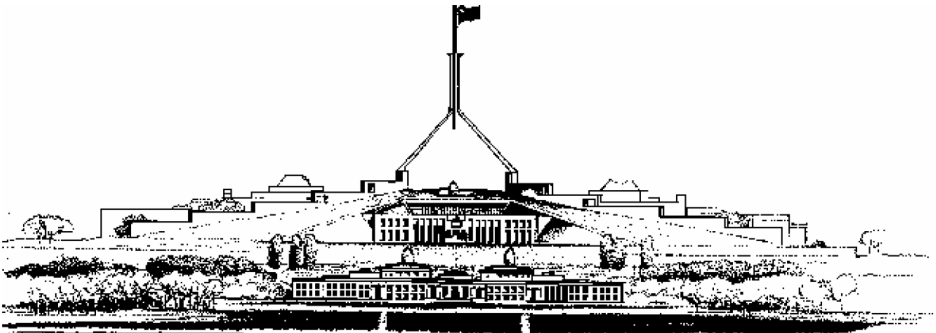




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



Senate

Official Hansard

No. 17, 1932
Friday, 29 April 1932

THIRTEENTH PARLIAMENT
FIRST SESSION—SECOND PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

PARLIAMENT OF THE COMMONWEALTH.

THIRTEENTH PARLIAMENT—FIRST SESSION: SECOND PERIOD.

GOVERNOR-GENERAL.

His Excellency the Right Honorable SIR ISAAC ALFRED ISAACS, a Member of His Majesty's Most Honorable Privy Council, Knight Grand Commander of the Most Distinguished Order of Saint Michael and Saint George, Governor-General and Commander-in-Chief in and over the Commonwealth of Australia.

LYONS GOVERNMENT.

(FROM 12TH APRIL, 1932.)

Prime Minister and Treasurer ..	The Right Honorable Joseph Aloysius Lyons, P.C.
Attorney-General, Minister for External Affairs and Minister for Industry	The Honorable John Greig Latham, C.M.G., K.C. (Senator the Honorable Alexander John McLachlan, Acting Attorney-General and Minister for Industry; the Right Honorable Stanley Melbourne Bruce, C.H., P.C., M.C., Acting Minister for External Affairs—from 1st March, 1932.)
Assistant Minister	The Right Honorable Stanley Melbourne Bruce, C.H., P.C., M.C.
Minister for Defence	Senator the Right Honorable Sir George Foster Pearce, P.C., K.C.V.O.
Postmaster-General	The Honorable James Edward Fenton.
Minister for Trade and Customs	The Honorable Henry Somer Gullett.
Vice-President of the Executive Council	Senator the Honorable Alexander John McLachlan.
Minister for the Interior ..	The Honorable Robert Archdale Parkhill.
Minister for Commerce ..	The Honorable Charles Allan Seymour Hawker.
Minister for Health and Minister for Repatriation	The Honorable Charles William Clanan Marr, D.S.O., M.C., V.D.
Assistant Minister	Senator the Honorable Walter Massey Greene.
Assistant Minister	The Honorable Josiah Francis.
Assistant Minister	The Honorable John Arthur Perkins.

(For designations of Ministers prior to 12th April see preface to volume 133.)

THE MEMBERS OF THE SENATE.

THIRTEENTH PARLIAMENT—FIRST SESSION: SECOND PERIOD.

President—Senator the Honorable Walter Kingsmill.

Chairman of Committees—Senator William Plain.

Temporary Chairmen of Committees—Senators William Carroll, Micheal Rapheal O'Halloran, the Honorable Herbert James Mockford Payne, Matthew Reid and Burford Sampson.

Leader of the Opposition—Senator the Honorable John Barnes.

Deputy Leader of the Opposition—Senator the Honorable John Braidwood Dooley.

Barnes, Hon. John	..	..	..	..	..	Victoria
Brennan, Thomas Cornelius, K.C.	..	..	..	..	..	Victoria
Carroll, William	..	..	..	..	..	Western Australia
Colebatch, Hon. Sir Hal Patesshall, K.B., C.M.G.	..	..	..	..	..	Western Australia
Cooper, Walter Jackson, M.B.E.	..	..	..	..	..	Queensland
Cox, Charles Frederick, C.B., C.M.G., D.S.O., V.D.	..	..	..	..	..	New South Wales
Crawford, Hon. Thomas William	..	..	..	..	..	Queensland
Daly, Hon. John Joseph	..	..	..	..	..	South Australia
Dooley, Hon. John Braidwood	..	..	..	..	..	New South Wales
Duncan-Hughes, John Grant, M.V.O., M.C.	..	..	..	..	..	South Australia
Dunn, James Patrick Digger	..	..	..	..	..	New South Wales
Elliott, Robert Charles Dunlop	..	..	..	..	..	Victoria
Foll, Hattil Spencer	..	..	..	..	..	Queensland
Glasgow, Hon. Sir Thomas William, K.C.B., C.M.G., D.S.O., V.D.	..	..	..	..	..	Queensland
Grant, Charles William	..	..	..	..	..	Tasmania
Greene, Hon. Walter Massy	..	..	..	..	..	New South Wales
Guthrie, James Francis	..	..	..	..	..	Victoria
Hayes, John Blyth, C.M.G.	..	..	..	..	..	Tasmania
Hays, Hon. Herbert	..	..	..	..	..	Tasmania
Hoare, Albert Alfred	..	..	..	..	..	South Australia
Johnston, Edward Bertram	..	..	..	..	..	Western Australia
Kingsmill, Hon. Walter	..	..	..	..	..	Victoria
Lawson, Hon. Harry Sutherland Wightman	..	..	..	..	..	Western Australia
Lynch, Hon. Patrick Joseph	..	..	..	..	..	Western Australia
McLachlan, Hon. Alexander John	..	..	..	..	..	South Australia
Millen, John Dunlop	..	..	..	..	..	Tasmania
Mooney, Patrick Frederick	..	..	..	..	..	New South Wales
Newlands, Sir John, K.C.M.G., C.B.E.	..	..	..	..	..	South Australia
O'Halloran, Micheal Rapheal	..	..	..	..	..	South Australia
Payne, Hon. Herbert James Mockford	..	..	..	..	..	Tasmania
Pearce, Right Hon. Sir George Foster, P.C., K.C.V.O.	..	..	..	..	..	Western Australia
Plain, William	..	..	..	..	..	Victoria
Rae, Arthur	..	..	..	..	..	New South Wales
Reid, Matthew	..	..	..	..	..	Queensland
Sampson, Burford, D.S.O., V.D.	..	..	..	..	..	Tasmania
Thompson, William George, V.D.	..	..	..	..	..	Queensland

