-ordinating voluntary activities on behalf of both British and non-British migrants. These co-ordinating committees intend to establish local welfare bodies wherever the need exists and one of their functions will be to offer guidance and advice to migrants on matters of this kind.

Mr. HAYLEN asked the Minister for Immigration, upon notice—

1. How many British migrants have come to Australia under the nomination scheme?
2. Is the nomination scheme to be discontinued?
3. What success has attended the sponsorship scheme of the Returned Sailors, Soldiers, and Airmen's Imperial League of Australia?
4. What additional numbers came to Australia as a result of the publicity campaign for Australian nominators of British migrants?
5. What did the publicity campaign cost?

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

1. Since the post-war migration schemes commenced to operate on the 31st March, 1947, up to the end of February last, 66,823 free and assisted passage migrants from the United Kingdom have arrived under the nomination schemes.

2. No.

3. A comprehensive reply on this subject was given by me to the honorable member for Labor in the House on the 21st March, 1950.

4. The five weeks' campaign, authorized by my predecessor, only concluded on the 17th December last, and the State immigration authorities are dealing with the replies received from people willing to nominate and/or accommodate a British migrant. It will be some time yet before the actual number of effective nominations resulting can be assessed.

5. The advertising campaign was estimated to cost £10,000.

RECONSTRUCTION TRAINING SCHEME.

Mr. HAYLEN asked the Minister representing the Minister for Repatriation, upon notice—

1. How many Commonwealth reconstruction trainees at Australian universities have long-term courses requiring part of their training to be repaid by loan?

2. How many married men are in this category?

3. What is the yearly grant for books and equipment for these long-term students?

Mr. FRANCIS.—The Minister for Repatriation has supplied the following information:—

1. 3,598 trainees.
2. 1,355 married men.
3. Up to a maximum of £10 per annum for necessary books and £20 for essential instruments and equipment. The unexpended

portion of any one year's allowance may, however, be carried forward as a credit in the next year.

As regards the information with which I have supplied the honorable member in reply to the first and second parts of his question, he may be interested to know that an additional 981 Commonwealth reconstruction trainee scheme university students to whom the loan conditions applied have either completed or discontinued their courses. Of these, 243 were married men.

SUBSIDIES.

Mr. MENZIES.—On the 15th March the honorable member for Shortland (Mr. Griffiths) asked questions concerning subsidies. I have had the questions examined and in reply thereto desire to inform him that requests were made by the New South Wales Prices Minister (Mr. Finnane) on behalf of State Prices Ministers for the payment by the Commonwealth of price stabilization subsidies on certain goods. No estimate has been made of the cost of subsidizing the items specifically referred to by Mr. Finnane. It has been estimated, however, that if the subsidies that were in force at the time of the prices referendum in May, 1948, were re-introduced on the basis of reducing the prices of the items concerned to the levels then prevailing, the cost of such subsidies would now be at an annual rate in the vicinity of £30,000,000. On 8th March, 1950, Mr. Finnane was advised that the whole question of price trends and price stabilization policy had been the subject of exhaustive consideration by the Commonwealth Government, which had decided in principle that a general extension of subsidy payments would not be a satisfactory or workable solution to the problem of arresting the rise in the cost of living. In this connexion I draw the honorable member's attention to my remarks in the House on 14th March in reply to a question by the honorable member for Hindmarsh (Mr. Clyde Cameron). Mr. Finnane was further advised that the effect of the Government's decision was to reject the specific requests made by him on behalf of State Prices Ministers. Within the category of foodstuffs, subsidies are at present being paid on tea, dairy products and wheat. Subsidy on tea has been paid since 1943-44 and subsidy on dairy products has been paid since 1942-43. The

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subsidy on wheat was introduced on 19th December, 1949, and was made applicable as from 1st December, 1949. Consideration will be given to policy issue affecting the future level of subsidy payments in respect of tea, dairy products and wheat as and when it is deemed necessary. Subsidies are not being paid on clothing nor on materials used in manufacture of textiles or clothing.
