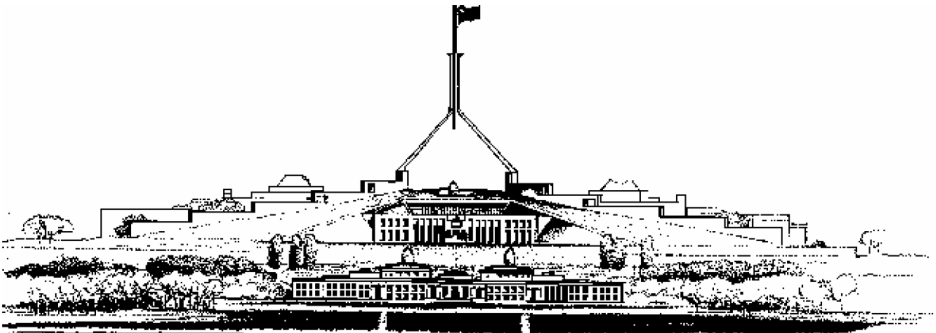




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



Senate Official Hansard

No. 16, 1940
Friday, 19 April 1940

FIFTEENTH PARLIAMENT
SECOND SESSION—FIRST PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

PARLIAMENT OF THE COMMONWEALTH.

FIFTEENTH PARLIAMENT—SECOND SESSION : FIRST PERIOD.

GOVERNOR-GENERAL.

His Excellency Brigadier-General the Right Honorable Alexander Gore Arkwright, Baron Gowrie, a Member of His Majesty's Most Honorable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Companion of the Most Honorable Order of the Bath, Companion of the Distinguished Service Order, upon whom has been conferred the Decoration of the Victoria Cross, Governor-General and Commander-in-Chief in and over the Commonwealth of Australia.

SECOND MENZIES GOVERNMENT.

(FROM 14TH MARCH, 1940.)

| | |
|--|---|
| (1)(2)Prime Minister, Minister for Defence Co-ordination and Minister for Information | The Right Honorable Robert Gordon Menzies, K.C., M.P. |
| (1)(2)Minister for Commerce and Minister for the Navy | The Honorable Archie Galbraith Cameron, M.P. |
| (1)Attorney-General and Minister for Industry | The Right Honorable William Morris Hughes, K.C., M.P. |
| (1)Minister for the Army and Minister for Repatriation | Brigadier the Honorable Geoffrey Austin Street, M.C., M.P. |
| Vice-President of the Executive Council | The Honorable Sir Henry Somer Gullett, K.C.M.G., M.P. |
| (2)Minister for Trade and Customs | Senator the Honorable George McLeay. |
| (2)Postmaster-General and Minister for Health | The Honorable Harold Victor Campbell Thorby, M.P. |
| (1)(2)Treasurer | The Honorable Percy Claude Spender, K.C., M.P. |
| (1)Minister for the Interior | Senator the Honorable Hattil Spencer Foll. |
| (1)(2)Minister for Supply and Development and Minister for Social Services | The Honorable Sir Frederick Harold Stewart, M.P. |
| (1) Minister for External Affairs | The Honorable John McEwen, M.P. |
| (1)Minister for Air and Civil Aviation | The Honorable James Valentine Fairbairn, M.P. |
| (2)Minister assisting the Minister for Commerce | Senator the Honorable Philip Albert Martin McBride. |
| (2)Minister assisting the Treasurer and Minister assisting the Minister for Supply and Development | The Honorable Arthur William Fadden, M.P. |
| Minister assisting the Minister for Repatriation and Minister in Charge of War Service Homes | Senator the Honorable Herbert Brayley Collett, C.M.G., D.S.O., V.D. |
| Minister assisting the Prime Minister, Minister in Charge of External Territories and Minister assisting the Minister for the Interior | The Honorable Horace Keyworth Nock, M.P. |

During the absence from Australia of Commonwealth Ministers, the Honorable Sir Frederick Harold Stewart was appointed Acting Minister for Supply and Development (20th October, 1939, to 25th January, 1940), and the Honorable Harold Edward Holt was appointed Acting Minister for Air and Acting Minister for Civil Aviation (14th October, 1939, to 1st January, 1940).

On 26th January, 1940, the Right Honorable Richard Gardiner Casey, D.S.O., M.C., resigned as Minister for Supply and Development, and the Honorable Sir Frederick Harold Stewart was appointed in his stead.

On 26th January, 1940, the Honorable James Valentine Fairbairn resigned the office of Vice-President of the Executive Council, and the Honorable Percy Claude Spender was appointed in his stead. Mr. Spender held the office until 14th March, 1940.

On 23rd February, 1940, the Honorable John Norman Lawson resigned as Minister for Trade and Customs, and the Right Honorable Robert Gordon Menzies, K.C., was appointed in his stead. Mr. Menzies held the portfolio until 14th March, 1940.

(For designations of Ministers prior to 14th March, 1940, see preface to Volume 162.)

- (1) War Cabinet.
- (2) Economic Cabinet.

THE MEMBERS OF THE SENATE.

FIFTEENTH PARLIAMENT—SECOND SESSION: FIRST PERIOD.

President—Senator the Honorable John Blyth Hayes, C.M.G.

Chairman of Committees—Senator James McLachlan.

Temporary Chairmen of Committees—Senators Macartney Abbott, Stanley Kerin Amour, and Walter Jackson Cooper, and the Honorables James Cunningham and Herbert Hays.

Leader of the Opposition—Senator Joseph Silver Collings.

Deputy Leader of the Opposition—Senator Richard Valentine Keane.

| | | | | | | |
|---|----|----|----|----|----|-------------------|
| Abbott, Macartney | .. | .. | .. | .. | .. | New South Wales |
| Amour, Stanley Kerin | .. | .. | .. | .. | .. | New South Wales |
| Armstrong, John Ignatius | .. | .. | .. | .. | .. | New South Wales |
| Arthur, Thomas Christopher | .. | .. | .. | .. | .. | New South Wales |
| Ashley, William Patrick | .. | .. | .. | .. | .. | New South Wales |
| Aylott, William Edward | .. | .. | .. | .. | .. | Tasmania |
| Brand, Charles Henry, C.B., C.M.G., C.V.O., D.S.O. | .. | .. | .. | .. | .. | Victoria |
| Brown, Gordon | .. | .. | .. | .. | .. | Queensland |
| Cameron, Donald | .. | .. | .. | .. | .. | Victoria |
| Clothier, Robert Ernest | .. | .. | .. | .. | .. | Western Australia |
| Collett, Hon. Herbert Brayley, C.M.G., D.S.O., V.D. | .. | .. | .. | .. | .. | Western Australia |
| Collings, Joseph Silver | .. | .. | .. | .. | .. | Queensland |
| Cooper, Walter Jackson, M.B.E. | .. | .. | .. | .. | .. | Queensland |
| Courtice, Benjamin | .. | .. | .. | .. | .. | Queensland |
| Crawford, Hon. Thomas William | .. | .. | .. | .. | .. | Queensland |
| Cunningham, Hon. James | .. | .. | .. | .. | .. | Western Australia |
| Darcey, Richard | .. | .. | .. | .. | .. | Tasmania |
| Dein, Adam Kemball | .. | .. | .. | .. | .. | New South Wales |
| Foll, Hon. Hattil Spencer | .. | .. | .. | .. | .. | Queensland |
| Fraser, James Mackintosh | .. | .. | .. | .. | .. | Western Australia |
| Gibson, Hon. William Gerrand | .. | .. | .. | .. | .. | Victoria |
| Grant, Charles William | .. | .. | .. | .. | .. | Tasmania |
| Hayes, Hon. John Blyth, C.M.G. | .. | .. | .. | .. | .. | Tasmania |
| Hays, Hon. Herbert | .. | .. | .. | .. | .. | Tasmania |
| Johnston, Edward Bertram | .. | .. | .. | .. | .. | Western Australia |
| Keane, Richard Valentine | .. | .. | .. | .. | .. | Victoria |
| Lamp, Charles Adcock | .. | .. | .. | .. | .. | Tasmania |
| Leckie, John William | .. | .. | .. | .. | .. | Victoria |
| McBride, Hon. Philip Albert Martin | .. | .. | .. | .. | .. | South Australia |
| MacDonald, Hon. Allan Nicoll | .. | .. | .. | .. | .. | Western Australia |
| McLachlan, Hon. Alexander John | .. | .. | .. | .. | .. | South Australia |
| McLachlan, James | .. | .. | .. | .. | .. | South Australia |
| McLeay, Hon. George | .. | .. | .. | .. | .. | South Australia |
| Sheehan, James Michael | .. | .. | .. | .. | .. | Victoria |
| Uppill, Oliver | .. | .. | .. | .. | .. | South Australia |
| Wilson, Keith Cameron | .. | .. | .. | .. | .. | South Australia |

THE MEMBERS OF THE HOUSE OF REPRESENTATIVES.

FIFTEENTH PARLIAMENT—SECOND SESSION : FIRST PERIOD.

Speaker—The Honorable George John Bell, C.M.G., D.S.O., V.D.

Chairman of Committees—John Henry Prowse.

Deputy Chairman of Committees—Thomas John Collins.

Temporary Chairmen of Committees—Albert Oliver Badman, Thomas John Collins, John Thomas Jennings, Norman John Oswald Makin, George William Martens, Walter Maxwell Nairn, John Lloyd Price, John Solomon Rosevear.

Leader of the Opposition—John Curtin.

Deputy Leader of the Opposition—The Honorable Francis Michael Forde.

Leader of the Country Party—The Honorable Archie Galbraith Cameron.

Deputy Leader of the Country Party—The Honorable Harold Victor Campbell Thorby.

Leader of the Australian Labour Party (Non-Communist)—The Honorable John Albert Beasley.

Deputy Leader of the Australian Labour Party (Non-Communist)—John Solomon Rosevear.

| | | | | | | |
|---|----|----|----|----|----|-----------------------|
| Anthony, Hubert Lawrence | .. | .. | .. | .. | .. | Richmond (N.S.W.) |
| Badman, Albert Oliver | .. | .. | .. | .. | .. | Grey (S.A.) |
| Barnard, Herbert Claude | .. | .. | .. | .. | .. | Bass (T.) |
| Beasley, Hon. John Albert | .. | .. | .. | .. | .. | West Sydney (N.S.W.) |
| Bell, Hon. George John, C.M.G., D.S.O., V.D. | .. | .. | .. | .. | .. | Darwin (T.) |
| Blackburn, Maurice McCrae | .. | .. | .. | .. | .. | Bourke (V.) |
| Blain, Adair Macalister | .. | .. | .. | .. | .. | (N.T.) |
| Brennan, Hon. Frank | .. | .. | .. | .. | .. | Batman (V.) |
| Cameron, Hon. Archie Galbraith | .. | .. | .. | .. | .. | Barker (S.A.) |
| (¹)Casey, Rt. Hon. Richard Gardiner, D.S.O., M.C. | .. | .. | .. | .. | .. | Corio (V.) |
| Clark, Joseph James | .. | .. | .. | .. | .. | Darling (N.S.W.) |
| Collins, Thomas Joseph | .. | .. | .. | .. | .. | Hume (N.S.W.) |
| Conelan, William Patrick | .. | .. | .. | .. | .. | Griffith (Q.) |
| Corser, Bernard Henry | .. | .. | .. | .. | .. | Wide Bay (Q.) |
| Curtin, John | .. | .. | .. | .. | .. | Fremantle (W.A.) |
| (²)Dedman, John Johnstone | .. | .. | .. | .. | .. | Corio (V.) |
| Drakeford, Arthur Samuel | .. | .. | .. | .. | .. | Maribyrnong (V.) |
| Fadden, Hon. Arthur William | .. | .. | .. | .. | .. | Darling Downs (Q.) |
| Fairbairn, Hon. James Valentine | .. | .. | .. | .. | .. | Flinders (V.) |
| Forde, Hon. Francis Michael | .. | .. | .. | .. | .. | Capricornia (Q.) |
| Francis, Hon. Josiah | .. | .. | .. | .. | .. | Moreton (Q.) |
| Frost, Charles William | .. | .. | .. | .. | .. | Franklin (T.) |
| Gander, Joseph Herbert | .. | .. | .. | .. | .. | Reid (N.S.W.) |
| Gardner, Sydney Lane | .. | .. | .. | .. | .. | Robertson (N.S.W.) |
| Green, Hon. Albert Ernest | .. | .. | .. | .. | .. | Kalgoorlie (W.A.) |
| Gregory, Hon. Henry | .. | .. | .. | .. | .. | Swan (W.A.) |
| Gullett, Hon. Sir Henry Somer, K.C.M.G. | .. | .. | .. | .. | .. | Henty (V.) |
| Harrison, Hon. Eric John | .. | .. | .. | .. | .. | Wentworth (N.S.W.) |
| Holloway, Hon. Edward James | .. | .. | .. | .. | .. | Melbourne Ports (V.) |
| Holt, Hon. Harold Edward | .. | .. | .. | .. | .. | Fawkner (V.) |
| Hughes, Rt. Hon. William Morris, K.C. | .. | .. | .. | .. | .. | North Sydney (N.S.W.) |
| Hunter, Hon. James Aitchison Johnston | .. | .. | .. | .. | .. | Maranoa (Q.) |
| Hutchinson, William Joseph | .. | .. | .. | .. | .. | Deakin (V.) |
| James, Rowland | .. | .. | .. | .. | .. | Hunter (N.S.W.) |
| Jennings, John Thomas | .. | .. | .. | .. | .. | Watson (N.S.W.) |
| Jolly, William Alfred, C.M.G. | .. | .. | .. | .. | .. | Lilley (Q.) |
| Lane, Albert | .. | .. | .. | .. | .. | Barton (N.S.W.) |
| Lawson, George | .. | .. | .. | .. | .. | Brisbane (Q.) |
| Lawson, Hon. John Norman | .. | .. | .. | .. | .. | Macquarie (N.S.W.) |
| Lazzarini, Hubert Peter | .. | .. | .. | .. | .. | Werriwa (N.S.W.) |
| McCall, William Victor | .. | .. | .. | .. | .. | Martin (N.S.W.) |
| McEwen, Hon. John | .. | .. | .. | .. | .. | Indi (V.) |
| McHugh, Sydney | .. | .. | .. | .. | .. | Wakefield (S.A.) |
| Mahoney, Gerald William | .. | .. | .. | .. | .. | Denison (T.) |
| Makin, Norman John Oswald | .. | .. | .. | .. | .. | Hindmarsh (S.A.) |
| Maloney, William | .. | .. | .. | .. | .. | Melbourne (V.) |
| Marr, Hon. Sir Charles William Clanan, K.C.V.O., D.S.O., M.C., V.D. | .. | .. | .. | .. | .. | Parkes (N.S.W.) |

(¹) Resignation reported 17th April, 1940.

(²) Elected 2nd March, 1940; sworn 17th April, 1940.

FIFTEENTH PARLIAMENT—*continued.*

| | | | | | |
|--|----|----|----|----|----------------------|
| Martens, George William | .. | .. | .. | .. | Herbert (Q.) |
| Menzies, Rt. Hon. Robert Gordon, K.C. | .. | .. | .. | .. | Kooyong (V.) |
| Mulcahy, Daniel | .. | .. | .. | .. | Lang (N.S.W.) |
| Nairn, Walter Maxwell | .. | .. | .. | .. | Perth (W.A.) |
| Nock, Hon. Horace Keyworth | .. | .. | .. | .. | Riverina (N.S.W.) |
| Page, Rt. Hon. Sir Earle Christmas Grafton, G.C.M.G. | .. | .. | .. | .. | Cowper (N.S.W.) |
| Paterson, Hon. Thomas | .. | .. | .. | .. | Gippsland (V.) |
| Perkins, Hon. John Arthur | .. | .. | .. | .. | Eden-Monaro (N.S.W.) |
| Pollard, Hon. Reginald Thomas | .. | .. | .. | .. | Ballaarat (V.) |
| Price, John Lloyd | .. | .. | .. | .. | Boothby (S.A.) |
| Prowse, John Henry | .. | .. | .. | .. | Forrest (W.A.) |
| Rankin, George James, D.S.O., V.D. | .. | .. | .. | .. | Bendigo (V.) |
| Riordan, William James Frederick | .. | .. | .. | .. | Kennedy (Q.) |
| Rosevear, John Solomon | .. | .. | .. | .. | Dalley (N.S.W.) |
| Scholfield, Thomas Hallett, M.C., M.M. | .. | .. | .. | .. | Wannon (V.) |
| Scullin, Rt. Hon. James Henry | .. | .. | .. | .. | Yarra (V.) |
| Scully, William James | .. | .. | .. | .. | Gwydir (N.S.W.) |
| Sheehan, Thomas | .. | .. | .. | .. | Cook (N.S.W.) |
| Spender, Hon. Percy Claude, K.C. | .. | .. | .. | .. | Warringah (N.S.W.) |
| Spurr, Lancelot Thomas | .. | .. | .. | .. | Wilmot (T.) |
| Stacey, Fred Hurtle | .. | .. | .. | .. | Adelaide (S.A.) |
| Stewart, Hon. Sir Frederick Harold | .. | .. | .. | .. | Parramatta (N.S.W.) |
| Street, Hon. Geoffrey Austin, M.C. | .. | .. | .. | .. | Corangamite (V.) |
| Thompson, Hon. Victor Charles | .. | .. | .. | .. | New England (N.S.W.) |
| Thorby, Hon. Harold Victor Campbell | .. | .. | .. | .. | Calare (N.S.W.) |
| Ward, Edward John | .. | .. | .. | .. | East Sydney (N.S.W.) |
| Watkins, David Oliver | .. | .. | .. | .. | Newcastle (N.S.W.) |
| White, Hon. Thomas Walter, D.F.C., V.D. | .. | .. | .. | .. | Balacava (V.) |
| Wilson, Alex | .. | .. | .. | .. | Wimmera (V.) |

THE COMMITTEES OF THE SESSION.