1. Death reported 20th May, 1932.

THE MEMBERS OF THE HOUSE OF REPRESENTATIVES.

THIRTEENTH PARLIAMENT—FIRST SESSION: SECOND PERIOD.

Speaker—The Honorable George Hugh Mackay.

Chairman of Committees—George John Bell, C.M.G., D.S.O., V.D.

Temporary Chairmen of Committees—Malcolm Duncan Cameron, James Allan Guy, George William Martens, John Henry Prowse, David Riordan, Victor Charles Thompson, Edward John Ward, and Thomas Walter White, D.F.C., V.D.

Leader of the Opposition—The Right Honorable James Henry Scullin, P.C.

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

Leader of the Country Party—The Right Honorable Earle Christmas Grafton Page, P.C.

Deputy Leader of the Country Party—The Honorable Thomas Paterson.

Leader of the Australian Labour Party, New South Wales—The Honorable John Albert Beasley.

Abbott, Hon. Charles Lydiard Aubrey	..	..	..	Gwydir (N.S.W.)
Anstey, Hon. Frank	..	..	..	Bourke (V.)
Baker, Francis Matthew John	..	..	..	Oxley (Q.)
Beasley, Hon. John Albert	..	..	..	West Sydney (N.S.W.)
Bell, George John, C.M.G., D.S.O., V.D.	..	..	..	Darwin (T.)
Blacklow, Archibald Clifford, D.S.O.	..	..	..	Franklin (T.)
Blakeley, Hon. Arthur	..	..	..	Darling (N.S.W.)
Bruce, Right Hon. Stanley Melbourne, C.H., P.C., M.C.	..	..	..	Flinders (V.)
Cameron, Malcolm Duncan	..	..	..	Barker (S.A.)
Casey, Richard Gardiner, D.S.O., M.C.	..	..	..	Corio (V.)
Collins, Thomas Joseph	..	..	..	Hume (N.S.W.)
Corser, Bernard Henry	..	..	..	Wide Bay (Q.)
Dein, Adam Kumball	..	..	..	Lang (N.S.W.)
Dennis, Samuel	..	..	..	Batman (V.)
Fenton, Hon. James Edward	..	..	..	Maribyrnong (V.)
Forde, Hon. Francis Michael	..	..	..	Capricornia (Q.)
Francis, Hon. Josiah	..	..	..	Moreton (Q.)
Gabb, Joel Moses	..	..	..	Angas (S.A.)
Gander, Joseph Herbert	..	..	..	Reid (N.S.W.)
Gardner, Sydney Lane	..	..	..	Robertson (N.S.W.)
Gibson, Hon. William Gerrard	..	..	..	Corangamite (V.)
Green, Hon. Albert Ernest	..	..	..	Kalgoorlie (W.A.)
Green, Roland Frederick Herbert	..	..	..	Richmond (N.S.W.)
Gregory, Hon. Henry	..	..	..	Swan (W.A.)
Groom, Hon. Sir Littleton Ernest, K.C.M.G., K.C.	..	..	..	Darling Downs (Q.)
Gullett, Hon. Henry Somer	..	..	..	Henty (V.)
Guy, James Allan	..	..	..	Bass (T.)
Harrison, Eric Fairweather	..	..	..	Bendigo (V.)
Harrison, Eric John	..	..	..	Wentworth (N.S.W.)
Hawker, Hon. Charles Allan Seymour	..	..	..	Wakefield (S.A.)
Hill, Hon. William Caldwell	..	..	..	Echuca (V.)
Holloway, Hon. Edward James	..	..	..	Melbourne Ports (V.)
Holman, Hon. William Arthur, K.C.	..	..	..	Martin (N.S.W.)
Hughes, Right Hon. William Morris, P.C., K.C.	..	..	..	North Sydney (N.S.W.)
Hunter, James Aitchison Johnston	..	..	..	Maranoa (Q.)
Hutchin, Arthur William, D.S.O.	..	..	..	Denison (T.)
Hutchinson, William Joseph	..	..	..	Indi (V.)
James, Rowland	..	..	..	Hunter (N.S.W.)
Jennings, John Thomas	..	..	..	South Sydney (N.S.W.)
Lane, Albert	..	..	..	Barton (N.S.W.)
Latham, Hon. John Greig, C.M.G., K.C.	..	..	..	Kooyong (V.)
Lawson, George	..	..	..	Brisbane (Q.)
Lawson, John Norman	..	..	..	Macquarie (N.S.W.)
Lyons, Right Hon. Joseph Aloysius, P.C.	..	..	..	Willmot (T.)
Mackay, Hon. George Hugh	..	..	..	Lilley (Q.)
Makin, Norman John Oswald	..	..	..	Hindmarsh (S.A.)
Maloney, William	..	..	..	Melbourne (V.)
Marr, Hon. Charles William Clanan, D.S.O., M.C., V.D.	..	..	..	Parkes (N.S.W.)
Martens, George William	..	..	..	Herbert (Q.)
Maxwell, George Arnot, K.C.	..	..	..	Fawkner (V.)
McBride, Philip Albert Martin	..	..	..	Grey (S.A.)
McClelland, Hugh	..	..	..	Wimmera (V.)
McGrath, David Charles	..	..	..	Ballarat (V.)
McNicol, Walter Ramsay, C.B., C.M.G., D.S.O., V.D.	..	..	..	Werriwa (N.S.W.)
Nairn, Walter Maxwell	..	..	..	Perth (W.A.)
Nelson, Harold George	..	..	..	Northern Territory

THIRTEENTH PARLIAMENT—continued.

Nock, Horace Keyworth	Riverina (N.S.W.)
Page, Right Hon. Earle Christmas Grafton, P.C.	Cowper (N.S.W.)
Parkhill, Hon. Robert Archdale	Warringah (N.S.W.)
Paterson, Hon. Thomas	Gippsland (V.)
Perkins, Hon. John Arthur	Eden-Monaro (N.S.W.)
Price, John Lloyd	Boothby (S.A.)
Prowse, John Henry	Forrest (W.A.)
Riley, Edward Charles	Cook (N.S.W.)
Riordan, David	Kennedy (Q.)
Rosevear, John Solomon	Dalley (N.S.W.)
Scholfield, Thomas Hallett, M.C., M.M.	Wannon (V.)
Scullin, Right Hon. James Henry, P.C.	Yarra (V.)
Stacey, Fred Hurtle	Adelaide (S.A.)
Stewart, Frederick Harold	Parramatta (N.S.W.)
Thompson, 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, Hon. David	Newcastle (N.S.W.)
Watson, William	Fremantle (W.A.)
White, Thomas Walter, D.F.C., V.D.	Balaclava (V.)

THE COMMITTEES OF THE SESSION.

(SECOND PERIOD.)

JOINT.

HOUSE.—The President (Chairman), Mr. Speaker, the Chairman of Committees in the House of Representatives, Senator Brennan, Senator Carroll, Senator Daly, Senator Dunn, Senator O'Halloran, Senator Thompson, Mr. Gardner, Mr. Hunter, Mr. James, Mr. Martens, and Mr. Price.

LIBRARY.—Mr. Speaker (Chairman), the President, Senator Sir Hal Colebatch, Senator Daly, Senator Dooley, Senator Elliott, Senator Millen, Senator Sampson, Mr. Abbott, Mr. Hughes, Dr. Maloney, Mr. Nairn, Mr. Rosevear, and Mr. White.

PRINTING.—Senator Cooper, Senator J. B. Hayes, Senator Herbert Hays, Senator Hoare, Senator Lynch, Senator Rae, Senator Thompson, Mr. Gander, Mr. A. Green, Mr. E. F. Harrison, Mr. McBride, Mr. McNicoll, Mr. Stewart, and Mr. Thompson.

SELECT COMMITTEE ON PUBLIC ACCOUNTS.—Senator J. B. Hayes (Chairman), Senator Hoare, Senator O'Halloran, Mr. Gardner, Mr. R. Green, and Mr. Guy. Appointed 11th March, 1932; reported 20th May, 1930.

SENATE.

DISPUTED RETURNS AND QUALIFICATIONS.—Senator Dooley, Senator Elliott, Senator Guthrie, Senator Hoare, Senator O'Halloran, Senator Payne, and Senator Thompson.

REGULATIONS AND ORDINANCES COMMITTEE.—Senator Sir Hal Colebatch (Chairman), Senator Barnes, Senator Brennan, Senator Dooley, Senator Duncan-Hughes, Senator Elliott, and Senator Rae.

STANDING ORDERS.—The President (Chairman), the Chairman of Committees, Senator Cooper, Senator Crawford, Senator Dooley, Senator Herbert Hays, Senator McLachlan, Senator O'Halloran, and Senator Rae.

HOUSE OF REPRESENTATIVES.

STANDING ORDERS.—Mr. Speaker (Chairman), the Prime Minister, the Chairman of Committees, the Leader of the Opposition, Sir Littleton Groom, Mr. Makin, and Dr. Earle Page.

THE ACTS OF THE SESSION.

(SECOND PERIOD.)

ACTS INTERPRETATION ACT (No. 24 of 1932)—

An Act to amend the *Acts Interpretation Act* 1901-1930 and the *Acts Interpretation Act* 1904-1930.

AUSTRALIAN BROADCASTING COMMISSION ACT (No. 14 of 1932)—

An Act relating to Broadcasting.

BANKRUPTCY ACT (No. 31 of 1932)—

An Act to amend the *Bankruptcy Act* 1924-1930.