(FIRST PERIOD.)

JOINT.

HOUSE.—The President (Chairman), Senator Amour, Senator Brand, Senator Cooper, Senator Grant, Senator Keane, Senator Uppill, Mr. Speaker, Mr. Badman, Mr. Clark, Mr. Gardner, Mr. Hutchinson, Mr. James, and Mr. Riordan.

LIBRARY.—Mr. Speaker (Chairman), the President, Senator Abbott, Senator Cameron, Senator Collett, Senator Collings, Senator Fraser, Senator James McLachlan, Mr. Brennan, Mr. Fadden, Mr. Jolly, Mr. Lazzarini, Mr. Riordan, and Mr. Scholfield.

PRINTING.—Mr. Stacey (Chairman), Senator Aylett, Senator Courtice, Senator Cunningham, Senator Dein, Senator Johnston, Senator Leckie, *Senator Allan MacDonald, †Senator Wilson, Mr. Anthony, Mr. Barnard, Mr. Gander, Mr. Jennings, Mr. McCall, and Mr. Watkins.

PUBLIC WORKS.—Mr. Francis (Chairman), Senator Brand, Senator Brown, Senator Cooper, Mr. Collins, Mr. Frost, Mr. Holloway, Mr. Nairn, and Mr. Price.

* Appointed 30th May, 1940.

† Discharged 30th May, 1940.

SENATE.

DISPUTED RETURNS AND QUALIFICATIONS.—Senator Abbott, Senator Armstrong, Senator Collings, Senator Courtice, Senator Crawford, Senator Gibson, and Senator Uppill.

REGULATIONS AND ORDINANCES.—Senator Armstrong, Senator Cameron, Senator Clothier, Senator Cooper, Senator Herbert Hays, Senator Allan MacDonald, *Senator A. J. McLachlan, and †Senator Wilson.

STANDING ORDERS.—The President (Chairman), the Chairman of Committees, Senator Crawford, Senator Darcey, Senator Herbert Hays, Senator Johnston, Senator Lamp, Senator A. J. McLachlan, and Senator Sheehan.

* Appointed 30th May, 1940.

† Discharged 30th May, 1940.

HOUSE OF REPRESENTATIVES.

STANDING ORDERS.—Mr. Speaker (Chairman), the Prime Minister, the Chairman of Committees, the Leader of the Opposition, Mr. Beasley, Mr. Blackburn, Mr. Makin, Mr. Nairn, and Sir Earle Page.

PARLIAMENTARY DEPARTMENTS.

SENATE.

CLERK.—R. A. Broinowski.

CLERK-ASSISTANT.—J. E. Edwards.

USHER OF THE BLACK ROD.—R. H. C. Loof.

HOUSE OF REPRESENTATIVES.

CLERK.—F. C. Green, M.C.

CLERK-ASSISTANT.—A. A. Tregear.

SECOND CLERK-ASSISTANT.—S. F. Chubb.

PARLIAMENTARY REPORTING STAFF.

PRINCIPAL REPORTER.—J. S. Weatherston.

SECOND REPORTER.—G. H. Romans.

LIBRARY.

LIBRARIAN.—K. Binns.

ASSISTANT LIBRARIAN.—H. L. White.

JOINT HOUSE.

SECRETARY.—J. E. Edwards.

THE ACTS OF THE SESSION.

(FIRST PERIOD.)

APPROPRIATION ACT (No. 2) 1939-40 (No. 27 of 1940)—

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 forty and to appropriate such sum.

AUSTRALIAN SOLDIERS' REPATRIATION ACT 1940 (No. 37 of 1940)—

An Act to amend the *Australian Soldiers' Repatriation Act* 1920-1938 for the purpose of providing for the grant of pensions upon the death or incapacity of Members of the Defence Force of the Commonwealth whose death or incapacity arises in connexion with the war which commenced on the third day of September, One thousand nine hundred and thirty-nine, and for other purposes.

COMMONWEALTH ELECTORAL ACT 1940 (No. 19 of 1940)—

An Act to amend the *Commonwealth Electoral Act* 1918-1934.

COMMONWEALTH INSCRIBED STOCK ACT 1940 (No. 25 of 1940)—

An Act to amend the *Commonwealth Inscribed Stock Act* 1911-1933.

ESTATE DUTY ASSESSMENT ACT 1940 (No. 12 of 1940)—

An Act to amend the *Estate Duty Assessment Act* 1914-1928.

ESTATE DUTY ACT 1940 (No. 13 of 1940)—

An Act to amend the *Estate Duty Act* 1914.

GOLD MINING ENCOURAGEMENT ACT 1940 (No. 38 of 1940)—

An Act to provide for Financial Assistance to the States for the Development of the Gold Mining Industry and to make Provision for and in relation to Refunds of Gold Tax.

GOLD TAX COLLECTION ACT 1940 (No. 39 of 1940)—

An Act to amend the *Gold Tax Collection Act* 1939.

IMMIGRATION ACT 1940 (No. 36 of 1940)—

An Act to amend the *Immigration Act* 1901-1935.

INCOME TAX ACT 1940 (No. 18 of 1940)—

An Act to impose a Tax upon Incomes.

INCOME TAX ASSESSMENT ACT 1940 (No. 17 of 1940)—

An Act to amend the *Income Tax Assessment Act* 1936-1939.

INCOME TAX COLLECTION ACT 1940 (No. 40 of 1940)—

An Act to amend the *Income Tax Collection Act* 1923-1938.

INVALID AND OLD-AGE PENSIONS APPROPRIATION ACT 1940 (No. 2 of 1940)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for Invalid and Old-age Pensions.

LAND TAX ACT 1940 (No. 16 of 1940)—

An Act to amend the *Land Tax Act* 1910-1938.

LAND TAX ASSESSMENT ACT 1940 (No. 15 of 1940)—

An Act to amend the *Land Tax Assessment Act* 1910-1937.

LOAN ACT 1940 (No. 26 of 1940)—

An Act to authorize the Raising and Expending of a certain Sum of Money.

MOTOR VEHICLES AGREEMENT ACT 1940 (No. 31 of 1940)—

An Act to approve the Execution of an Agreement between the Commonwealth and Australian Consolidated Industries Limited with respect to the Manufacture of Motor Vehicles, and for other purposes.

NORTHERN TERRITORY (ADMINISTRATION) ACT 1940 (No. 20 of 1940)—

An Act to amend the *Northern Territory (Administration) Act* 1910-1939.

PATENTS, TRADE MARKS, DESIGNS AND COPYRIGHT (WAR POWERS) ACT 1940 (No. 32 of 1940)—

An Act to amend the *Patents, Trade Marks, Designs and Copyright (War Powers) Act* 1939.

PETROLEUM OIL SEARCH ACT 1940 (No. 22 of 1940)—

An Act to amend the *Petroleum Oil Search Acts* 1936.

POST AND TELEGRAPH RATES ACT 1940 (No. 23 of 1940)—

An Act to amend the *Post and Telegraph Rates Act* 1902-1931.

POST AND TELEGRAPH RATES (DEFENCE FORCES) ACT 1940 (No. 24 of 1940)—

An Act to amend the *Postal Rates (Defence Forces) Act* 1939.

RABBIT SKINS EXPORT CHARGES ACT 1940 (No. 35 of 1940)—

An Act to impose a Charge on the Export of Rabbit Skins.

RABBIT SKINS EXPORT CHARGES APPROPRIATION ACT 1940 (No. 34 of 1940)—

An Act relating to Charges on the Export of Rabbit Skins.

- SALES TAX ACT (No. 1) 1940 (No. 3 of 1940)—
 An Act to amend the *Sales Tax Act (No. 1) 1930-1939.*
- SALES TAX ACT (No. 2) 1940 (No. 4 of 1940)—
 An Act to amend the *Sales Tax Act (No. 2) 1930-1939.*
- SALES TAX ACT (No. 3) 1940 (No. 5 of 1940)—
 An Act to amend the *Sales Tax Act (No. 3) 1930-1939.*
- SALES TAX ACT (No. 4) 1940 (No. 6 of 1940)—
 An Act to amend the *Sales Tax Act (No. 4) 1930-1939.*
- SALES TAX ACT (No. 5) 1940 (No. 7 of 1940)—
 An Act to amend the *Sales Tax Act (No. 5) 1930-1939.*
- SALES TAX ACT (No. 6) 1940 (No. 8 of 1940)—
 An Act to amend the *Sales Tax Act (No. 6) 1930-1939.*
- SALES TAX ACT (No. 7) 1940 (No. 9 of 1940)—
 An Act to amend the *Sales Tax Act (No. 7) 1930-1939.*
- SALES TAX ACT (No. 8) 1940 (No. 10 of 1940)—
 An Act to amend the *Sales Tax Act (No. 8) 1930-1939.*
- SALES TAX ACT (No. 9) 1940 (No. 11 of 1940)—
 An Act to amend the *Sales Tax Act (No. 9) 1930-1939.*
- SALES TAX ASSESSMENT ACT (No. 1) 1940 (No. 30 of 1940)—
 An Act to amend the *Sales Tax Assessment Act (No. 1) 1930-1936.*
- SALES TAX EXEMPTIONS ACT 1940 (No. 29 of 1940)—
 An Act to amend the *Sales Tax Exemptions Act 1935-1939.*
- SEAT OF GOVERNMENT (ADMINISTRATION) ACT 1940 (No. 14 of 1940)—
 An Act to amend the *Seat of Government (Administration) Act 1910-1939.*
- SUGAR AGREEMENT ACT 1940 (No. 21 of 1940)—
 An Act to approve an Agreement made between His Majesty's Government of the Commonwealth of Australia and His Majesty's Government of the State of Queensland, and for other purposes.
- SUPPLEMENTARY APPROPRIATION ACT 1938-39 (No. 42 of 1940)—
 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 thirty-nine.
- SUPPLEMENTARY APPROPRIATION (WORKS AND BUILDINGS) ACT 1938-39 (No. 43 of 1940)—
 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 thirty-nine, for the purposes of Additions, New Works, Buildings, &c.
- SUPPLY ACT (No. 1) 1940 (No. 41 of 1940)—
 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 forty-one.
- TRADE AGREEMENT (GREECE) ACT 1940 (No. 28 of 1940)—
 An Act to approve an Agreement between the Government of the Commonwealth of Australia and the Government of the Kingdom of Greece.
- TRADING WITH THE ENEMY ACT 1940 (No. 33 of 1940)—
 An Act to amend section three of the *Trading with the Enemy Act 1939.*
- WAR PENSIONS APPROPRIATION ACT 1940 (No. 1 of 1940)—
 An Act to grant and apply out of the Consolidated Revenue Fund a sum for War Pensions.

BILLS OF THE SESSION.

(FIRST PERIOD.)

- PAPUA BILL 1940. Initiated in the House of Representatives; second reading.
- PATENTS BILL 1940. Initiated in the House of Representatives; first reading.
- TRADE MARKS BILL 1940. Initiated in House of Representatives; first reading.
- WAR-TIME (COMPANY) TAX ASSESSMENT BILL 1940. Initiated in House of Representatives; second reading.

PARLIAMENT PROROGUED AND CONVENED

FIFTEENTH PARLIAMENT—SECOND SESSION.

(*Gazette* No. 52, 1940.)

PROCLAMATION.

COMMONWEALTH OF
AUSTRALIA TO WIT.
GOWRIE
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 enacted that the Governor-General may appoint such times for holding the Sessions of the Parliament as he thinks fit, and also from time to time, by Proclamation or otherwise, prorogue the Parliament: Now therefore I, Alexander Gore Arkwright, Baron Gowrie, the Governor-General aforesaid in exercise of the power conferred by the said Constitution, do by this my Proclamation prorogue the said Parliament until Wednesday, the seventeenth day of April, One thousand nine hundred and forty, or (in the event of circumstances, at present unforeseen, arising which render it expedient that the said Parliament should be summoned to assemble at a date earlier than the said Wednesday, the seventeenth day of April, One thousand nine hundred and forty) to such earlier date as is fixed by a Proclamation summoning the said Parliament to assemble and be holden for the despatch of business: Furthermore I do appoint the said Wednesday, the seventeenth day of April, One thousand nine hundred and forty, or such earlier date (if any) as is fixed by Proclamation, as the day for the said Parliament to assemble and be holden for the despatch of business. And all Senators and Members of the House of Representatives are hereby required to give their attendance accordingly, in the building known as the Houses of Parliament, Canberra, at three o'clock p.m., on the said Wednesday, the seventeenth day of April, One thousand nine hundred and forty, or, in the event of an earlier date being fixed by Proclamation, at three o'clock p.m. on the date so fixed.

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

By His Excellency's Command,

ROBERT G. MENZIES,

Prime Minister.

GOD SAVE THE KING!

CONTENTS

FRIDAY, 19 APRIL 1940

CHAMBER

| | |
|---|-----|
| Convention Between United Kingdom And Switzerland | 165 |
| Question | |
| FLINDERS ISLAND RADIO TELEPHONE SERVICE..... | 166 |
| Question | |
| GOLD TAX | 166 |
| Question | |
| WOOL | 166 |
| Question | |
| WHEAT | 167 |
| Question | |
| APPLE AND PEAR ACQUISITION SCHEME..... | 167 |
| The War And International Relations | |
| Ministerial Statement | 168 |
| Sessional Committees | |
| Regulations and Ordinances Committee | 174 |
| Commonwealth Electoral Bill 1939 | 174 |
| Northern Territory (Administration) Bill 1940..... | 174 |
| Governor-general's Speech | |
| May It Please Your Excellency: | 174 |
| Special Adjournment..... | 197 |

Senate.

Friday, 19 April, 1940.

The PRESIDENT (Senator the Hon J. B. Hayes) took the chair at 11 a.m., and read prayers.

CONVENTION BETWEEN UNITED KINGDOM AND SWITZERLAND.

Senator COLLETT.—I lay on the table of the Senate—

Copy of Convention between the United Kingdom and the Swiss Federal Council regarding legal proceedings (London, 3rd December, 1937).

This convention was signed in London on the 3rd December, 1937. His Majesty's accession to the convention in respect of the Commonwealth of Australia, including the Territories of Papua and Norfolk Island, and the Mandated Territories of New Guinea and Nauru, was notified to the Swiss Government on the 11th January, 1940, and took effect as from the 11th February, 1940.

FLINDERS ISLAND RADIO TELEPHONE SERVICE.

Senator LAMP asked the Minister representing the Postmaster-General, *upon notice*—

Can the Minister give any information regarding the establishing of the radio telephone link to Flinders Island, and when it is likely to be in operation?

Senator McBRIDE.—The Postmaster-General has supplied the following answer:—

Negotiations are proceeding between the Postmaster-General's Department and the Department of Civil Aviation for the use of the proposed aeradio station at Flinders Island for the purpose of establishing a commercial radio telephone service between the island and the rest of the Commonwealth. It is not possible at present to indicate when this service is likely to be in operation.

GOLD TAX.

Senator E. B. JOHNSTON asked the Minister representing the Treasurer, *upon notice*—

1. Has the attention of the Government been drawn to the action of the Government of the Union of South Africa in reducing the incidence of the gold tax on low-grade ores?

2. Is it a fact that the present gold tax has a very detrimental effect on the working of mines containing large deposits of low-grade ore, and that the actual continuance in production of some such mines is imperilled by the tax?

3. What relief does the Government propose?

Senator McBRIDE.—The Treasurer has supplied the following answers:—

1. Yes.

2 and 3. The matter is receiving consideration.

Senator KEANE asked the Minister representing the Treasurer, *upon notice*—

In view of the effect of the gold tax on the mining of low-grade ore, will the Government consider diverting some proportion of the revenue from the tax for the assistance of the gold-mining industry?

Senator McBRIDE.—The Treasurer has supplied the following answer:—

The matter is receiving consideration.

WOOL.