COMMONWEALTH BANK ACT (No. 16 of 1932)—

An Act to amend the *Commonwealth Bank Act* 1911-1931.

COMMONWEALTH INSCRIBED STOCK ACT (No. 25 of 1932)—

An Act to amend the *Commonwealth Inscribed Stock Act* 1911-1927.

COTTON INDUSTRIES BOUNTY ACT (No. 17 of 1932)—

An Act to amend the *Cotton Industries Bounty Act* 1930.

CRIMES ACT (No. 30 of 1932)—

An Act to amend the *Crimes Act* 1914-1928.

EMERGENCY LEGISLATION SUSPENSION ACT (No. 13 of 1932)—

An Act relating to the temporary suspension of the *Financial Agreements Enforcement Acts* 1932 and the *Financial Emergency (State Legislation) Act* 1932, and for other purposes.

FINANCIAL AGREEMENTS ENFORCEMENT ACT (No. 2) (No. 7 of 1932)—

An Act to amend the *Financial Agreements Enforcement Act* 1932.

FINANCIAL AGREEMENTS ENFORCEMENT ACT (No. 3) (No. 8 of 1932)—

An Act to amend the *Financial Agreements Enforcement Acts* 1932.

FINANCIAL AGREEMENTS ENFORCEMENT ACT (No. 4) (No. 10 of 1930)—

An Act to amend the *Financial Agreements Enforcement Acts* 1932.

FINANCIAL EMERGENCY (STATE LEGISLATION) ACT (No. 11 of 1932)—

An Act for the peace, order and good government of the Commonwealth with respect to Taxation, Insurance, Banking, Foreign Corporations and Trading or Financial Corporations formed within the limits of the Commonwealth, and other matters.

FORESTRY BUREAU ACT (No. 27 of 1932)—

An Act to amend the *Forestry Bureau Act* 1930.

IMMIGRATION ACT (No. 26 of 1932)—

An Act to amend the *Immigration Act* 1901-1930.

INSURANCE ACT (No. 2) (No. 29 of 1932)—

An Act to amend the *Insurance Act* 1932.

INVALID AND OLD-AGE PENSIONS APPROPRIATION ACT (No. 20 of 1932)—

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

LOAN (UNEMPLOYMENT RELIEF WORKS) ACT (No. 9 of 1932)—

An Act to authorize the Raising and Expending of a certain sum of money for the purposes of Financial Assistance to the States in the provision of Relief to persons out of Employment.

LOAN (UNEMPLOYMENT RELIEF WORKS) ACT (No. 2) (No. 23 of 1932)—

An Act to amend the *Loan (Unemployment Relief Works) Act* 1932.

QUEENSLAND MEAT INSPECTION AGREEMENT ACT (No. 15 of 1932)—

An Act to approve an Agreement entered into between the Commonwealth and the State of Queensland with respect to the inspection of meat at the Abattoir of the Queensland Meat Industry Board.

SOLAR OBSERVATORY FUND ACT (No. 28 of 1932)—

An Act to amend the *Solar Observatory Fund Act* 1930-1931.

SPIRITS ACT (No. 12 of 1932)—

An Act to amend the *Spirits Act* 1906-1923.

SUPPLEMENTARY APPROPRIATION ACT 1930-31 (No. 21 of 1932)—

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-one.

SUPPLEMENTARY APPROPRIATION (WORKS AND BUILDINGS) ACT 1930-31 (No. 22 of 1932)—

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-one for the purposes of Additions, New Works, Buildings, &c.

SUPPLY ACT (No. 1) 1932-33 (No. 18 of 1932)—

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 thirty-three.

WAR PENSIONS APPROPRIATION ACT (No. 19 of 1932)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for War Pensions.

BILLS OF THE SESSION.

(SECOND PERIOD.)

COMMONWEALTH CONCILIATION AND ARBITRATION BILL.
CUSTOMS BILL.
COMMONWEALTH PUBLIC SERVICE BILL.

CONTENTS

FRIDAY, 29 APRIL 1932

CHAMBER

Northern Territory	
Free Steamer Passages for Unemployed.....	124
Paper	124
Duties On Petrol And Oil.....	124
Question	
BRITISH BUDGET	124
Public Service Bill	
Second Reading.....	124
Immigration Bill.....	126
Spirits Bill.....	127
Customs Bill	
Second Reading.....	128
Special Adjournment.....	130
Adjournment	131

Senate.

Friday, 29 April, 1932.

The President (Senator the Hon. W. Kingsmill) took the chair at 11 a.m., and read prayers.

NORTHERN TERRITORY.

FREE STEAMER PASSAGES FOR UNEMPLOYED.

Senator Sir GEORGE PEARCE.—On the 28th April, Senator E. B. Johnston asked, *inter alia*, the following question, *upon notice* :—

How many unemployed persons have been given free passages by sea from the Northern Territory to each of the Australian States during each of the past three years, and this year?

The answer to the honorable senator's question is as follows :—

—	Queensland.	New South Wales.	Victoria.	Western Australia.
1929.. ..	5	10	4	13
1930.. ..	12	7	23	15
1931.. ..	30	16	11	29
Current year to date	18	16	32	39

PAPER.

The following paper was presented :—

Northern Territory—Report by the Administrator on the Administration for the year ended 30th June, 1931.

DUTIES ON PETROL AND OIL.

Senator GREENE.—Information is being obtained for Senator E. B. Johnston, with regard to the revenue received from duties on petrol and oil, and the amounts paid to each State under the roads agreement during 1931.

BRITISH BUDGET.

SUGAR DUTIES.

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

1. Has he seen a statement in the press to the effect that Mr. J. A. Parkinson moved in the House of Commons to amend the budget,

resolution on sugar to extend preference to the dominions as well as colonies, and that Sir William Ormsby-Gore, the Commissioner for Works, said that the reason why the dominions had not received the same preference as the colonies was that the House of Commons was directly responsible to workers in the colonies, while Australia and South Africa had large protected home markets; Australia, in addition, had a subsidy?

2. Will the Government advise Sir William Ormsby-Gore that no subsidy is paid in Australia for the production of sugar?

3. What is the present position of negotiations between the Attorney-General (Mr. Latham), and Mr. Thomas, of the Imperial Government, relating to preference to the colonies as against the dominions?

Senator Sir GEORGE PEARCE.—The Prime Minister supplied the following answers to the honorable senator's questions :—

1. Yes.

2. Care will be taken to see that all aspects of the case for equality of preference, so far as Australia is concerned, are presented, and possibilities of misapprehension avoided.

3. The negotiations in question are still in progress, and the Government is awaiting further information from the Attorney-General.

PUBLIC SERVICE BILL.

SECOND READING.

Senator Sir GEORGE PEARCE (Western Australia—Minister for Defence) [11.5].—I move—

That the bill be now read a second time.

Circumstances have arisen in the Public Service which make desirable an amendment of the Public Service Act. As honorable senators are aware, one result of the present depression has been the contraction of departmental activities because of the urgent need for economy. A re-organization of certain departments, and the restriction, and in some cases, the abandonment of, a number of activities, have made, or will make, a number of officers in excess of requirements. As a consequence, the abolition of certain positions which have been occupied by officers of senior status, many of whom have special qualifications and long service, will be necessary.

Under the existing provisions of the Public Service Act the powers of the Public Service Board, in dealing with such officers, are limited to transferring them to a vacant office of equal or lower classification than that of their old office,

if such is available. If no such office is vacant, the only present alternative is retirement from the Service.

The Public Service Board suggests that wider powers should be given, to permit of a redistribution of officers in these circumstances, so that if retirements should be found to be necessary they could be effected from the ranks of junior officers, who have not the same claim for consideration as to length of service and usefulness, and upon whom the loss of employment would not fall with the same severity. The proposal, in effect, is the introduction, where necessary, of a policy of regression, under which senior and efficient officers will displace officers of a lower grade who, in turn, will displace officers in still lower positions until the point is reached at which the services of some officers must necessarily be terminated. In this process of regression the salaries of all officers would be reduced in accordance with the duties which they were called upon to perform in the new position.

Examples of the situation which the proposal is designed to meet will be found in the Department of Health, and in the re-organization following the creation of the Department of the Interior, which involved the abolition of the departments of Home Affairs, Works and Transport. The Government's decision to abandon certain lines on which the Department of Health has been functioning means the abolition of a number of senior positions, the occupants of which are being placed in lower positions in the department. The ultimate action will be the retirement of younger medical officers, who have had comparatively short public service, and upon whom the obligation to take up a career outside will not impose the hardships that would be attendant upon the dismissal of senior officers, the greater part of whose working life has been spent in the service of the department.

The position which has arisen in the Health Department is practically a repetition of what has happened in the other departments to which I have referred. The amendment of the act now proposed will enable the Public Service Board to take action along the lines I have indicated.

With a view to eliminating all unjustifiable expenditure the Government has given careful attention to payment for duty on prescribed public holidays. Under existing conditions an officer required to be in attendance on a public holiday is granted an amount equal to a day's pay if a full day's attendance is necessary, and a proportionate amount if less than a full day's attendance is involved, provided, however, that no proportionate payment shall be less than one half-day's salary. It is, of course, right that an officer of the Public Service should be paid for attendance and services rendered, but it seems rather extraordinary that no matter how short may be the period of attendance on a public holiday, under the act as it stands, he must be paid not less than one-half day's salary. In many cases holiday duty entails attendance for not more than an hour, and sometimes less than that. Many honorable senators are aware of what happens in country districts. A postal official may be required to attend at the office to receive the mail on a public holiday. As he does not distribute letters or transact any postal business he may be occupied for not more than half an hour. Yet, under the Public Service Act, he must be paid a half day's salary for his attendance.

This bill proposes to amend the act so that in such cases payment need not exceed one-quarter day's pay. Of course, if an officer works more than one-quarter of a day he will receive proportionately higher payment. It is estimated that this alteration will effect a saving of at least £2,500 per annum, and the Government feels that, at a time like this, every action to keep down departmental expenditure is fully justified.

Honorable senators may recall that when the Bruce-Page Administration introduced a bill dealing with the Public Service I directed attention to the expenditure then being incurred for extraneous payments. On that occasion I quoted some extraordinary figures, to which I may again refer. In 1928-29 the extraneous payments for travelling allowances, overtime, Sunday duty, higher duties allowances, travelling time, &c., amounted to £573,439. Following instructions issued by the Government,

and continued by the Scullin Government and the present Administration, there has been a steady decline in the total payments made, and application is being made to the Public Service Arbitrator to make further possible reductions by altering the conditions under which such payments are made.

Senator SAMPSON.—What was the total amount last year?