SALE TO GREAT BRITAIN: APPRAISEMENT CENTRES: APPRAISEMENT ANOMALIES: PROFITS ON RESALE PRICES.

Senator E. B. JOHNSTON asked the Minister representing the Minister for Commerce, *upon notice*—

1. Is it the intention of the Government to lay the agreement between the Government

and the Imperial Government, relating to the sale of wool, on the table of the Senate?

2. If so, when?

Senator McBRIDE.—The Minister for Commerce has supplied the following answer:—

1 and 2. As has been stated already by the Prime Minister, the details of the agreement will be made available to honorable senators as soon as all outstanding points have been agreed upon.

Senator E. B. JOHNSTON asked the Minister representing the Minister for Commerce, *upon notice*—

What action has been taken by the Government in regard to the repeated requests made by Western Australian wool-growers for the establishment of wool appraisement centres at Albany and Geraldton?

Senator McBRIDE.—The Minister for Commerce has supplied the following answer:—

The several requests made in this connexion were carefully considered but were not approved. The matter is again under review by the Government.

Senator E. B. JOHNSTON asked the Minister representing the Minister for Commerce, *upon notice*—

1. Has the Government received a resolution from the Australian Wool Growers' Federation asking for the price of wool to be increased for next season's clip?

2. What action has been taken in the matter?

Senator McBRIDE.—The Minister for Commerce has supplied the following answers:—

1. The Government has received proposals of this nature from wool-growers' organizations.

2. The question of price will be the subject of discussion with the United Kingdom Government during the course of a review which will take place in the near future.

Senator E. B. JOHNSTON asked the Minister representing the Minister for Commerce, *upon notice*—

What action has been taken by the Government towards rectifying any anomalies or unjust prices for wool which may be apparent in the first and second appraisements under the Commonwealth's present scheme of wool acquisition?

Senator McBRIDE.—The Minister for Commerce has supplied the following answer:—

Appraisement under the scheme of acquisition of Australian wool by the United Kingdom Government has been carried out by three appraisers chosen for their skill and experience in assessing the value of wool. The

Government is aware that some growers complain that the prices received have not been consistent, compared with those formerly received for their wool or compared with the relative prices in their districts. This matter has been referred on more than one occasion to the Central Wool Committee, who advise, after careful examination of the representations, that there has not been any alteration in the table of limits, nor any change in the typing and appraisalment of the wool. The wool having been appraised and passed into the bulk for shipment, it is not possible to review the values assigned.

Senator CLOTHIER asked the Minister representing the Prime Minister, *upon notice*—

In regard to the wool contract with the British Government, will the Prime Minister approach the British Government with a view to seeing that the profits on all wool sold by that Government which Great Britain does not require for war purposes shall, after allowing for all expenses, be returned to the Australian growers?

Senator McBRIDE.—The Prime Minister has supplied the following answer:—

It has been agreed that the United Kingdom and Australia will share equally in any profit on re-sale of wool for use outside the United Kingdom. The United Kingdom Government is responsible for the provision of shipping space and for marine and war risk insurance, and also takes the responsibility for any loss which may accrue from the unsold stocks of wool and the expense of storage. It would not be possible to reach agreement with the United Kingdom Government on a basis providing for Australia to receive all profits on re-sale.

Senator CLOTHIER asked the Minister representing the Minister for Commerce, *upon notice*—

1. Does the Government intend to establish additional wool appraising centres throughout Australia?

2. Will the Government establish centres at Geraldton and Albany?

Senator McBRIDE.—The Minister for Commerce has supplied the following answer:—

1 and 2. The several requests made in this connexion were carefully considered but were not approved. The matter is again under review by the Government.

WHEAT.

SALE TO GREAT BRITAIN: COST OF BAGS:
SILO STORAGE.

Senator CLOTHIER asked the Minister representing the Minister for Commerce, *upon notice*—

1. Has Canada sold any wheat to Great Britain since the war?

2. If so, what was the price, sterling, paid for it?

3. What quantity of wheat has Australia sold to Great Britain since the war, and what was the price paid for it?

Senator McBRIDE.—The Minister for Commerce has supplied the following answers:—

1. Yes.

2. Details of the sales have not been made public.

3. Two hundred thousand tons from No. 1 pool at 2s. 7½d. per bushel Australian currency f.o.b. 1,500,000 tons from No. 2 Pool. Of this 750,000 tons were sold at 3s. 8½d. per bushel Australian currency f.o.b. This price is arrived at after allowing for the shipment of 400,000 tons by neutral vessels and on American routes at an additional cost, of which our share is 3s. per quarter. The price for the remaining 750,000 tons is not fixed yet.

Senator GIBSON (through Senator ABBOTT) asked the Minister representing the Minister for Commerce, *upon notice*—

1. Is it a fact that bags will cost 6d. per bushel for next year's wheat crop and that there is a possibility of a huge carry-over?

2. If so, are steps being taken to provide temporary silo accommodation for the crop?

Senator McBRIDE.—The Minister for Commerce has supplied the following answers:—

1. It is not possible at this stage to say what the price of wheat bags will be for next year's crops. The carry-over at the end of the present season will depend on sales made during the next few months. A large carry-over is probable.

2. Provision of silo accommodation is a matter for the State Governments, but the Australian Wheat Board is now paying particular attention to the question of storage for the next wheat crop.

APPLE AND PEAR ACQUISITION SCHEME.

Senator AYLETT asked the Minister representing the Minister for Commerce, *upon notice*—

1. Is it a fact that the apple and pear acquisition scheme has been bungled in such a way that hundreds of thousands of children are debarred from obtaining apples, while millions of cases of apples are left to rot, thrown out in the scrub and given away for pigs?

2. If so, does he not consider it would be more in the interests of the national health of the community to give such apples to school children who are not in a position to buy them, instead of giving them to pigs?

3. Is it a fact that some growers cannot secure their advances, and at the same time

are not allowed to sell their apples unless they pay 2s. 6d. per case into the apple and pear acquisition scheme?

4. If so, what is the reason for this state of affairs?

Senator McBRIDE.—The Minister for Commerce has supplied the following answers:—

1. No.

2. Under the publicity scheme, the Apple and Pear Board has arranged for free distribution of apples to school children.

3. Subject to their compliance with the regulations, all growers can secure their advances. However, in districts isolated from central delivery points, some growers are permitted to sell their own fruit, subject to their accounting periodically to the Board in respect thereof.

4. See 3 above.

THE WAR AND INTERNATIONAL RELATIONS.

MINISTERIAL STATEMENT.

Senator COLLETT (Western Australia—Minister in charge of War Service Homes).—*by leave*—The beginning of the new session has coincided with a momentous change in the character and direction of the war. At no time in our history has the average Australian felt such a deep interest and concern in the movement of world events. Consequently honorable senators would be justified in regarding as superfluous a mere recital of the developments which have occurred since the last session, but I should not be doing justice to the Senate if I refrained from offering a summary of those developments. In doing so, however, I shall endeavour to relate, so far as that is possible in all the circumstances, the opinion and conclusions my colleagues and I have been able to form of the trend they are taking, and the implications they hold for our own position in Australia.

I would emphasize that in forming its opinion on the present situation, and on the outlook for the future, the Government has at its disposal a very wide range of sources of information. The great bulk of the official information received by it comes, of course, from London, where, in addition to the formal source of the Dominions Office, to which all Dominion Governments have access, the Government maintains, as a branch of the Department of External Affairs, an

External Affairs Office. This office is in the closest contact with the vital centres of Imperial administration. It is located in the office of the War Cabinet Secretariat in Whitehall, and maintains continuous and daily relations with the Foreign Office. Besides the information derived from these sources, the Government is in receipt of direct reports from British representatives in countries in which Australia has particular interest, and communicates direct, when the occasion arises, with British diplomatic representatives abroad. With the establishment of an Australian Legation at Washington, the range of information from the United States of America in particular has in the past few weeks been greatly increased.

It will be readily seen that the Commonwealth Government is, therefore, in possession of the knowledge on which alone a considered and responsible view on world affairs can be founded, and it is hardly necessary to assure honorable senators that the Government is at all times in a position to express that view to the United Kingdom Government on matters of policy as they arise. The Government is in fact making full use of the system of close and constant consultation between the dominions and the United Kingdom which has grown in recent years, and in this respect I can say that our views are not only sought by the United Kingdom Government, but are also acted upon. In a very real sense, and above all during these months of war, the dominions have in the common policy of the British Commonwealth a voice which accords fully with their status and with the individual responsibility of each.

The situation at the present time is this: A stage has been reached at which for perhaps the last time before we are engulfed in a desperate struggle, engaging the full strength of both sides, it is possible to survey the general field of international relations as they affect the war prospects of the Allied countries. Such a survey will, I think, lead the Senate to the conclusion that whilst there is no reason to doubt the final outcome of the war declared against the arrogant ambitions of Nazi Germany, the struggle we have entered on is of the most formidable character and one about which

we have possibly not yet conceived the full difficulties.

A period of some seven months of relative military inactivity has come to a well-defined end, marked by the German invasion of Denmark and Norway and the operations in reply now in train from the Allied side. These are taking place in conditions which greatly encourage the hope that in its latest aggression, Germany has committed both a political and a strategic blunder, and will in due course suffer for it. The Scandinavian countries have been in the forefront of attention since the last stages in February and March of the Russo-Finnish war. It is important to remember that the present situation in that region is closely related to the part played by Norway, and particularly Sweden, during the period of Finnish resistance. It can be stated that the Allied plans for helping Finland, decided on early in February and carefully prepared throughout that month, came to nothing primarily because of the attitude of Sweden. Allied forces sufficient to render large-scale support to Finland were ready. The plan was to be set in motion by an appeal at the right time from the Finnish Government. That appeal was never made. Sweden had indicated that it would, if the request were made, refuse passage for the Allied forces across its territory. Undoubtedly, in the full knowledge of this the Finns withheld their final request for assistance, and preferred instead to make terms with Moscow while terms were still possible.

What was the reason for the Swedish attitude? It is evident now that the reason was nothing less than sheer intimidation by Germany. It had been made clear to Sweden that the permitted passage of Allied troops across Swedish territory would mean a German invasion. In this form Germany gave its complicity in the Russian conquest of Finland, and also sought to safeguard its own interests in maintaining Sweden as a source of supplies. The predicament of Sweden was a painful one; it was forced to see earlier professions of Scandinavian solidarity go by the board, or bring down on itself immediate and overpowering attack. It is not hard in the circumstances to understand the motives for the Swedish decision. This episode, in fact, contains the

whole explanation of the distorted conception of neutrality which has revealed itself almost from the beginning of the war, not only in Scandinavia, but also in other neutral States adjoining Germany. In the re-examination of the Allied position after the close of the Russo-Finnish war it was inevitable that the implications of this should have been fully weighed. It was seen to be intolerable that neutral States should not only allow themselves to be terrorized into some course of action against their real inclinations, but would also suffer without effective protest German violation of international law, while expecting that the Allies should observe the rules of war. This was the insidious process which had been going on for months through neutral acquiescence in the most outrageous acts of damage to neutral interests. While Germany reaped with impunity all the advantages of illegality, to the Allies fell the disadvantages of scrupulous observation of the law of nations. One particular and damaging consequence was the increasing evasion by Germany of the Allied economic blockade. The Allies also lost in general prestige through their apparent impotence to secure equitable treatment of the claims which, by reason of the cause for which they were fighting, they felt justified in making upon neutral States.

In reprisal at last for long-continued German violations of international law with regard to Norwegian shipping and the use of Norwegian territorial waters for submarine operations, the Allied Governments decided themselves to take action which would preclude the use of Norwegian territorial waters as a traffic lane by the enemy. This was effected on the night of the 7th-8th April by the laying of mines at three points down the west coast of Norway. The immediate effect of this operation would have been to divert German shipping, in particular vessels carrying iron ore from Narvik, from the secure corridor of the Norwegian coast into the open sea, where it could be intercepted or dealt with by the Allied naval forces. Within 24 hours, however, the whole situation was fundamentally changed by the sudden German invasion of Denmark and Norway. This action was represented by Germany as a reply

to the Allied mine-laying in Norwegian waters. But it is obvious that such an operation must have been long-planned and, indeed, it is certain that some, at least, of the German units which occupied northern Norwegian ports were already in readiness along the Norwegian coast. The invasion is parallel with the German treatment of Scandinavian neutrals throughout the war. In the German view these countries are to be treated solely from the aspect of German interests, in pursuit of which the Nazi Government has not hesitated to extinguish the independence of one inoffensive State—Denmark—and to deliver a violent assault on another—Norway.

The Allied reply to this stroke has been characterized by promptitude and vigour and affords a striking illustration of what can be accomplished by sea power. Immediate attacks were delivered by the Royal Navy on the German naval forces covering the invasion, and on the German sea communications between Denmark and Norway. The Royal Air Force has also operated at sea and has made successful attacks on certain of the German dispositions on land. The picture of last week's fighting is now reasonably clear. Contrary to reports at the time, no large-scale naval engagement took place, but in a whole series of isolated actions British naval and air forces inflicted heavy losses on German naval forces and shipping—very heavy in proportion to the total German strength. The immediate object of Allied strategy is to liberate Norway from the German occupation, and the operations for this should be regarded as preparatory only at the moment. British naval forces on the 13th April carried out a successful attack on Narvik and destroyed the enemy naval units stationed there. On the following day British soldiers landed near Narvik, and after making contact with Norwegian troops, began their task of driving out the Germans who are now defending positions on the railway east of the town. On the same day, and two days later, Allied forces were landed elsewhere in Norway, despite enemy opposition at certain points, and these troops are already operating in conjunction with the Norwegian army.

Senator Collett.

The question arises as to what is the German aim in the invasion of Denmark and Norway. It is ludicrous to suggest, as has been alleged by Nazi propaganda, that the object was to forestall Allied occupation. But the Germans may well have believed that there was a likelihood of their meeting increasing difficulties in maintaining their vital supply of iron ore, not merely down the Norwegian coast, but also from Sweden itself, and determined therefore to make the supply secure. Such action would equally be an important factor in the German counter-blockade against Great Britain by denying supplies to Great Britain from all three Scandinavian States. As against this, on the economic side, must have been set the inevitable losses of the sea-borne imports to Sweden, Norway, and Denmark that were destined for trans-shipment to Germany.

From the strategical point of view, the move, if successful, would give to the enemy strong bases on the Atlantic for aerial and naval action against Great Britain. It would also be well calculated to compel other neutrals, by this further display of German strength, into the German camp as a result of fear and intimidation. It should not be overlooked that the invasion might conceivably be a diversion to major operations elsewhere. Seeing that the Germans must have reckoned with the possibility of resistance in Norway backed by the Allies, and also with the probability of substantial naval losses, it is hard to avoid the impression that the operation was designed as part of a larger plan. Even as a limited objective with this purpose the German invasion may prove to be a blunder, in that the enemy losses are heavier and the prospects of holding out for a sufficient time less than was probably reckoned with. The superb dash and enterprise of the British Navy and Air Force must have given an unpleasant shock to the invaders. In order to avoid complete disaster, the Germans must struggle hard to maintain their communications endangered by naval attack and audacious mine-laying in Baltic waters, or else incur the further dubious commitment of forcing a passage through Sweden.

We may expect to see shortly the linking of Norwegian resistance to the British

land forces which have already disembarked along the Norwegian coast. North of Oslo the Norwegians are believed to be forming a defensive line and elsewhere to be carrying on effective guerilla operations. The Norwegian people and Government themselves have shown a courage and patriotism which must serve to inspire other neutrals who may at any day be called upon to meet a similar incursion. If the Scandinavian invasion is intended as a diversion to cover a move elsewhere, it appears on present evidence that the countries most immediately threatened are Holland and Belgium. Neither of these countries, especially Holland, has found the path of true neutrality an easy one to follow. Both are determined to defend their independence, although careful to avoid such precautions as might be considered provocative by Germany. On the Dutch frontier the Germans are believed to have moved several divisions in the last few days and can possibly concentrate there at the present time some 30 or 40 divisions. Other signs of impending attack have been noted, including the familiar accusations from the Berlin propaganda machine that the Allies themselves are about to violate Dutch neutrality.

Any large-scale invasion of the Netherlands, it will surely be appreciated, would inevitably affect the status of the Netherlands East Indies, a territory at our back door and our closest neighbour, of which the fate is of immediate and vital concern to Australia. In regard to this matter, the Japanese Minister for Foreign Affairs stated on the 14th April that Japan cannot but be deeply concerned by any development of the European War affecting the *status quo* of the Netherlands East Indies. Should hostilities be extended to the Netherlands and produce repercussions in the Netherlands East Indies, they would cause an undesirable situation from the aspect of the peace and stability of East Asia. Following on this significant statement, it will have been noted with gratification that the Secretary of State of the United States of America has declared that intervention in the domestic affairs of the Netherlands East Indies or alteration in its *status quo* by other

than peaceful means would be prejudicial to peace in the whole Pacific area. Further, this statement has been communicated to the Japanese Foreign Office.