Senator Sir GEORGE PEARCE.—In 1929-30 the total payments had fallen to £470,429, and in 1930-31, to £314,076. I am informed that there will be a still further reduction for the current year. On page 14 of the report of the Public Service Commissioner honorable senators will find the details of all such payments. Travelling allowances in 1928-29 cost the Government £162,551, as compared with £99,967 in 1930-31. In 1928-29 the payments on account of overtime amounted to £91,957, but in 1930-31 they had fallen to £19,499. Higher duties allowance in 1928-29 amounted to £92,971, and in 1930 to £36,163. Sunday duty pay in 1929 cost £97,348, and in 1930-31, £57,716; while holiday pay in 1928-29 cost £46,976, and in 1930-31, £37,896. These figures show that there has not been the same proportionate reduction in holiday and Sunday pay as in other extraneous expenditure. This, I understand, is due to the provision in the Public Service Act governing such payments. While, as the result of closer supervision, a good deal of overtime, travelling allowance, and other payments may be reduced, that method is not suited to dealing with holiday and Sunday pay, which must be covered by an amendment of the act.

Debate (on motion by Senator BARNES) adjourned.

IMMIGRATION BILL.

SECOND READING.

Senator Sir GEORGE PEARCE (Western Australia—Minister for Defence) [11.16].—I move—

That the bill be now read a second time.

The principal object of this measure is to extend, within reasonable limits, the powers of the Commonwealth Government to deport from Australia undesirable immigrants.

At a time like the present, when we have more than enough trouble of our own, and heavy financial burdens in connexion with the upkeep of hospitals, charitable institutions, and incidentally gaols, we should not have to carry those burdens which rightly belong to other countries, but should arm ourselves with the necessary power to keep out of Australia those who have proved themselves a burden in their own country and are likely to become a burden if permitted to enter Australia. If persons who have been admitted to this country subsequently resort to disloyal, seditious or criminal actions, the Government should have the power to send them back to the countries from which they came.

Senator BARNES.—Have we not that power now?

Senator Sir GEORGE PEARCE.—We have it in a very limited form. Let me give one illustration of our limitations. With regard to persons who entered the Commonwealth illegally since the commencement of the Immigration Restriction Act of 1901, the Government is not limited as to the time within which action can be taken to deport them if circumstances arise which make such a course desirable; but in the case of those who were permitted to land and subsequently became a burden on the community or otherwise proved undesirable, it was necessary to take action against them within three years after their arrival, or that there should be evidence that within that period they had become inmates of public institutions or had been convicted of a crime punishable by imprisonment for one year or longer. There was an exception in respect of aliens convicted of crimes of violence against the person. In such cases there was no time limit within which to take action to deport.

It is proposed in the bill that the three-year period referred to shall be extended to five years. This period will conform to the period mentioned in similar provisions in the United States of America and Canadian immigration laws. It is the usual period reckoned in various countries as qualifying for naturalization or domicile. It is therefore reasonable that it should be regarded as a period of probation for immigrants who wish to settle in this

country, and that if they prove to be undesirable immigrants there should be ready means to send them back to the place whence they came.

Another important proposed amendment is that any aliens who, on demand by an officer, fail to satisfy him that they are holders of landing permits, or that their admission into Australia has been authorized by the Minister, may be prevented from landing.

It may be explained that no drastic change is contemplated in regard to the policy of restricting alien immigration which has been in operation for the past year or two. There can be no question as to the need for regulating alien immigration, in view of the existing economic conditions and extensive unemployment. It is quite apparent, also, that for some years to come it will be necessary to exercise very careful control of such immigration. Experience has shown that the best method of control is to require any alien who wishes to settle here to obtain a permit to enter Australia. This affords the Minister an opportunity to see whether authority might be safely given without the migrants proving competitors in the labour market to the detriment of local unemployed. As a rule, the practice is to grant authority only in the case of very close relatives, such as wives and dependent children, of persons already settled here; but due consideration is given to cases where there are special features, such as in the case of an intending settler who can bring a substantial amount of capital to start farming or some useful business on his own account, and thus afford opportunities for the employment of local labour.

At present, if an alien comes along who is not eligible for admission under the present conditions, it is necessary to subject him to a dictation test in some language with which he is not acquainted, before he can be formally restricted. This course is not altogether desirable, especially when the person tested is of white European race and able to speak several languages. The requirement of a permit to land is much simpler, and quite reasonable.

It is not intended that any difficulties shall be placed in the way of the tem-

porary admission of bona fide tourists and commercial visitors who may desire to come to Australia. The officers carrying out the administration of the act have been fully instructed in regard to granting the necessary facilities for landing in such cases, and also in regard to exercising the utmost discretion in the case of persons of superior standing whose visit the Commonwealth would in the ordinary course be desirous of encouraging. The main principle which has been, and will be, followed is the prevention of the influx of alien immigrants who are likely to affect adversely the labour market or to become a charge on public funds. Honorable senators may rest assured that the Government's one desire is to control alien immigration in such a manner as to obtain the best results in the interests of the whole community, particularly during the present serious industrial depression.

There are other amendments which are designed to improve the machinery of the act, and which will be fully explained when the bill reaches the committee stage.

The general purport of the amendments, other than that relating to alien immigration, is to tighten up the provisions that enable us to deal with undesirable persons in the Commonwealth. These provisions, in conjunction with those that will be embodied in another measure that is to come forward next week, will, we consider, afford the Commonwealth better protection against certain undesirable features in the body politic, which have been asserting themselves only too plainly within the last few months.

Debate (on motion by Senator BARNES) adjourned.

SPIRITS BILL.