The fact cannot be disguised that a German attack through the Netherlands, or through the Netherlands and Belgium combined, would be designed to be one of first magnitude against the Allies and would be delivered with all of the tremendous striking force of a great modern army. Nonetheless, the Allies have had an interval of seven months in which to prepare their land and air forces and to make up to overtake in some degree the advantage in preparations for war on the wider scale which Germany had at the outbreak of war. If the attack comes the Allies will be ready to meet it.

Honorable senators must also bear in mind the possibility that Germany, in order to ensure that essential supplies from the Balkan countries shall not be cut off, might invade Rumania or other of these countries and thus precipitate a further extension of the war in South-Eastern Europe. As a typical example of the pressure being exerted upon neutral countries in that part of the world, we have received official advice that Germany has compelled the Hungarian Government to forbid the press of that country from publishing pro-Allies news.

Some of the reports of possible German action extending beyond Scandinavia in the near future have envisaged the simultaneous entry of Italy into the war on the side of Germany. It may be taken that the Allied Governments have certainly not been indifferent to the change of tone in recent Italian comment on the progress of the war. Up to two or three weeks ago the Italian press was at pains to make some show of impartiality between Germany and the Allies. Since the invasion of Denmark and Norway, however, comment in Italy has swung over almost entirely to the acceptance of the German view. Whether this change is significant or not, events will show. The Allies have no quarrel with Italy; they have in fact repeatedly expressed the desire for harmonious and friendly relations, and in the difficult business of fitting the requirements of economic warfare against Germany into the legitimate

interests of neutrals, they have endeavoured to show due regard for Italy's position.

The war aim of the Allies is to crush Hitlerism and to put an end once and for all to the threat of German domination of Europe and of the extinction by force of the independence of small nations.

The whole of the civilized world condemned the unprovoked Russian attack on Finland and the Allies were ready to give aid to Finland. But with the Finnish war over, there is no strong reason at present to suppose that Russia is contemplating any further adventure which would bring it into conflict with Allied interests. It is impossible to say whether the conquest of Finland represented the final part of the price which the Soviet extracted from Germany in return for the Berlin-Moscow Agreement of August, 1939. But at present signs are lacking that the understanding between these two dictatorships does in fact go any deeper. The ominous hints from Berlin after the Hitler-Mussolini meeting shortly before Easter, of tripartite German-Italian-Russian agreement for combined action have so far come to nothing. What German-Italian understanding, if any, was reached at the Brenner is unknown; but the last month has brought no indications at least of any deeper Russo-German complicity. On the contrary, it appears that the Soviet Government has tended once more to draw aloof from the affairs of Europe, and that for the time being it is of the view that Russian interests would be best served by continued detachment.

Turkey, now a strong, united and coherent nation, has carried out most loyally its obligations under the Anglo-Franco-Turkish Treaties, and, by its economic agreements with the Allies, Turkey is now free from economic dependence on Germany. Should it happen that the war should extend to the Mediterranean, Turkish assistance in meeting the new situation would be most valuable. Meanwhile, Turkey acts as a strong stabilizing influence in the Balkans.

Turning to the Middle East, we come to an area which has a special significance and interest for Australia. Even before the outbreak of war, Australian

history abounded with memories of Egypt, the Dardanelles and Mesopotamia, and these historical connexions have now been renewed. In the strategic sphere we have always realized that the control of the Middle East involves the control of our imperial life-line, and that unfavorable developments in this area would threaten, not only India, but also the direct line of communications between Australia and Britain. Finally, there is the personal factor in that we now have thousands of young Australian soldiers already stationed in the Middle East. This being the case, it is gratifying to observe that conditions in the various middle eastern states are at the moment stable. Egypt, upon whose co-operation depends Britain's defence of the Suez Canal, has carried out scrupulously its obligations under the Anglo-Egyptian Treaty and shortly after the outbreak of war severed diplomatic relations with Germany.

In Iraq, the Government, after affirming its attachment to the Anglo-Iraq Treaty of Alliance, also severed relations with Germany, and its friendly attitude to the Allies has not been altered by recent changes in the Iraq Government. The Emir of Transjordan has declared his loyalty to Britain, while in Syria, conditions under the French High Commissioner are quiet. Iran and Afghanistan have adopted policies of strict neutrality, although both these countries have viewed with anxiety the re-appearance of an aggressive Russia. There is, however, nothing at the moment to point to the immediate likelihood of Russian attacks on any of the middle eastern countries. In Palestine, the internal position greatly improved after it was realized that Britain was fully determined to implement the terms of the White Paper policy, and the new land regulations have gone far to dispel the doubts of the Arabs as to their future position. In Arabia, King Ibn Saud has been most friendly to the Allies, and the considerable volume of anti-British propaganda in the Yemen has apparently had little effect. Indeed, Islamic sentiment throughout the Middle East is much more friendly than might have been the case had Palestine been less settled, and the Arab States, which have watched

closely the course of German aggression, evidently feel that their free and peaceful development is bound up with the Allied cause. In the general state of Arab opinion and the Turkish alliance, the Allies have two most important factors in securing stability in the Middle East.

In the Far East, the publicly proclaimed policy of Japan is to devote its energies to the execution of the war in China while adopting an attitude of strict non-intervention in the European conflict. Apart from the Japanese drive which led to the occupation of Nanning in Southern China, military operations for many months past have been relatively unimportant. The outstanding recent event has been the institution of Wang Ching-wei's new government in central China under Japanese control and support. The inauguration of this régime probably represents a desire on the part of Japan to obtain some measure of relief from the heavy burden of maintaining its position in China, and the Japanese Government evidently hopes that this move will limit the scope and intensity of the war in the Far East. In an announcement regarding the establishment of the new Government, it was stated that the Japanese Government wished to share with third powers the benefits of international amity, whilst both Wang Ching-wei and the Japanese Government have expressed the desire that China should be re-opened to the peaceful economic activity of third powers which accepted the new situation in East Asia. However, it remains to be seen whether the term "new order in East Asia", which has been so frequently used by the Japanese, will still involve discriminatory action against the interests of other powers in China.

Japan's relations with the United Kingdom during the past few months have been marked by certain of those incidents which must inevitably arise between neutrals and belligerents in war-time. The necessity of ensuring that contraband is cut off as completely as possible from the enemy must always involve some inconvenience for neutral powers, but it is pleasing to note that in the one case in which the stopping of a Japanese ship gave serious concern to Japan, an amicable settlement was reached. This

was the occasion on which a British warship removed German passengers of military age from a Japanese ship, the *Asama Maru*. After discussions an agreement was reached whereby certain of the men were released, and the Japanese Government instructed shipping companies not to grant passages to citizens of belligerent powers who were capable of war service.

It is satisfactory to know also that a settlement is in sight on the questions regarding Tientsin which were raised last year. It is the hope of the British Government, in which the Commonwealth Government share, that an agreement on these matters may lead to the elimination of recent causes of friction between the two nations and the establishment of Anglo-Japanese relations on a basis of increased and lasting friendship.

The United States of America has continued to pursue a course of strict neutrality towards the conflict in Europe; but there can be no doubt that Germany's continued acts of aggression have considerably shaken American confidence in that course being maintained. In particular, Germany's ruthless invasion of its small and inoffensive northern neighbours has brought home to Americans the fact that the European war is perhaps not so far distant from their shores as they had believed, and that a German victory must directly affect the future of their own country. President Roosevelt's anxiety concerning the situation earlier in the year was demonstrated by his action in sending Mr. Sumner Welles as a special envoy to report first-hand on conditions in Europe. As a consequence of Mr. Welles' visit, Germany put about rumours of so-called "peace plans". These rumours were dissipated by a public speech in which President Roosevelt declared that there could not be lasting peace if the fruit of it were to be oppression, starvation and cruelty, or if human life were to be dominated by armed camps.

Whilst Americans favour a policy of neutrality, it is undeniable that opinion in their country is predominantly anti-Nazi, and in many quarters is favorable to assisting the Allies by any means

short of going to war. Since Congress, on the 4th November, passed a bill to amend the Neutrality Act, the United States of America has been free to sell arms and munitions of war to belligerents. The administration is assisting the joint Anglo-French Purchasing Board to obtain expeditiously the Allied needs of the latest types of aircraft and other necessary supplies. A further step was taken in the maintenance of the most cordial relationships with America when on the 5th March the first Australian Minister to the United States of America presented his credentials to President Roosevelt at the White House. Mr. Casey on this occasion expressed the hope that the establishment of the Australian Legation would further advance the friendship between Australia and the United States of America which was already well founded on the basis of mutual interest, common political ideals and similar ways of life. In reply, President Roosevelt re-affirmed his abiding sentiment of goodwill towards the Government and people of Australia, and expressed the confident hope that the exchange of Ministers between the United States of America and Australia would tend to strengthen still further the friendly relations between his country and the British Commonwealth of Nations.

The survey I have given will have shown how many doubtful elements there are in the prospect, not merely in the actual theatre of war, but also in the alignment of political and diplomatic forces generally. So far as the enemy is concerned, the German leader is a desperate and determined man, with a deep-seated lust for power, and under his control is a mighty fighting force. He is not bound by any scruples of morality and legality, and at any moment he thinks fit, he may make new moves which would involve new dangers. To face such possibilities the British Empire and its Allies will need all their determination and courage and the fullest organization of their resources. It is the Government's firm resolve, and I am positive, the resolve of the whole of the Australian people, that Australia should play its full part in removing from the world this evil force which threatens all we hold most vital.

Senator Collett.

SESSIONAL COMMITTEES.

REGULATIONS AND ORDINANCES COMMITTEE.

Motion (by Senator McLEAY)—*by leave*—agreed to—

That a Standing Committee on Regulations and Ordinances be appointed, to consist of Senators Armstrong, Cameron, Clothier, Cooper, Herbert Hays, Allan MacDonald, and Wilson, such senators having been duly nominated in accordance with the provisions of Standing Order No. 36A.

COMMONWEALTH ELECTORAL BILL 1939.

Motion (by Senator FOLL) agreed to—

That a message be sent to the House of Representatives requesting the House of Representatives to resume consideration of a bill intituled "A bill for an act to amend the Commonwealth Electoral Act 1918-1934", which was transmitted to the House of Representatives for its concurrence during last session of the Parliament, the proceedings on such bill having been interrupted by the prorogation of the Parliament.

NORTHERN TERRITORY (ADMINISTRATION) BILL 1940.

Motion (by Senator FOLL) agreed to—

That leave be given to introduce a bill for an act to amend the Northern Territory (Administration) Act 1910-1939.

Bill brought up, and read a first time.

GOVERNOR-GENERAL'S SPEECH.

ADDRESS-IN-REPLY.

Debate resumed from the 18th April, 1940 (*vide* page 107), on motion by Senator WILSON—

That the following Address-in-Reply to His Excellency the Governor-General's opening Speech be agreed to—

MAY IT PLEASE YOUR EXCELLENCY:

We, the Senate of the Commonwealth of Australia, in Parliament assembled, desire to express our loyalty to our Most Gracious Sovereign and to thank Your Excellency for the Speech which you have been pleased to address to Parliament.

Senator FOLL (Queensland—Minister for the Interior) [11.50].—In the speeches made by the Leader of the Opposition (Senator Collings), and the mover and seconder of the Address-in-Reply, great stress was laid upon the fact that Parliament is now meeting under very grave circumstances indeed. Assurances of support received from all sections of

the community, and from all parties in this Parliament, are gladly welcomed by the Government, because it is recognized that the tremendous task in which Australia is now engaged as an integral part of the British Empire, is one that will require all our energy and ingenuity, and great sacrifice, if victory is to be achieved. The Leader of the Opposition referred to what was one of the most stirring addresses to which I have ever listened—the speech delivered in this chamber yesterday by Mr. Grenfell, a member of the English House of Commons, who has come to Australia right from the very scene of conflict. One phase of his address that impressed me more than any other was his emphasis of the complete unity which exists in Great Britain to-day among all sections of the community, in their determination to prosecute this war to a successful conclusion. Great Britain and its Allies can be justly proud of the fact that they played no part whatever in provoking this struggle, but rather did they make almost super-human efforts and great sacrifices in an endeavour to avoid it. But having been faced with a definite threat to the freedom of all democratic peoples, Great Britain and France had no choice but to take up the challenge, and devote all their energies towards ultimate victory, which we all sincerely hope will come at a very early date.

I have referred to statements regarding unity made by Mr. Grenfell, because I believe that that great co-operation which is now so evident in Britain among all sections of the community is unfortunately lacking in Australia at the present time. I do not wish to be unnecessarily controversial in the course of this speech, but I should like for a moment to direct attention to the fact that, almost at this moment, the Prime Minister is on his way to the coal-fields of New South Wales with the object of making an appeal to the miners who are now on strike to go back to work, and help Australia through in the big task it has undertaken as a member of the British Commonwealth of Nations. It is unfortunate that one of the leaders of the unions that are now engaged in the dispute has published a statement to the effect that before this disturbance is finished, every industry in

Australia will be tied up. That is a definite challenge to law and order and to responsible government which cannot be neglected by any government in this country.

Senator COLLINGS.—That was a statement by only one individual.

Senator FOLL.—That may be so, but I think that honorable senators opposite will agree that it was an unfortunate statement. Further, I sincerely trust that the dispute, and in fact, all disturbances of this nature, will soon be ended. In times such as these, we cannot afford to contemplate a further industrial dislocation of this kind. There is no necessity for industrial upheavals in this country. This is one country in which there should never be industrial turmoil of any kind, because we have the most up-to-date and most humanitarian industrial legislation in the world. Our modern arbitration machinery has been brought about largely as a result of the efforts of organized labour itself, and I pay tribute to organized labour for its achievements in that regard. But having obtained the arbitration machinery by its own efforts, and the assistance of those who are in sympathy with the people whose responsibility it is to fight the industrial battles of this country, organized labour should ensure that that machinery shall be kept in operation for the amicable settlement of all industrial disputes.

Senator COLLINGS.—The coal-miners abided by the decision of the court. It was the mine-owners who had that decision upset.

Senator FOLL.—The Leader of the Opposition has had years of experience in industrial matters, and he knows exactly how these courts function; he knows what limited powers are possessed by an individual judge in making an award; he knows that although an award is made by a judge an appeal may be made by either party to the Full Court.

Senator COLLINGS.—The mine-owners had the award upset. The miners were agreeable to abide by it.

Senator FOLL.—The miners and the mine-owners have exactly the same privileges in the courts, and the same right to lodge an appeal from the decision of an individual judge. If they are not satisfied with a decision the unions may,

if they so desire, utilize the appeal machinery of the courts. Surely they would not deny to the mine-owners the same right. I assure the Leader of the Opposition that I do not propose to take any side in this dispute. The one desire of all of us—the Government, the Opposition, and certainly the Prime Minister, who has gone to the seat of the trouble—is to see the matter satisfactorily settled, so that the industries of this country may play their full part in a supreme war effort. It must be realized that these are grave days for Australia, and for every other part of the Empire. During the last two weeks we have witnessed the spectacle of Nazi domination being enforced upon two of the most peace-loving countries of the world, Denmark and Norway. Neither of these countries had exhibited a desire to participate in the war; they desired only to be allowed to continue their national life in their own ways. Denmark is almost entirely a primary producing country, and Norway is loved by all who as tourists have had an opportunity to see its natural beauties. Without warning these countries were overrun; their youth was killed, and a war which hitherto they have avoided by the maintenance of strict neutrality, was forced upon them. Can we honestly believe that the lot which has befallen these countries will not be ours should an unscrupulous power, such as Germany, decide to bring war to our shores? Unfortunately the law of the jungle is operating in the world to-day. We must be up and doing, and we must realize that there is no room for any division of opinion amongst the Australian people. We should have one common desire to go forward in a determined manner, and ensure that Australia plays its part with other members of the Empire in the effort to achieve victory. As one who has a big responsibility in connexion with a very important part of the war effort, namely the building and construction side—a fact which gives me membership of the War Cabinet—I assure honorable senators that the Government desires the help of all members of this Parliament, as well as of every citizen of this country. It should not be necessary for me to say that during the last six months the task of Common-

wealth Ministers has been far from easy. I am aware, of course, that the Government has been subjected to some criticism in respect of a number of minor matters, but in view of the magnitude of the Government's responsibility—it has been, probably, the most colossal task ever entrusted to any government in the history of this country—Ministers may fairly claim some credit for what has been done. Not only were we obliged to build up huge defence requirements in Australia itself, but we also had to make all arrangements necessary to equip and despatch the first section of our overseas expeditionary force. We were greatly relieved when news came of the safe arrival of the first convoy of the Australian division in Palestine, where our men are now undergoing further training. In addition, we had to prepare for the defence of Australia itself. As I have pointed out on other occasions, our home defence organization had been allowed to lag very seriously in recent years. Our militia forces had been depleted and, as many training centres had been abolished altogether, it was necessary, simultaneously with the despatch of an overseas expeditionary force, to organize for home defence. Special attention had to be given to coastal defences. Immediate steps were taken to increase the strength of the navy, and a tremendous amount of work had to be undertaken in connexion with aircraft construction. Our difficulty was the shortage of skilled mechanics with a knowledge of aircraft construction, because, up to the outbreak of the war, we had done but little of that class of work, and consequently there were not available anything like the number of men required. But I am glad to be able to say that very satisfactory progress has been made, and I am sure that if honorable senators could spare time during the week-end to visit any of our training schools they would be much heartened by what they would see. Large numbers of young trainees are rapidly becoming expert tradesmen in this particular class of work. Honorable senators could get a practical demonstration of what is being done in Canberra, where a considerable number of young men, including many from my own State of

Queensland, are receiving instruction in the mechanical side of aircraft construction, and training as ground personnel for the Empire Air Training Scheme. A few days ago, when I visited one of our technical colleges in this city, I was told by the instructors that they were exceedingly pleased with the rapid progress that was being made by the trainees, who were proving that, given the opportunity, they could hold their own with other young men from any part of Australia. I mention this matter at the outset of my speech this morning in order to impress upon honorable senators that the Government is bending the whole of its energies to the successful prosecution of this war. On the works side, which comes under my department, the work already carried out has involved an expenditure of several millions of pounds. At short notice, we were called upon to establish a large number of new camp sites for the training of our young men, also new hospitals, and in connexion with our work under the Empire Air Training Scheme, we have provided air bases in various parts of Australia. These will prove valuable adjuncts to our main defence scheme. Last night one honorable senator opposite made reference to the measures taken by the Government for the defence of the north of Australia. I can assure the Senate that all the necessary defence measures in that part of the Commonwealth are proceeding apace. The works being carried out at Darwin for our air base, and also at Townsville and Amberley in Queensland, as well as at Port Moresby in Papua, are rapidly nearing completion.

I come now to the statement made last night by Senator Arthur relating to the measures taken by the Government to encourage the discovery of flow oil in Australia. The honorable senator's speech was one of the most amazing to which I have ever listened in this chamber. It was amazing because the honorable gentleman used his privileged position as a member of this Senate not merely for the purpose of ventilating a personal grievance, which, of course, he had every right to do, but also for the purpose of "boosting" a company with which, apparently he is actively associated. His

attitude last night was most improper. I say this without desiring to lecture him on parliamentary ethics. Doubtless the honorable senator considers that he is the best judge of his own conduct. Senator Arthur had much to say about the Commonwealth Oil Advisory Committee, which comes under the administration of my department, particularly in relation to its differences with a Mr. Steinbuchel, an alleged oil expert from America. It is fitting, therefore, that I should furnish the Senate with the full history of the circumstances surrounding the admission to Australia of Mr. Steinbuchel, and his activities since he has been in this country. One would imagine, listening to Senator Arthur, that Mr. Steinbuchel had been harshly treated by the Department of the Interior, and by me as the Minister in charge of that department. The facts will disclose otherwise. This man arrived in Australia on the 1st July, 1938, on a tourist's permit the conditions of which are clearly set out—

NOTICE TO FOREIGN VISITORS.

Foreigners who are permitted to enter Australia as bona fide tourists or visitors, are reminded that the authority for their stay in the Commonwealth is limited to a period of six months from the date of arrival and that they are expected to make arrangements for departure from Australia within that period unless, in exceptional cases, they obtain permission from the Department of the Interior, Canberra, to extend their stay.

Persons admitted as tourist visitors are also notified that it is not permissible for them to take up lucrative employment whilst in Australia, without the authority of the Minister for the Interior.

Notice of intention to leave Australia should be given to the Collector of Customs at the port of intended embarkation; and any representations for extension of time should also be made through the Collector of Customs at the principal port in the State in which the applicant happens to be staying.

As was pointed out by Senator Arthur, Mr. Steinbuchel, shortly after his arrival from the United States of America, set about promoting companies for the purpose of discovering flow oil in Australia.

Senator ARTHUR.—He promoted two companies.

Senator FOLL.—Well, I will say that he promoted two companies. Because

of his claim that he had special knowledge as a geophysicist, a considerable number of people in this country were persuaded to invest their money in those companies. Senator Arthur last night issued a challenge to the effect that if the Government would give to his company £10,000—

Senator ARTHUR.—For boring purposes.

Senator FOLL.—Yes, and if the company did not produce flow oil within twelve months, he would resign his seat in the Senate.

Senator ARTHUR.—The challenge still holds good.

Senator FOLL.—I think £10,000 is too high a price to pay in order to get Senator Arthur out of this chamber. I am sure that we shall be able to do that much more cheaply at the next election. As regards Mr. Steinbuchel, I can say without fear of successful contradiction that he has had an extraordinarily generous deal from me since I have been Minister for the Interior. Some time ago he came to me, representing that he had special expert ability and was convinced that, if given a reasonable opportunity, he would be able to find oil in this country. He asked that I should consent to an extension of his permit to remain in Australia. Similar requests came from members of the general public who had been induced to put their money into the companies which Mr. Steinbuchel had promoted, and from a number of members of Parliament. These people said in effect, "This man appears to us to have some new process for the discovery of oil. He seems to know something about oil. He has visited our district and after listening to what he has told us, we have invested some of our money in his companies; but just when his works programme is about to start the Government intends to send him out of the country. If he goes we shall lose our money, and we shall not have had an opportunity to prove the existence of oil in Australia." I granted an extension of six months in order that Mr. Steinbuchel might have a reasonable opportunity to prove his claim and do justice to the shareholders of his companies. That was in the middle of last year. When the extended term ex-

pired at the end of December I was again approached by a company which he had floated, as well as by a number of people who are financially interested in the concern. They represented that their operations were nearing completion, and that if Mr. Steinbuchel had another extension of six months he would be able to prove his claim to discover oil in this country, after which he would be ready to leave Australia. I extended the permit for another six months, making the total extended time twelve months, in order to safeguard the interests of these shareholders. This means that Mr. Steinbuchel has been in Australia for two years and although he has been actively engaged in this business, he has not yet found a bucketful of oil, despite his claims to be an oil expert.

Senator A. J. McLACHLAN.—Is there any information as to where he received his training as a geophysicist?

Senator FOLL.—I am loath to deal with this matter in a personal way.

Senator A. J. McLACHLAN.—But we are entitled to know his qualifications.

Senator FOLL.—In company with Senator Arthur and the chairman of his company he has been holding meetings in various parts of the country, and has made absurd charges against the Government's policy and especially against members of the Oil Advisory Committee, alleging that they were merely the tools of the major oil companies. Senator Arthur made this charge last night.

Senator ARTHUR.—I stand by that charge.

Senator FOLL.—The honorable senator repeats the charge this morning. Who are these alleged emissaries of the major oil companies? One is Dr. Wade, who has served the Commonwealth Government for very many years as a geologist and chairman of the Oil Advisory Committee. Dr. Wade has had life-long experience in oil geology. Thirty years ago he discovered in Egypt an oil well which is still producing. This is the man who, according to Senator Arthur, is an emissary of the major oil companies! Another member of the Oil Advisory Committee is Dr. Woolnough, whose position as geological adviser to the Commonwealth entitles him to every respect. His record is equal to—indeed it is better than—that of some of the people who have made these charges

against him. Dr. Woolnough is well-known throughout Australia as a man who has rendered very good service to the Commonwealth. Another gentleman who has been attacked is Dr. Keith Ward, of South Australia.

Senator ARTHUR.—Another geologist.

Senator FOLL.—And a very able one. I ask honorable senators from South Australia whether there is any ground for the suggestion that Dr. Ward is likely to be the paid tool of the major oil companies. I do not object to Senator Arthur disagreeing with the policy of the Government, or holding opinions different from those of the Commonwealth Oil Advisory Committee, but I do resent his using his position in this Senate to besmirch the good name of decent men and faithful public servants. He said, not only that they are in the pay of the major oil companies, but also that four out of the six State governments fall within the same category.

The share-pushing representatives of the company, with which the honorable senator is associated, went to Tasmania. Major Davies, who occupies a high and honorable position in that State, is not a member of my political party, but he is respected from one end of Tasmania to the other. I personally have the greatest respect for him. He made certain inquiries into the activities of this company, through officers of his department, and, after satisfying himself that the claims of those who had gone to that State mainly for the purpose of selling shares were not justified, he issued a warning to the public to be careful how they invested their money, and in what companies they invested it. He, too, has been accused of being an emissary of the major oil companies.

The Premier of Victoria, Mr. Dunstan, also was charged with being influenced by those companies. He saw fit to advise Victorians to be careful, and to make inquiries before being led away by false promises in regard to the activities of a certain company. Mr. Hogan, the Minister for Mines in that State, has a capable staff of geological experts in his department. There is no more capable geologist in Australia than Mr. Baragwanath, who is at the head of the Mines Department of Victoria. Messrs. Dunstan and

Hogan merely said that, before the statements of the representatives of this company were accepted, it was desirable to consider what the officers of the Mines Department had to say. They desired to see something of the mysterious instrument of which Steinbuechel boasts, and which is kept locked up lest anybody might see it. Mr. Dunstan did right in warning the people to make inquiries for themselves. He did not urge them to refrain from becoming shareholders of the company, but he asked them to satisfy themselves as to whether they could trust its representatives. The bulk of the money raised by companies of this kind consists of the savings of poor people who are induced to become shareholders by promises of fortunes for the investment of a few shillings.

Mr. Playford, the Premier of South Australia, is also, apparently, in the grip of the major oil companies. He made inquiries for himself, and decided that he would not allow wild-cat schemes to be put into operation in South Australia.

Senator ARTHUR.—He said that he had no accusations to make.

Senator FOLL.—He also said that he had no leases to give to the company. The reason he gave was that, as Premier of South Australia, he was anxious to protect the people of that State. Then the scene changes to the State of New South Wales. Until the company laws in that State were recently amended, this was the part of Australia in which mining ventures of this description usually originated. Mr. Vincent, the Minister for Mines, and the officers of the Mines Department in that State have reputations in the mining world which stand as high as the reputations of similar officials in any other part of Australia. Mr. Vincent made inquiries from his officers into the extravagant claims by Steinbuechel, and corrected some of the statements which that person had made. He, too, advised the people of his State to be careful, and he pointed out that the practice of share-pushing in connexion with this company should not be encouraged.

Senator ARTHUR.—That is not so.

The PRESIDENT (Senator the Hon J. B. Hayes).—The honorable senator had a fair opportunity last night to state

his case, and he must now allow the Minister to reply without interruption.

Senator ARTHUR.—The Minister has misrepresented the position. We are not share hawkers.

Senator FOLL.—The honorable senator was very free in his accusations regarding men who are not here to defend themselves. I do not object to criticism of myself, because I am in a position to answer any charges made, but officials of my department, officers of the various Mines Departments, and the Premiers of the States concerned should not be unfairly attacked, seeing that they are not in a position to reply to the charges made. What would Mr. Vincent have to gain by trying to prevent the discovery of flow oil in New South Wales. It would be most natural for him to desire nothing more than that oil should be produced in Australia on a commercial scale. He warned the people to ascertain first whether the representatives of this company were men with whom they could trust their money.

Senator A. J. McLACHLAN.—Mr. Vincent has the best trained geophysicist in Australia to advise him.

Senator FOLL.—That is so.

Senator Arthur also made a bitter attack on the Government of Queensland for a contract entered into with the Shell Oil Company in connexion with the search for oil in that State.

Senator COLLINGS.—Under that contract the Government of Queensland is safeguarded at every point.

Senator FOLL.—That is true. I repeat that, in my opinion, the contract entered into by Mr. Forgan Smith and the other members of the Queensland Government is a wise one. By making available large areas of land for oil prospecting purposes, that government adopted the most practical way of discovering flow oil, and the way least likely to cause poor shareholders to lose their money. Not only the people of Queensland, but the people of the whole of Australia are safeguarded by the agreements that have been made, and for which, to some extent, the Department of the Interior is responsible. Members of the Commonwealth Oil Advisory Committee had it represented to them times out of number that one of the diffi-

culties in raising finance for the purpose of a proper search for oil in Australia was the absence of uniform state legislation. I asked Dr. Wade how he thought this difficulty could be overcome. The matter was discussed with the Premiers of the various States, and I undertook, on behalf of the Commonwealth Government, to ask the Oil Advisory Committee and its staff to draw up a model measure which, if adopted by all of the State Parliaments, would enable uniform action throughout the States. It follows the lines of the British Oil Search Act, and is almost identical with the New Zealand statute. As the result of the New Zealand legislation, encouragement has been given to those searching for oil, and boring on an extensive scale is now being carried out in that Dominion with good prospects of success. I am proud of the fact that this legislation was drafted on the advice of the Oil Advisory Committee and submitted to the Premiers of the various States for their consideration. Most of them adopted it as likely to meet the requirements of Australia. It was not a party measure, for the States that adopted it have governments of varying political beliefs. The measure was accepted in Queensland with additional safeguarding amendments, and it is regarded as the best piece of oil legislation on the statute-books. On account of limitations in the Commonwealth Constitution, which leaves lands under the control of the States, the Commonwealth Government could not enact legislation of this kind; therefore, uniform action by the States is necessary.

My decision to extend the time in which Mr. Steinbuchel could stay in Australia was given in order that there could be no suggestion that he was being deprived of an opportunity to carry out his promise to obtain oil, or to put his system into operation. In two years he has had a fair opportunity to give effect to his scheme. I have received a number of letters from organizations which protested against the extension of his time. These communications were not from the major oil companies but from people who had had business relations with Mr. Steinbuchel in Australia. In October, some months after I had granted

the second extension, I received a letter in connexion with this matter from a well known firm of solicitors. I notified all of the companies that had any association with Mr. Steinbuechel that I had given the extension to him on the understanding that he would use it to finalize his drilling programme, and that, at the conclusion of the period, no further extension would be granted in any circumstances. His own company thanked me for that letter, and said that it had noted the conditions. The letter that I received from the firm of solicitors was written on behalf of the Great Eastern Oil Company, and is as follows:—

Our client was astounded to get your letter at all for it has not now and has not had for more than six months past, any dealings or connections of any kind whatsoever with this man Steinbuechel. He resigned from our client's board on or about the 10th June, 1939, though the board refused to accept the same formally because of the company's unpaid commitments entered into by it at his instigation and because of his promise of financial assistance which was never forthcoming.

Secondly, our client feels that it is nothing short of a catastrophe that this man has been granted an extension of time within which he can pursue his peculiar schemes of selling in an illegal manner, mostly, shares in his two companies (viz. Producing Oilfields Limited, and Producers Oil-Well Supplies Limited) to the large number of unfortunate persons whom he refers to as "my suckers".

Steinbuechel and/or those associated with him have quite evidently stated in their correspondence with your Department that he (Steinbuechel) was necessary in Australia (inter alia) to supervise and guide the activities of our client's operations at Dutson in Gippsland.

This claim is not only fantastic, but is definitely untrue and therefore fraudulent.

Rather more than six months ago our client became painfully aware of the type of man it was associated with in Steinbuechel and cut the painter absolutely and gave instructions to its chief man at Dutson to prevent Steinbuechel and any of his associates who might endeavour to go upon the company's licence at Dutson and in consequence it is more than six months since Steinbuechel has been on our client's bore site.

Yet, as recently as the 31st March last a photograph was published in the *Sunday Sun*, Sydney, of the Dutson No. 1 bore, and beside the photograph the following statement appeared, "These seven wells were located and are now being supervised by Mr. Steinbuechel, the

American oil producer". The letter continues—

Notwithstanding these facts, Steinbuechel has continued constantly to advertise in various newspapers in Victoria and New South Wales to our client's knowledge (and probably elsewhere without our client's knowledge), that he is geological and geophysical adviser to our company client.

Further, our client has seen posters and leaflets which have been broadcast in the two States mentioned (particularly in New South Wales) wherein he makes the same fraudulent claims either directly or by implication. Nevertheless, our client has been powerless to stop it for want of funds to take the necessary legal action.

Here is another set of actual facts. Steinbuechel was fortunate enough to get on to the boards of his companies a Mr. Ralph Falkner, the well-known grazier.

This gentleman then left Australia for an extended trip abroad, and after the offences by Steinbuechel first mentioned above, forwarded his resignation, which was accepted according to a minute of Producers Oil-Well Supplies Board at a meeting held on the 29th July, 1939.

In spite of this, Steinbuechel instituted a campaign to gather in fresh "suckers". In New South Wales in the district where Mr. Falkner's name is a by-word for probity and intelligence, and used the literature (?) he possessed showing Mr. Falkner to be still a member of the board.

At a meeting of this board held on the 1st September, 1939, the board purported to rescind the resolution accepting the resignation.

Then the board at that meeting passed this amazing resolution—

Resolved that Mr. Falkner's name be retained on the company's literature and that he be granted twelve months' leave of absence.