SECOND READING.

Senator GREENE (New South Wales—Assistant Minister) [11.24].—I move—

That the bill be now read a second time.

This is a simple measure, dealing with only two points; first, the period of maturity of whisky; and, secondly, an alteration of the law relating to methylated spirits. Under the existing Excise Tariff, Australian whisky must be matured by storage in wood for a period of not less than two years to entitle it to

the rate of excise duty applicable to whisky. If not so matured, it would be delivered only on payment of the higher rate applicable to spirits *n.e.i.*

In the excise tariff resolutions of the 25th February last, however, provision is made for the period of two years to be increased to three years as from the 1st October, 1933. It is necessary, therefore, to bring the Spirits Act, which provides for two years only, into line with the Excise Tariff; otherwise, the governing statute would be inconsistent with the Excise Tariff.

The production of whisky in Australia has now grown to large proportions, and it is essential and desirable that every precaution should be taken to ensure the production of an article of the highest quality and purity. In this connexion the period of maturity is a most important factor. Scotch whiskies may be regarded as the standard of quality, and it is interesting to note that the law of the United Kingdom requires a maturity period of three years. If we are to attain to the standard of excellence of Scotch whiskies it would seem that we must first provide for a sufficient period of maturity. The Spirits Act is the basic authority governing the maturity period for spirits; therefore, the change in regard to whisky needs to be incorporated in that act. It should, of course, apply to imported whisky as well as to Australian, and the amendment makes that provision. Notice of the change is necessary in order to avoid hardship to Australian distillers, and to give them time to accommodate themselves to the new conditions. As the Excise Tariff Resolution of the 25th February last adopted the 1st October, 1933, as the date upon which the alteration should become effective, it has been thought desirable to stipulate that period in the governing act.

Under section 14 of the Spirits Act 1906-1923 it is provided that there shall be four classes of methylated spirits, one of which is "Spirits for special manufactures." This class is designed to cover specially methylated spirits which are required for various particular purposes, mostly manufacturing, for which ordinary methylated spirits are unsuitable, either because of the denaturant used or from some other cause. In each case the Customs Department approves of a method

Senator Greene.

of methylation of the spirits which will meet the circumstances. It has been found, however, that some uses for which specially methylated spirits are required cannot be regarded as strictly covered by the word "manufactures." For example, public hospitals require a specially methylated spirit for external application to patients. Ordinary methylated spirits contain methylating ingredients that may act as irritants in such cases, and, to meet the circumstances, spirits which have been methylated by the addition of suitable substances are allowed to be used. Such a use cannot be regarded as a "manufacture," and it is, therefore, advisable that the wording of the class shall be more comprehensive, so that it will cover all requirements. The addition of the words "or special purposes", as provided in the bill, makes the clause read, "Spirits for special manufactures or special purposes," and this will remove the difficulty that has arisen.

Debate (on motion by Senator DOOLEY) adjourned.

CUSTOMS BILL.

SECOND READING.

Senator GREENE (New South Wales—Assistant Minister) [11.30].—I move—

That the bill be now read a second time.

This bill covers the same ground as a measure passed in another place in October last, but which was not dealt with in this chamber owing to the intervention of the election.

It includes, in addition, amendments to the sections which relate to the prohibition of imports and exports. At present these prohibitions may be imposed by proclamation. There has been a good deal of objection from time to time, both in the Senate and in another place, at the extraordinary power which this gives to the Government in office, more particularly when Parliament has no opportunity to review the proclamation other than by some special resolution, which the member concerned may have difficulty in getting it to consider. The amendment is designed to require prohibitions to be imposed by regulation, the object being to give Parliament an opportunity of disallowing prohibitions, which may be deemed to be undesirable or inadvisable. The amendments, as a whole, are of

minor importance; their object is to remove difficulties which have arisen from time to time in the practical working of the tariff. As in committee I shall be glad to supply any information asked for, it does not seem necessary at this stage to refer specifically to each amendment. I desire, however, to make mention of the two most important amendments. One of these is the alteration of section 151A of the principal act, which relates to the application of preferential duties to goods from the United Kingdom. Many difficulties have arisen from time to time in giving effect to the intention of Parliament with regard to preference to goods of British manufacture. Some of those difficulties have been caused by the actions of the British manufacturers themselves. It is the desire of the Government, and I believe also of Parliament, to give preferential treatment to goods which are, in fact, of British manufacture. There have been many instances of British manufacturers getting as much of the work of manufacture as possible done outside Britain, putting a British stamp upon the goods, and then claiming preferential treatment.

Senator PAYNE.—Is it the intention of the Government to give a real preference to genuine British goods?

Senator GREENE.—That intention runs through the tariff now.

Senator PAYNE.—It did at one time, but not now.

Senator GREENE.—If the honorable gentleman will turn to the tariff schedule he will find—I speak from memory—about 150 items and sub-items under which British goods enter this country absolutely free of duty, while similar goods made in other countries bear duties as high as 25 per cent. In all but about five of those items the lowest preference in favour of British goods is 15 per cent.

Senator PAYNE.—If a duty is prohibitive, how can it give any preference?

Senator GREENE.—In the cases which I have mentioned there is no duty at all on British goods.

Senator GRANT.—There is primage duty.

Senator PAYNE.—Some of the duties described as preferential are, in fact, prohibitive.

Senator GREENE.—In the case of those items in which it is obviously the intention to protect Australian manufactures it is not likely that any interference with the existing rates will be attempted.