That resolution was passed after Mr. Falkner had resigned as a director of the company. I do not think that it is necessary to go further into matters of this kind. I have given to honorable senators some idea of the methods that have been adopted by these people in order to float their companies. Last night Senator Arthur referred to Steinbuechel's police record. At the Melbourne City Police Court he was fined £10 for carrying an unregistered pistol, and £2 for having brought an unregistered pistol into Victoria. I do not stress that fact, however, because Senator Arthur said that Steinbuechel carried the pistol with him for the purpose of shooting rabbits when in the country! All I can say is that it

would have been better for the shareholders of these companies had Steinbuechel continued to shoot rabbits. I repeat that I have given Steinbuechel more than ample opportunity to demonstrate his ability to find oil in this country. He has had two years in which to carry out his search. He is not a geophysicist. Our investigations in the United States of America have demonstrated that fact very clearly. He was known as a diviner in the United States of America, and in that country divining for oil is illegal. He straps his instrument around his waist. It has on the top of it a spring which is supposed to waggle when oil is approached. Apparently the only time it waggles is when Steinbuechel approaches towns where his agents are ready to sell shares. Again I say that this man has been given every opportunity to prove his ability to find oil. Whilst our investigations into his record in the United States of America do not reflect upon his personal character, they do not reveal any ability on his part to find oil. The show that he was mixed up with speculative ventures which were generally unsuccessful. I would not have raised that aspect of the subject, but for the attack made by Senator Arthur last night upon certain public officers. The campaign on behalf of Steinbuechel has been going on in the various States for a considerable period. I extended his stay in Australia for an additional twelve months primarily in an effort to safeguard the interests of the people who have invested in his companies. Senator Arthur declared that even if Steinbuechel be obliged to leave Australia at the date now fixed for his departure, the companies with which he has been connected intend to continue boring. In that case Steinbuechel's presence in this country is not essential to enable those companies to complete their boring operations. So far as I am concerned, after the 4th June next, they will complete their borings without his assistance.

Senator ARTHUR.—And when we get into power we shall bring him back.

Senator FOLL.—I propose now to refer briefly to the Government's general policy in relation to oil production. Some years ago the Government transferred the sum of £250,000 to a special trust fund for the purpose of assisting in the

search for oil in Australia, and it set up the Oil Advisory Committee to help in this work. This money was made available to companies after the Government's experts had visited the sites of proposed wells and were satisfied that a reasonable chance existed of finding oil on those sites. Advances made in this connexion total some thousands of pounds, but in addition the Commonwealth Government purchased plant to the value of £90,000 with the intention of renting it to legitimate companies. At present a good deal of the plant is being used by different companies under that arrangement. In addition, a Government subsidy was paid to such companies at the rate of £1 for each £2 expended, on condition that bores were put down on sites approved by the Government's expert. To date, however, results have been very disappointing. Oil has been discovered at several places, but in no instance in commercial quantities. On Senator Arthur's own showing, Steinbuechel visited Roma, and subsequently summed up the prospects of oil being found there by stating that there was no oil there and advising Mr. John Wren, who was interested, to keep his money in his pocket. Honorable senators are aware, however, that oil does exist at Roma. They realize that the difficulty up to date has been to produce it in commercial quantities. Oil is still being found at Roma, and that site offers, perhaps, the brightest prospects of providing oil in commercial quantities. The honorable senator also referred to the Gippsland oil-fields. Wells are being bored on the Lakes Entrance field, under government supervision. A well was put down on the Austral Company's lease, work on this well being subsidized by the Government on a £1 for £1 basis. At present those operations are being watched closely. However, this work also has to date been disappointing. The Government will assist that company to put down another bore at a site which has been selected by geophysicists. It wishes to exploit every possible chance of producing oil in commercial quantities on that field. Furthermore, this Government is co-operating with the Government of Victoria in a programme of scout drilling. We are putting down six wells in different parts of the Gippsland field,

the cores from which will be submitted to experts for tests in respect of porosity and permeability. In this way we hope to obtain further knowledge which will be of valuable assistance in the search for oil. Senator Arthur is suspicious of the major oil companies, but I believe that if those companies can be induced to undertake a vigorous search under government control, our prospects of finding oil will be far brighter than if we rely on blind stabbing of the kind that he is defending.

Senator A. J. McLACHLAN.—Are they getting oil in the Islands?

Senator FOLL.—The Vacuum Oil Company has already expended nearly £1,000,000 in searching for oil in Papua. Recently that company delivered to its site in Papua, under the most difficult circumstances possible, a plant valued at £200,000. Does Senator Arthur suggest that this company is spending so much money merely for fun, or in an endeavour to discourage the finding of oil?

Senator ARTHUR.—Yes.

Senator FOLL.—Is the honorable senator aware that nearly £2,000,000 has been spent by the oil companies in the search for oil in Papua? Does he know that the Commonwealth Government itself spent about £500,000 in boring for oil in Papua? At one time, it is true, our prospects of discovering oil looked very bright, but, unfortunately, they were not realized.

Sitting suspended from 12.45 to 2.15 p.m.

Senator FOLL.—I believe that I have made it quite clear that the Government has given Mr. Steinbuchel a reasonable time to give effect to his promise, and it is not my intention to extend his permit to remain in Australia beyond the 4th June next. I was surprised to hear Senator Arthur interject that after the next election, when I presume he imagines the Labour party will be in power, a Labour government will bring the man back to Australia. Is that the considered opinion of the party opposite?

Senator FRASER.—That is the opinion of one honorable senator.

Senator FOLL.—I trust that it is. I realize that honorable senators are interested in the search for oil in Australia and the territories under our control, in

portions of which extensive boring programmes are being carried out. The chairman of the Oil Advisory Committee informed me recently that a group of companies similar to those operating in Papua is also operating in Dutch New Guinea, within a few miles of the Papuan border, and has recently discovered oil in commercial quantities. I understand that some of the bores are producing 2,000 barrels daily, and that in another area commercial oil has been discovered at a depth of 5,000 feet.

Senator KEANE.—Is the Minister referring to the work of British companies?

Senator FOLL.—I am not prepared to mention the names. I have merely cited these instances to show that we have encouraging hopes in the territories referred to, and I am sure that every one is looking forward to the time when satisfactory results will be achieved. I can assure honorable senators opposite that we are just as anxious as they are that oil should be discovered in Australia or its territories, because, as Senator Arthur said in his concluding remarks, fuel oil is the life-blood of a nation. The Government realizes what production of fuel oil in Australia would mean to this country, and for that reason it has assisted the production of oil from shale, and in a general way has given every encouragement to legitimate companies to search for oil.

Senator FRASER.—Why was not the report of the Royal Commission on petrol discussed in this Parliament?

Senator FOLL.—Presumably Parliament itself is answerable for that, because the report was presented and published several years ago. Doubtless it can still be discussed. I regret the circumstances that have made it necessary to introduce the personal element into the discussion of oil exploration, but in the interests of the public the real position had to be explained.

Senator KEANE (Victoria) [2.20].—This is one of the occasions on which senators on this side of the chamber have an opportunity to offer a few comments on the administration and general activities of the Government. When the Minister (Senator Foll) said that the time of Mr. Steinbuchel will not be extended beyond the 4th June, Senator Arthur interjected

that when a Labour government is in power he will be brought back to Australia. The Minister then asked whether that is the considered opinion of this party. I say definitely to the Minister that that is not the considered opinion of this party, and that when Labour assumes office the position of Mr. Steinbuechel will be governed on its merits by the Minister in consultation with his responsible officers. Neither the Leader of the Opposition (Senator Collings), Senator Arthur, nor any other honorable senator on this side of the chamber is in a position to give an undertaking as to what a Labour government will do.

A portion of the Governor-General's Speech reads—

There is an honest and resolute determination on the part of the vast majority of Australians, whether employer or employee, whether rich or poor, to win the war, and no gentle consideration can be extended to those whose real desire is that we should lose it.

In that paragraph the Government, through His Excellency, has expressed frankly the Government's policy, and in fact the policy of all parties in this chamber, because we all are anxious to do what we can to assist in the successful prosecution of the war. That is a sufficient answer to the charges which have been made that the Labour party is not pulling its weight in this gigantic struggle. In September last we assisted to give the Government an open cheque for £60,000,000, which amount we expected it to use to meet our defence requirements for the time. The amount which the Government then sought was not challenged by the members of the Opposition, and probably no opposition will be offered when further appropriations are sought within the next few weeks. Whose ever the fault that this country was unprepared for the world crisis which occurred in September last, we have now been forced into a position which must be faced, and it is our bounden duty to assist in every way to defeat the nation which is making such a desperate attempt to interfere with the rights and freedom of other nations. The Government has a huge task before it, and despite what may be said in by-election campaigns, and in propaganda speeches by certain honorable senators in

Senator Keane.

this chamber, and in the House of Representatives, the fact remains that the Leader of the Opposition (Mr. Curtin), at the request of the Government, gave a world-wide broadcast explaining the attitude of the Labour party towards the war. That gentleman gave a clear and sincere statement of the Labour party's war policy. The Minister (Senator Foll) referred to the manufacture of aircraft and the development of other industries. As honorable senators are aware, certain industrial organizations have entered into an arrangement with the Government with respect to the dilution of labour, and the agreement reached will, I believe, work satisfactorily, despite the utterances which are being made by certain irresponsible persons in Sydney. The dilution of labour was imperative at present, and the union representatives conferred with the Government, knowing that this policy will prove of great help to Australia. When this Parliament is in recess the Government should have some means to communicate to members and honorable senators the latest information concerning important happenings overseas and in this country. When my friends ask me what are the latest developments I have to admit quite frankly that I do not know. In common with others I read conflicting reports in the newspapers or listen to news over the air, which is usually rehashed and relates to events which occurred days before. Moreover, as the news we receive is frequently misleading and contradictory, it is of little use. I have no hesitation in saying that the optimism displayed in Government pronouncements is not justified. I have no military knowledge, but I have ordinary common sense, and as an observant Australian believe that the Allies are not making the satisfactory progress we wish against the most hellish dictatorship the world has ever known. The armies directed by this man have been able to occupy Austria, Czechoslovakia, Poland and Finland; in four or five hours they overran Denmark and invaded Norway and now they threaten to invade Sweden. We have been informed that some German ships have been destroyed and that the Royal Navy is holding its own; but the people of this country should be given

the facts. Information should be supplied concerning the policy which Italy is likely to adopt, and whether there is any possibility of an Eastern menace. If accurate information were given we would know exactly what our responsibilities are, and might possibly adopt a different attitude. I admit that the Government was faced over-night with the colossal task of enlarging our air force and standing army, and improving our navy. The work with which the Government has been entrusted has with few exceptions been well done. Yesterday Senator Sheehan asked whether the military camp constructed at Torquay, near Geelong, at a cost of nearly £50,000, has been abandoned because the position is too exposed to the weather. It is only reasonable to assume that mistakes will be made in a work of the magnitude of that which the Government is now handling, but I would suggest that the Government should act cautiously and refrain from accepting all the recommendations made by military officers, who, although good soldiers, may not have experience in other directions. It might be possible even now for some of the less urgent works to be referred to the Public Works Committee and thus avoid unnecessary expenditure.

The Governor-General's Speech also contains the following paragraph:—

Pursuant to the policy of making a contribution to peace in the Pacific by establishing direct diplomatic representation of Australia in selected Pacific countries, my Government has, since the last meeting of Parliament, appointed a High Commissioner to Canada, and a Minister Plenipotentiary to the United States of America.

Doubtless that refers to Mr. Casey. I suggest that that gentleman should be asked to exercise more discretion, because in one of the first speeches he delivered in the United States of America he said that unfortunately the men who founded this country came here under a penal code. This is the same gentleman who, in the course of a speech made in his own electorate, Corio, denied the right of women to take any part in the public life of this country. I suggest that the Government should remind Mr. Casey that he is the ambassador of the Commonwealth of Australia.

Senator McBRIDE.—Mr. Casey did not speak in the terms used by the honorable senator.

Senator KEANE.—The terms used by Mr. Casey were actually worse than I have indicated. I am watering them down a little, because I rather like the gentleman. Mr. Casey's appointment to Washington was one with which I did not wholly agree, and now I can see why it was made. Without wishing to be in any way nasty, I suggest that had the honorable gentleman remained in Australia, in all probability, he would not have been a member of this Parliament after the next election. As I have said, Mr. Casey's speech was indiscreet and I hope that the Government will keep an eye on him.

We have heard much about the coal strike which is now in progress. I draw attention to the fact that a similar position arose during the term of office of the Scullin Government. Men were out of work, and industry was paralysed; the community could not get coal, and the miners could not make a living. On that occasion Mr. Scullin brought the employers and unionists together, and settled the strike in less than a week. I say to this Government that if any workers ever had a fair industrial "grouse", these men in the coal-mining industry have one.

Senator McBRIDE.—It is a Communist demonstration.

Senator KEANE.—The union leaders are the dominant figures in this dispute, but I do not know that Mr. Nelson, for instance, is a Communist. The award in question was made by a single judge after a hearing lasting nine months. It provided a 40-hour week for all employees, whether underground or on top. The employers then went to the court under the provisions of a section which, to my mind, should not be in the act. The Scullin Government endeavoured to remove it, but was unsuccessful. The Full Court, by a two-to-one decision, quashed the award. One of the two judges who gave the majority decision was Judge Piper, who admitted that he has had no knowledge of the coal-mining industry. Considerable criticism has been levelled against various members of our judiciary, and I draw attention to the fact that on

one occasion the Government took an advocate representing the mine-owners right from the midst of an industrial argument, and made him a judge. That gentleman did not take part in the proceedings now under consideration, but his appointment is one of the many actions which have destroyed the confidence of the people in our arbitration system. It is a fact that all appointments to the Arbitration Court have been made by governments composed of the political parties of which honorable senators opposite are members. Despite that, however, the Labour party stands for the principle of arbitration. The over-ruling of Judge Drake-Brockman's award is one of the biggest scandals this country has ever known. The people the subject of this strike represent only about 8 per cent or 9 per cent of the workers in the industry, and they have very little to gain. They have always observed the awards under which they work, even when their conditions were not so favorable as those applying to fellow-employees such as engine-drivers, fitters, turners or carpenters, and they expect the mine-owners to do likewise.

Senator McBRIDE.—Were the miners' conditions ever worse than those of the workers to whom the honorable senator has referred?

Senator KEANE.—Yes, in scores of cases. Would the Government dare require tradesmen such as engineers and blacksmiths, &c., who for years have worked the hours pertaining to their particular industries, to work longer hours than those provided in their awards? Surely all the industrial activities of this country should not be held up because a dispute has arisen among 8 per cent. or 9 per cent. of the workers in the coal industry. Why does not the Government admit that the real reason for its non-intervention is that it fears that the granting of a 40-hour week to the miners, will not be the only outcome? The mine-owners are not the only ones who do not want this award to be upheld; employers generally are afraid of it. Mr. Sanderson, a member of the Melbourne Chamber of Commerce, has written a considerable amount about how unions do not observe awards. Apparently, in his opinion, the employers are

always right, and the employees are always wrong.

Yesterday, I asked the Minister for the Interior (Senator Foll) the following question:—

Will the Minister for the Interior supply the Senate with a list of the industries covered by the Arbitration Inspector, and the amounts recovered in respect of each industry to date. Mark you, the industries are all "black coat" industries; they are the banks, insurance companies, trustee companies and municipal corporations. The answer given was that in three and a half years the Industrial Inspector had recovered £13,243 from industries in which awards had been flagrantly broken by the employers. Close policing of those industries has been found to be necessary. Even in the Australian Capital Territory, the industrial inspector was instrumental in recovering £712 in one year for breaches of awards by employers. The suggestion of some honorable senators that only the unions defy the courts is ridiculous. There is no foundation for that assumption. According to the report of the Victorian Labour Department, in Melbourne in June of last year, arrears of wages totalling more than £1,000 were ordered to be paid, and of 900 prosecutions launched by the Labour Department convictions were obtained in 672 cases. For every union that may at times clash with an award, a large number of employers are constantly "lead-weighting" it. I was pleased to be informed by the Minister for the Interior, in reply to a question which I asked, that six or eight new industrial inspectors will shortly be appointed.

While the Labour party stands for the principle of arbitration, it is not satisfied with arbitration solely by legal men. This Government should do what the Scullin Government was unfortunately unable to do in 1930, and divorce industrial hearings from legal jargon and technicalities. By all means let us have tribunals; but let them be composed of representatives of the employees, representatives of the employers, and an independent chairman. Let us eliminate those legal gentlemen who in the past have had such an unfair advantage over the advocates employed by the workers.

Let the workers know that when they go to the court, they will deal with men who know something about their industry. I have had a considerable amount of experience with our arbitration system, and my opinion is that while arbitrators are no doubt thoroughly qualified legal men, they are not fit to determine industrial conditions. The fault is by no means entirely on the side of the workers; the employers are perpetrating much worse offences. In my opinion, the Commonwealth Government could have, and should have, intervened. It is idle to suggest that leaders such as Mr. Nelson, who is alleged to be a Communist, can dominate a dispute so big as this, covering as it does the States of Victoria, New South Wales and Queensland. These men are officials duly elected by the workers, and as such I accept their authority. The Commonwealth Government has had ample opportunity to intervene in the dispute without any loss of dignity. There is a national crisis; the nation needs coal to keep its vital munition industries in operation. The Commonwealth Government could bring its influence to bear in the same way as did the Scullin Government in 1930, or as the Hughes Government did during the last war, when a dispute in the same industry was settled. Coal-mining must be regarded as one of the most hazardous occupations in the world.

Senator McBRIDE.—The Australian coal-miner is the best paid in the world.

Senator KEANE.—That is so, when he is at work. Despite the protestations of the Prime Minister I maintain that the true principles of arbitration are not being observed by the mine-owners. Section 18 of the Arbitration Act reads—

The Court shall have jurisdiction to prevent and settle pursuant to this Act, all industrial disputes.

The Government contends that in the present dispute the court cannot intervene unless it is requested by one of the parties so to do. What a stupid contention! The judiciary consists of three judges, one of whom is paid £3,000 a year, and the others a little less. They are skilled legal men with all the machinery of arbitration at their disposal. Surely they could easily call a conference under the jurisdiction of the

court. It has been stated that a conference will not be called unless either side asks for it. In my opinion, the object of the mine-owners is not only to prevent a 40-hour week in this industry, but also to nullify the whole of an award which has given some measure of justice to the miners during the last few years. There is ample power under the Arbitration Act for the Commonwealth to intervene. The Prime Minister could instruct the Attorney-General (Mr. Hughes) to intervene, in the interests of the community. If that course were adopted, a settlement could be effected without delay. I do not suggest that the Government is maliciously preventing a settlement, but apparently some sinister influence is at work, or the Government does not appreciate the vast implications of this strike. It is suggested that provision will be made in the Arbitration Act for further penalties. That course was adopted by a former Attorney-General, Mr. Latham. The Scullin Government subsequently eliminated the new provisions, and in so doing met with very little opposition from members of the United Australia party, then forming the Opposition. It is generally recognized that the imposition of penalties on striking unions, or on employers who flout awards is futile. The instances in which unions do not observe awards are very infrequent, and I challenge contradiction on that point. My view is that in disputes such as this, direct action should be the last resort. I emphasize that whatever action be taken to bring about a settlement of this dispute, a conference must ultimately be called. That being so, why did not the Commonwealth Government call a conference seven weeks ago, and so avoid much of the present trouble. Do honorable senators opposite think for a moment that the men enjoy striking? For many weeks no wages are coming into their homes; the men certainly receive strike pay, but it is not very much. The main point at issue in the claim by the miners has already been granted. With all other honorable senators, I regret exceedingly that a dislocation of this kind should have occurred in a period of national crisis, but I point out, that the fact that there is a war on is not the only important factor in the lives of the

workers. The dispute has arisen through the interference of the Full Court with an award made by an arbitration judge. In my opinion, there should be no legal provision for such interference.

Senator DEIN.—How long is it since the decision of the Full Court was given?

Senator KEANE.—The award was made many weeks ago, after a hearing which lasted nine months but the ink was hardly dry on the paper when the employers sought an alteration. I shall dispense with further comment, hoping that even at this late hour the Government will convene a conference earlier than at the moment appears likely.

In his speech, the Governor-General also referred to subversive elements that exist in this community. He said—

My advisers have noted the subversive activities of a relatively small but intensely active body of Communists in Australia; men who have in many instances achieved industrial and other positions of importance which enable them to exercise an influence out of all proportion to their numbers.

I agree with that. That subversive element is one of the most troublesome in this country. It is, perhaps, more troublesome to honorable senators on this side of the chamber than to supporters of the Government. Members of the Labour party have done everything possible to eliminate Communists from their organizations. When we join the Labour party we sign this declaration.

I hereby declare that I am not a member of a Communist organization or party, or of any political party having objects and methods in any way opposed to the Australian Labour party.

We stand for the reform, by evolution, of the society in which we live. The Communist party favours revolution. That is the difference between the two ideologies. We fight the Communist party on every possible occasion in order to prevent any linking between Labour and communism. Any statement to the contrary is merely political rubbish. During the recent by-election for Corio in Victoria, there were 54,500 votes cast, and of that number only 1,800 were in favour of Dr. O'Day, a prominent member of the Communist organization. The tactics employed by the Communist party against Mr. Dedman, the Labour candidate, left much to be desired. On one occasion when Mr.

Mulcahy and I were travelling to Torquay to address a meeting, we saw a gang of men destroying the Labour party's election posters—not the United Australia party signs, be it noted—and substituting for them Communist propaganda. That indicates what the Communists will do against Labour even in a contest that would not arouse the interest of the people as a general election does. The Communist party represents a minority of Australians. Its influence is not good for this country, and the Labour movement has done everything possible to dissociate itself from the Communists.

Senator DEIN.—Why, then, do the Communists control the unions?

Senator KEANE.—Because the Communists are intensely energetic. They make it their business to attend union meetings, concerning which the average Australian unionist is very often apathetic and, as a result, Communists are sometimes elected to office on a minority vote. This is our experience in connexion with the conduct of union elections. The position would be vastly different if the election of union officials were always decided by a ballot of all members of those bodies. The activities of Communists in the trade unions are very difficult to control. It is possible to exercise some control in a political party, but any one can join a union, just as any one can join the United Australia party, and I have no doubt that honorable senators opposite are well aware that the United Australia party has in its ranks many men who do much harm to it.

Senator A. J. McLACHLAN.—The Communists seem to have a good hold over the miners' unions.

Senator KEANE.—My reply to that is to direct the honorable senator's attention to the meeting of the Australasian Council of Trade Unions which is at present being held in Sydney. The council held its elections yesterday. A Communist opposed the chairman of the conference for election as president, and was defeated. The two vice-presidents also were elected in face of opposition from Communist candidates. The secretary of the council was elected unopposed. That result proves that the power said to be wielded by the Communist party

within the Labour movement is not, in fact, so great as is alleged in some quarters, whose interest it is to make it appear that Communists have a strong foot-hold within the Labour organization. The Labour party, in both industrial and political spheres, has come into conflict with Communists all over Australia. But Communists do not worry me. They are a minority who subscribe to a doctrine that is not Australian, is not British, and is far from being acceptable to the working men of this country. The Labour party will continue along the path which it has marked out for itself. I have no doubt that it will be a rough and thorny one, but our endeavour always will be to obtain control of the Government of this country by constitutional means only, and to "deliver the goods" to the Australian nation whenever it calls upon us. We are ready whether the time be next week or next year.

Some people have said that it is fortunate that the Labour party is not in control of Australia to-day. I do not agree with them. The present is a time when the Labour party could be of great assistance to this nation if it held the reins of government, because this party does, or should, represent the majority of the electors of Australia.

Senator DEIN.—Would a Labour government really govern the country?

Senator KEANE.—The party is as ready now as it has been at any time, though 25 years have elapsed since we had a real Labour government in Australia.

Senator McBRIDE.—Why?

Senator KEANE.—I cannot give particulars of all the canards that have been raised by the United Australia party against Labour during the last twelve federal elections. But the Minister will perhaps remember that in 1931 when the Scullin Government restricted imports in order to safeguard London balances, the United Australia party used that fact as a weapon against Labour at the elections. The position is different to-day. The present composite Government is now restricting imports for exactly the same reason, and the Labour party is applauding it. Our attitude illustrates the difference between the tactics of the two parties in this Parliament. When,

for instance, the Scullin Government brought forward its financial proposals, which included a fiduciary note issue of £18,000,000, the United Australia party declared that Labour would ruin the country. Our critics ignored the fact that the British fiduciary note issue was £270,000,000, and no one has yet argued that that has brought ruin to the people of the Mother Country.

Under the emergency legislation passed during the depression, the Nationalist Government which succeeded the Scullin Administration cut to the bone the incomes of pensioners and wage-earners. That was done with the full support of the Country party, and was opposed by the Labour party. During the succeeding election United Australia party candidates were miserable and dirty enough to pervert the facts in order to defeat Labour. These are some of the reasons why the Labour party has not held the reins of government during the last eight years. We on this side will always be proud of the record of the Scullin Government. Its achievements were as notable as those of the late Mr. Savage, for many years the Prime Minister of New Zealand. Labour never had control in this chamber. If it had been in that happy position, by its legislative enactments, it could have helped the unfortunate workers to secure a smooth system of arbitration, and it would have been possible to give aid to the men on the land during and since the depression. I could give many more reasons why Labour has not been in control in this Parliament.

Senator McBRIDE.—The only true reason is that the people did not return the Labour party to office.

Senator KEANE.—Shortly after the war of 1914-18 the Nationalist party won an election by proclaiming to the country that the British ship-owners were justified in reducing their employees' wages from £8 to £7 a month. The reduction was made as a "measure of economy due to post-war depression" by agreement between the leader of the Seamen's Union in the United Kingdom and the ship-owners. The agreement was concluded when many of the men affected by it were at sea. When they heard of the step taken they went on strike, and many ships were forced to remain idle in Australian

ports, while there was a shortage of shipping space for this country's exports of primary products. The Nationalist party made an issue of that matter at the elections, and the Labour party was defeated on it. The Government's supporters condemned the action of these British seamen whom they had been lauding to the skies only four years previously, and said that the employers had done the right thing in reducing wages. The facts I have stated are incontestable.

In 1929 the Bruce-Page Government deliberately handed over the government of Australia to the Labour party. It did not even try to contest that election, because it knew that it had exhausted the country's credit, and that its financial structure was falling about its ears. Accordingly the Government astutely went to the country with a policy to abolish arbitration, and thus provided a means of escape from the responsibility of governing the country for the next few years.

Senator A. J. McLACHLAN.—If the United Australia party had had its way then the present trouble on the coal-fields would not have occurred.

Senator KEANE.—The honorable senator, as a former member of the Government, should know that a bill was introduced to abolish industrial arbitration, except in the maritime industry for which one judge was to be retained. That policy with which the Government went to the country, was a bogus issue. It was a foregone conclusion that the Government would lose that election.

This digression has given me the opportunity to dig up a few political corpses; I revel in that task, because, like an elephant, I have a long memory. I shall never forget the past treachery of the United Australia party, and when the Minister throws a gibe across the chamber that Labour has not been in control in this Parliament, I like to give the reasons.

Senator McBRIDE.—The honorable senator will always make such statements, even if they are not correct.

Senator KEANE.—The Minister's remark implies that I am not truthful. I resent the implication.

I hope that the Government will devote some part of the proceeds of the gold tax to the assistance of the gold-mining indus-

try itself. It would be well if the Treasurer conferred with the Chambers of Mines of Victoria and Western Australia, and the Australian Workers Union which controls the men employed in that industry, when he is considering a revision of the gold tax legislation. By doing this, he should be able to make some amendment of the law which will be satisfactory to all parties concerned and give to the small men in the industry the encouragement which they need. In all parts of Australia the working miners are the men who actually find the gold. I agree entirely with Senator Arthur on that point. The geologists only develop what the "pickologists", or pick and shovel men, discover. In Victoria, a miner must expend nearly £35 if he wishes to obtain a lease. The same position obtains in all States, although the costs may vary slightly.

Senator A. J. McLACHLAN.—Does the honorable senator refer to leases of Crown land or of private property?

Senator KEANE.—I am referring to Crown lands. The miner pays £1 for an advertisement, and then the Mines Department asks him for a certain deposit.

Senator A. J. McLACHLAN.—A man need not obtain a lease before he begins prospecting.

Senator KEANE.—That is so, but a prospector will not put in hard work on land for which he may not be able to obtain a title. The Government should use a part of the proceeds of the gold tax to reimburse State Mines Departments for uncollected lease fees. An expert miner will not prospect if he has to run the risk of making a good find only to be forced to leave it. Some of the most notable gold discoveries have been made by small prospectors. If my suggestion be adopted a tremendous impetus will be given to the activities of a large body of men, many of whom at the moment have not sufficient money to hold a lease. I understand that 800 leases would involve a cost of about £18,000. That would not amount to a great deal, if distributed among the various State Departments of Mines. I believe that the gold-mining industry will be one of the greatest pillars of financial stability in Australia when this war is ended.

I hope that, even at this late hour, the Government will decide to call a conference with a view to settling the industrial dispute on the coal-fields. I hope also that the committees that have been established to supervise the Government's defence expenditure will do their jobs well, because big leakages may occur unless a good system of policing is instituted.

What I have said about optimism regarding the progress of the war is justified, because the present position is much graver than it was when the Senate met in September last. At some stage the people of Australia will have to be told the plain unvarnished truth. The accounts which we hear from the radio stations, of the sinking of ships and the damaging of others, and of bodies lying on some shores, are all rubbish. They do not tell what is actually happening. They do not explain why Hitler was given the opportunity to invade Denmark and Norway and to threaten Sweden. As a legislator, I should know something about what is going on. In the long parliamentary recess, which perhaps could not have been avoided by a very busy government, it may have been difficult to keep honorable senators supplied with information, but there should be some means of acquainting us with the progress of the Empire's war effort. If the Government wishes to have the support of this party it shall have it. As was stated by His Excellency the Governor-General in his Speech, all parties are sincere in their desire to rid the world of the curse that is now afflicting it.

I rose mainly to suggest that a saner view be taken of the major industrial trouble now being experienced on the coal-fields. There may be Communists among the miners. They may be even here, but as they work underground nobody knows the extent of their activities. The fact that concerns me most is that big armies of men are out of work, and are fighting to retain a principle that they had already won from the Arbitration Court. In my opinion, some effort should be made by the Government, even at this late hour, to intervene in the interests of these men and of the nation.

Senator LAMP (Tasmania) [3.1].—The Government should be given as much

moral support as is humanly possible to enable us to win this war; nevertheless, the duty of the Opposition is to direct attention to the Government's mistakes in the conduct of the war effort. As the Leader of the Opposition (Senator Collings) has successfully covered the ground, I shall not traverse it.

The method adopted in distinguishing militiamen from members of the Australian Imperial Force gives rise to serious discontent among the returned soldiers who fought in the last war. The original Australian Imperial Force placed Australia on the map in the military sense; yet members of the Militia do not wear the rising sun emblem, which is sacred to the whole of the people of Australia. Any person bearing arms for the protection of this country should wear the national emblem that was baptized in blood.

Senator COLLETT.—Does not the honorable senator favour regimental badges?

Senator LAMP.—The badges worn at the present time have no special significance. They are useless and should not be worn.

An application was made some time ago for free rail passes to and from their homes for men rendering service on garrison duty. The matter was taken up with the Minister for the Army (Mr. Street) but the request was refused. The Minister said that, if free travelling facilities were granted to members of garrison battalions when on recreation leave, it would be reasonable to extend the privilege to members of the Militia and the Australian Imperial Force, as well as to the Naval and Air Forces. I contend that members of the Australian Imperial Force, as well as men on garrison duty, should receive free travelling facilities when on recreation leave. It would merely be necessary for an agreement to be reached by the governments of the various States in order to enable free railway passes to be granted for this purpose.

In the course of the prosecution of the war it has been found necessary to organize production, and to place it on a sound basis. An apple and pear board has been set up, and, although last session I severely criticized the action of the Government, I admit that with a few

exceptions the scheme is working satisfactorily in Tasmania. I agree that the principle of the scheme is one that everybody should support, but several things have been done by the board which are not in the best interests of Australia as a whole. The measure passed in connexion with this matter provides that the board shall estimate the crop upon the basis of 75 per cent. of the production for commercial purposes, and that the grades shall be "fancy" and "extra fancy". But hundreds of thousands of bushels of apples and pears have been left lying on the ground, and are going to waste. They cannot be sold because they are the property of the board, and for the same reason they cannot be given away. I have before me several apples that have been rejected, and it is said that they cannot be sold. One is a good sample of the Delicious variety, and it has a few hail spots. It is one of a truckful of similar apples that I collected in the Tamar River district and distributed among the poor people in the suburb in which I live. The apple now displayed is of better quality than that of apples obtainable in Canberra to-day at the price of 4 for 6d., and it is a good sample of the fruit that has been rejected in Tasmania and left to rot on the ground. I suggest that fruit of this class should be given to the poor children in the schools in crowded centres, or sent to our soldiers. The inmates of the hospitals, too, would appreciate some of it. It is of good quality, except that it has a few blemishes which render it unsuitable for storage for export overseas. I trust that the Government will endeavour to devise means of using this fruit instead of allowing it to waste. I could take members of the Government to stores in which rejected apples are lying in heaps as large as this Senate chamber.

One of my friends whom I know as a member of the Workers' Educational Association is Mr. A. E. Bull. He is one of the managers of the firm of C. H. Smith and Company, and has been engaged in the fruit trade as a selling agent and an exporter to the Old Country. This company sent Mr. Bull to England in order to negotiate with a wholesale co-operative society for the purchase

Senator Lamp.

of Tasmanian fruit. He built up a substantial trade for his company, which supplied to the society in England nearly 100,000 cases a year. This business has been cut from under the company's feet by the Apple and Pear Board. The company has suffered an injustice, and I suggest that something should be done to increase the number of selling agencies, so that those who, through their own initiative, have built up successful enterprises, may be permitted to carry on their work.

Those orchardists who produce apples purely for the manufacture of cider, and buy from orchardists other apples that cannot be used for export purposes, still have to sell their fruit to the Apple and Pear Board. I suggest that the board should exempt them from the operation of the scheme.

Senator McBRIDE.—Of course they take the advance payment.

Senator LAMP.—Some of them may, but the grower whom I have in mind received no advance, although he could have received one. He pointed out to me the stupidity of taking the advance, and buying back his own fruit from the board. He did not wish to be brought into the pool, yet he filled in the necessary returns. It seems to me that growers in this position have a grievance that should be removed.

Some schools in Tasmania have been provided with wireless sets by means of which the scholars are able to listen in to the educational broadcasts made from time to time by the Australian Broadcasting Commission. These sets are mostly supplied by the parents' associations, and I contend that the Government could reasonably exempt such schools from the wireless licence-fee.

The import duty on moving picture film has been increased by 1d. a foot, but it seems to me that persons not using this film for commercial purposes, but merely for photographing beauty spots and for taking pictures of family life, should be exempt from this extra impost. If they are forced to pay this extra impost many people will abandon the movie camera as a hobby. In that event the Government ultimately would lose

considerable revenue. At the same time small businesses which now cater for users of movie cameras in providing supplies and developing services would be forced to close. The value of encouraging a hobby of this kind is, as a family amusement and as means of making historical records, well worth considering. I hope that the Government will give sympathetic thought to the various matters which I have raised.

Senator CLOTHIER (Western Australia) [3.15].—I listened intently to the Governor-General's Speech. Undoubtedly it provides us with much food for thought concerning the difficulties which confront the Government in the present crisis. I do not hesitate to give credit where credit is due; I admit frankly that the Government is trying to do a good job. When one considers our present huge defence expenditure the thought inevitably arises as to why even a small proportion of this money cannot be found to meet our difficulties, social and economic, in a time of peace. Surely industrial peace and social and economic prosperity are as essential to our future welfare as is the provision of effective defence in time of war.

Senator Wilson declared that the Labour party had exhibited no desire to assist the Government in the present crisis. Honorable senators on this side have criticized many of the Government's proposals, but it cannot be said that we have ever attempted to obstruct the Government's defence preparations. After all, if the Government is desirous of doing its best for the country it should welcome constructive criticism from the Opposition. So far as the present coal strike is concerned all I can say is that I personally will never support direct action on the part of the miners. A strike injures not only the workers, but also their families. I have no doubt that the Communists are responsible for the present strike. At the same time, however, I see no reason why the Government cannot deal promptly and effectively with this disruptive element. In the first place it could prohibit communistic propaganda. I recall that on one occasion when I took over the secretaryship of a union in Western Australia I found one corner of the union's

office piled with Russian propaganda that had been left there by my predecessor. Within half an hour I had destroyed every bit of that literature.

Senator Wilson asked what the Opposition had done to assist the Government in its defence programme. A couple of years ago the Leader of the Opposition in the House of Representatives (Mr. Curtin) declared that our primary defence need was a strong air force. Several members of the Government, whose speeches I quoted when I last spoke in this chamber, disagreed with that policy. To-day I am glad to say that the Government has largely adopted it. I also urge the Government to increase our naval strength as much as possible. Without an efficient navy we cannot hope to withstand an attack on our shores. I am pleased to see that the Government is strengthening our defences at Darwin and in northern Queensland. It would be equally well advised to pay similar attention to the defence requirements of the north of Western Australia. I admit that more recently it has shown a disposition to treat Western Australia's claims more fairly in respect of defence expenditure. I attribute that development mainly to the presence in the Ministry of a Western Australian, Senator Collett.

In his admirable speech Senator Abbott asked what was the cause of war. I suggest that armament profiteers are mainly responsible for war. Dealing with the coal strike the honorable senator remarked that not one honorable senator for New South Wales on this side had mounted the soap box or addressed any meeting with the object of trying to bring about a settlement. The honorable senator himself is a representative in this chamber of that State, and I am not aware that he has made any effort in that way to help to effect a settlement of the dispute. I repeat that I have no time for Communism, Fascism or Nazism. Indeed it would be a good thing for this country if the Government could secure an island in the Pacific and deport every Communist in Australia to it.

I urge the Government, particularly in view of the increased demands being made

upon us in the present crisis, not to disregard the importance of providing for the development of our primary and secondary industries. Despite the fact that numbers of our men are going on active service overseas much unemployment still exists in this country. It is essential, however, that the wheels of industry shall be kept turning. The following statement was recently issued by the Australian Industries Protection League. It deals with the threat offered to Australian industry by excessive imports:—

Australian money is one fourth less in value than that of Great Britain; our overseas interest payments are balanced by exports of all of our newly mined gold, (which we cannot reproduce like wool, wheat, &c.); our national debt is increasing; our manufacturing industries are being harassed by never-ending applications from manufacturers of the United Kingdom for reduced duties to enable them to secure some of our trade that Australian workers are now producing.

Firstly, we see we cannot afford our present imports for monetary reasons, secondly reductions of duty can only mean more imports which will at this juncture, displace workers here who have to be kept by taxation during their unemployment. For instance, if by reducing the present protective duties on woollen piece goods and woollen yarns, overseas manufacturers capture one fifth of the trade now being manufactured in Australia, this would mean unemployment for at least 4,000 persons directly, with a loss of approximately (per year) £580,000 in wages, which the workers now spend locally in weekly quotas, and which provide employment for others.

A warning of our danger is contained in the address given by the Right Honorable R. G. Casey, Commonwealth Treasurer (Australia) at the Royal Institute of International Affairs at Chatham House, London, on the 20th April, 1937. When speaking of the necessity of building up Australian secondary (manufacturing) industries, said:—

"The reason why we are trying to do this is linked up, amongst other matters with our unfavorable balance of payments with this country (United Kingdom). "We believe to-day's prices to be high prices. If you take something below to-day's prices as an average for the years ahead we cannot continue to import goods into Australia at the rate that we are importing them to-day, if we wish to maintain something like a balance in our balance of payments with the world . . . we have to build up a body of money in London as a shock absorber against a bad season or a series of bad seasons in Australia. . . . at the present moment we only get a favorable balance with the world in good seasons we cannot afford to

Senator Clothier.

keep on importing at the present rate into Australia in the years ahead".

When I was in Fremantle recently, I was amazed to see unloaded a consignment of tent pegs from the eastern States for the use of the Defence Department in connexion with training camps in Western Australia. One would think we had no timber at all in Western Australia. Is it not ridiculous that of all things the Defence Department's requirements of tent pegs should be sent from the eastern States to Western Australia? Wharf labourers who unloaded the consignment were struck by this stupidity; and they enjoyed the joke immensely. I was pleased to hear the Minister for the Interior (Senator Foll) say that more consideration was being given to Western Australia's claims in respect of defence expenditure. In the past that State has never seemed to receive the attention of the Commonwealth Government except in matters of taxation. There is too much selfishness in the attitude of the eastern States towards Tasmania and Western Australia. The larger States have never been able to see eye to eye with the smaller States when it comes to development and State rights. I do not mention Queensland or South Australia in this connexion because at present the claims of those States are receiving increasingly greater consideration from the Commonwealth. However, Tasmania and Western Australia have yet to receive a fair deal from this Government. Although the people of Western Australia contribute their share of taxes and suffer many disabilities under the federal system, they receive little consideration. I trust that the Government will give closer attention to the needs of that State, particularly in the matter of defence expenditure. Western Australia is one of the main gateways of the Commonwealth, and when enlistments are sought the number of volunteers offering in Western Australia is greater than in any other part of the Commonwealth.

Prior to the last recess I asked several questions concerning conditions under which the men on the transcontinental trains are working, and as I was not satisfied with the answers, I asked a further series of questions. The Senate then went into recess. Later I received the full

statement from the Leader of the Senate (Senator McLeay).

On 5th December, Senator Clothier asked me for particulars as to the complaints lodged during the past three years for hearing by the Public Service Arbitrator which have not yet been dealt with.

I then informed the honorable senator that the information would be obtained.

I am now in a position to furnish a statement setting out particulars as to the complaints filed and the dates of filing.

The statement shows the number of complaints listed and not yet dealt with to be 43. Four additional applications to vary have been filed by the Public Service Board and one by the Minister for Defence, making a total of 48. There is also one application for interpretation filed by the Federated Union of Locomotive Enginemen awaiting hearing.

Cases Nos. 34, 36, 38, 41 and 43 appearing in the statement relate to the same matter and will be settled as the result of a conference held on 4th December last.

The statement is as follows:—

STATEMENT SHOWING NAMES OF ORGANIZATIONS WHICH HAVE FILED APPLICATIONS BEFORE THE COMMONWEALTH PUBLIC SERVICE ARBITRATOR, AND DATES OF FILING.

| Applicant Organization. | Date of Filing. | Remarks. |
|---|-----------------|--|
| 1. Australian Postal Electricians Union | 22.3.37 | Union desires matter held in abeyance (16th February, 1939) |
| 2. Commonwealth Public Service Clerical Association .. | 30.11.37 | |
| 3. Amalgamated Postal Workers Union | 22.12.37 | |
| 4. Amalgamated Postal Workers Union | 4.1.38 | |
| 5. Australian Journalists Association | 1.2.38 | |
| 6. Arms, Explosives & Munition Workers Federation of Australia | 21.2.38 | |
| 7. Commonwealth Public Service Clerical Association .. | 29.3.38 | Conference held on 4th August, 1939. Parties will confer |
| 8. Amalgamated Postal Workers Union | 28.4.38 | Further proceedings postponed indefinitely at request of Association as result of conference |
| 9. Professional Officers Association, Commonwealth Public Service | 5.5.38 | |
| 10. Fourth Division Postmasters, Postal Clerks and Telegraphists Union | 23.5.38 | |
| 11. Fourth Division Postmasters, Postal Clerks and Telegraphists Union | 23.5.38 | |
| 12. Commonwealth Public Service Artisans Association .. | 9.6.38 | |
| 13. Amalgamated Postal Workers Union | 30.6.38 | |
| 14. Professional Officers Association, Commonwealth Public Service | 25.7.38 | |
| 15. Amalgamated Postal Workers Union | 5.8.38 | |
| 16. Arms, Explosives & Munition Workers Federation of Australia | 17.8.38 | |
| 17. Federated Public Service Assistants Association of Australia | 28.11.38 | |
| 18. Fourth Division Officers Association of the Trade and Customs Department of Australia | 13.3.39 | |
| 19. Professional Officers Association, Commonwealth Public Service | 16.3.39 | |
| 20. Australian Postal Electricians Union | 26.6.39 | |
| 21. Australian Workers Union | 10.7.39 | |
| 22. Professional Officers Association, Commonwealth Public Service | 28.7.39 | |
| 23. Commonwealth Storemen and Packers Union .. | 14.8.39 | |
| 24. Commonwealth Storemen and Packers Union .. | 29.8.39 | |
| 25. Commonwealth Public Service Clerical Association .. | 8.9.39 | |
| 26. Federated Public Service Assistants Association of Australia | 11.9.39 | |
| 27. Amalgamated Postal Workers Union | 13.9.39 | |
| 28. Federated Public Service Assistants Association of Australia | 13.9.39 | |
| 29. Amalgamated Postal Workers Union | 19.9.39 | |
| 30. Amalgamated Postal Workers Union | 19.9.39 | |
| 31. Australian Federated Union of Locomotive Enginemen | 20.9.39 | |
| 32. Australian Federated Union of Locomotive Enginemen | 20.9.39 | |
| 33. Australian Federated Union of Locomotive Enginemen | 20.9.39 | |

STATEMENT SHOWING NAMES OF ORGANIZATIONS WHICH HAVE FILED APPLICATIONS BEFORE THE COMMONWEALTH PUBLIC SERVICE ARBITRATOR, AND DATES OF FILING.—*continued.*

| Applicant Organization. | Date of Filing. | Remarks. |
|---|-----------------|--|
| 34. Australian Federated Union of Locomotive Enginem | 20.9.39 | Matter will be settled as result of conference held 4th December, 1939 |
| 35. Australian Federated Union of Locomotive Enginem | 20.9.39 | |
| 36. Australian Workers Union | 29.9.39 | Matter will be settled as result of conference held 4th December, 1939 |
| 37. Commonwealth Public Service Artisans Association | 2.10.39 | |
| 38. Electrical Trades Union of Australia | 6.10.39 | Matter will be settled as result of conference held 4th December, 1939 |
| 39. Commonwealth Public Service Clerical Association .. | 9.10.39 | |
| 40. Amalgamated Engineering Union | 19.10.39 | |
| 41. Amalgamated Engineering Union | 2.11.39 | Matter will be settled as result of conference held 4th December, 1939 |
| 42. Amalgamated Postal Workers Union | 9.11.39 | |
| 43. Australasian Society of Engineers | 17.11.39 | Matter will be settled as result of conference held 4th December, 1939 |

I also received the following letter from the Attorney-General:—

On the 5th of December you asked the Minister representing the Attorney-General in the Senate a question relating to the number of complaints lodged during the past three years for hearing by the Public Service Arbitrator which had not been dealt with. The information on which a reply to your question could be based has now come to hand, but it is too late to reply to your question in the Senate. I am accordingly forwarding herewith a statement setting out the particulars as to the complaints filed and the dates of filing. Cases Nos. 34, 36, 38, 41 and 43, appearing in the statement, relate to the same matter and will be settled as the result of a conference held on the 4th of December last. I may add that steps are being taken to appoint an assistant to the arbitrator and it is hoped that this appointment will result in the speedy clearing off of the cases in arrears.

On receipt of that letter, I supplied the information to the *West Australian* newspaper, which published the following paragraphs:—

The statement that steps were being taken to appoint an assistant to the Public Service Arbitrator and that it was hoped that this appointment would result in the speedy clearing up of outstanding cases, was contained in a letter from the Federal Attorney-General (Mr. W. M. Hughes) which has been received by Senator R. E. Clothier. This was in reply to a question asked by Senator Clothier in the Senate on 5th December relating to the number of complaints lodged during the past three

Senator Clothier.

years which had not been heard by the Public Service Arbitrator.

A statement which accompanied the letter showed the number of complaints listed and not yet dealt with to be 43. Four additional applications to vary had been filed by the Public Service Board and one by the Minister for Defence, making a total of 48. There was also an application for interpretation, filed by the Federated Union of Locomotive Enginem, awaiting hearing. It was also stated that five of the cases which appeared in the statement, namely, those in which the applicants were the Australian Federated Union of Locomotive Enginem, the Australian Workers' Union, the Electrical Trades Union of Australia, the Amalgamated Engineering Union and the Australasian Society of Engineers, related to the same matter and would be settled as the result of a conference held on 4th December.

Several days later I received the following communication from the Attorney-General:—

Further to my letter of the 14th December, 1939, regarding complaints lodged for hearing by the Public Service Arbitrator, I regret to say that the last paragraph was included through inadvertence. In that paragraph I stated that steps were being taken to appoint an assistant to the arbitrator. On 4th October last the Government announced that, owing to the state of war and the enormous expenditure involved in consequence of the war, the making of the proposed appointment was to be deferred for the present. I greatly regret that, when my previous letter was prepared, this announcement was overlooked.

Following that letter the following paragraphs appeared in the newspaper mentioned:—

The Federal Attorney-General (Mr. W. M. Hughes) has informed Senator R. E. Clothier that in a recent letter he inadvertently stated that steps were being taken to appoint an Assistant to the Commonwealth Public Service Arbitrator. "On 4th October last," Mr. Hughes wrote, "the Government announced that, owing to the state of war and the enormous expenditure involved in consequence of the war, the making of the proposed appointment was to be deferred for the present. I greatly regret that, when my previous letter was prepared, this announcement was overlooked".

Senator Clothier said yesterday that it appeared that the outstanding plaints listed, some of them dating back to 1937, would be held up indefinitely. Considerable ill-feeling and resentment would doubtless be felt at the failure of the Federal Government to carry out its decision to appoint an arbitrator to clear up cases.

Debate (on motion by Senator ALLAN MACDONALD) adjourned.

SPECIAL ADJOURNMENT.

Motion (by Senator McLEAY) agreed to—

That the Senate, at its rising, adjourn till Monday next at 3 p.m.

Senate adjourned at 3.34 p.m.