Section 151A was added to the act in 1925 with the object of defining the lines on which goods would, or would not, be regarded as of United Kingdom origin for the purposes of preference. It has been obvious for some time that the section does not fully meet the situation. Its wording is too restrictive and rigid, and does not provide the elasticity necessary for its proper application. The result is that goods which should receive preference may be debarred from obtaining it. Manufacturers in the United Kingdom experience great difficulty in determining whether or not their goods are entitled to preferential rates on arrival in Australia, particularly if any part of the material used is foreign. A number of cases have occurred in which anomalies have arisen. For example, a battery made in England may be made entirely from British materials with the exception of Australian lead, which would form the major portion of the material used. Such a battery would be entitled to admission to Australia at preferential rates as wholly made in the United Kingdom. If, however, any other portion of the material used, such as the wooden partitions separating the plates, were foreign, the battery would not be wholly British, and the 75 per cent. clause would operate. The proposed amendments to the section will rectify that anomaly.

Another difficulty is the present necessity for the gazettal of materials which can be used as raw material for the purposes of preference. This procedure frequently causes considerable hardship to manufacturers in the United Kingdom, owing to the time which is likely to elapse before a particular material which is being used in the making of goods can be gazetted as a raw material. This situation can be largely avoided by permitting the use of crude raw materials generally, without gazettal, and limiting the requirement of gazettal to raw materials which have passed beyond the stage of primary production. Provision for this is embodied in the amended section.

A new feature introduced in the bill relates to goods of a class or kind not made in Australia which are admitted at preferential rates when 25 per cent of their value consists of United Kingdom labour and material. It is proposed that, where the Minister is satisfied that it is desirable in respect of any particular goods or class of goods that 50 per cent. should be substituted for 25 per cent., he may determine accordingly. The reason for this addition to the section is that, in respect of certain goods, some manufacturers limit the value of the United Kingdom labour and material to a minimum to qualify for preference. This operates to the disadvantage of other competing manufacturers who genuinely comply with the spirit of preference. To overcome this situation it is considered that the percentage should be increased in suitable cases.

Special provision is also made in the bill in regard to British cinematograph films. In certain cases United Kingdom producers of films have had difficulty in qualifying for the admission of their films under the preferential tariff. For example, a film may, owing to the location of the story, need to be photographed outside the United Kingdom, thus technically disqualifying it for admission at preferential rates, although in other respects the whole of the production has been done in the United Kingdom by British subjects. Provision is therefore made for the admission as the manufacture of the United Kingdom of films, which, under British law, are registered as British films. This section, as amended in the various directions I have indicated, will, it is considered, facilitate its administration, and dispose of the difficulties which have been found to hinder the equitable application of the preferential duties. It will, in particular, result in the list of goods from the United Kingdom which may qualify for preference, being substantially expanded.

The second amendment I wish to mention concerns the method of imposing prohibitions on the importation or the exportation of goods. At present under section 52 of the act, the importation of any goods may be prohibited by proclamation. When a proclamation is issued, Parliament has no

Senator Greene.

opportunity of expressing its views as to the advisability or otherwise of the prohibition. Such an important action as the imposition of a prohibition should, it is considered, be subject to review by Parliament. If the method of prohibition were changed from proclamation to regulation, any such regulation would, in accordance with the requirements of section 10 of the Acts Interpretation Act 1904, be automatically laid before both Houses, and either House would be in a position to pass a resolution disallowing it. In order that the matter may be placed on a better basis, the bill embodies amendments to substitute "regulation" for "proclamation" as the means of prohibiting both imports and exports. So far as exports are concerned it may be well to mention that section 112 of the act provides that—"In time of war the Governor-General may by proclamation prohibit the exportation of any goods". That section also provides that any such proclamation has to be notified to each House of Parliament within seven days of its issue. That authority was added to the act in 1914, and as it applies only in the abnormal circumstance of war, it is proposed to allow the section to remain unchanged. I commend the bill to the Senate.

Debate (on motion by Senator DOOLEY) adjourned.

SPECIAL ADJOURNMENT.

Senator Sir **GEORGE PEARCE** (Western Australia—Minister for Defence) [11.45].—I move—

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

Honorable senators have already been informed that it is the intention of the Government to meet on Tuesday of next week. It is hoped that sufficient progress will be made to enable the sittings next week to terminate on Thursday instead of on Friday, and possibly to do the same during the following week. I understand that this arrangement will meet the convenience of honorable senators, as it will enable them to travel by the train which arrives at Canberra at 9.30 a.m. on Tuesday, instead of by that which reaches here at 12.30 p.m. on Wednesday.

Question resolved in the affirmative.

ADJOURNMENT.

SUGGESTED AMENDMENT OF SECTION 132
OF THE CUSTOMS ACT.

Motion (by Senator Sir GEORGE PEARCE) proposed—

That the House do now adjourn.

Senator GREENE (New South Wales—Assistant Minister) [11.46].—I understand that Senator Payne has raised the question of an amendment of section 132 of the Customs Act, which provides that all import duties shall be paid at the rate in force when the goods are entered for home consumption.

The contention is that this section operates unfairly between one State and another at times of tariff alteration. When a tariff increase is brought into operation it takes effect in all States at the same moment. At that moment an overseas vessel from which goods have already been discharged and duty paid at one or more ports, may be carrying similar goods to another port where, on arrival, the goods are liable to the increased rate of duty. Thus it may happen that an importer at, say, Sydney, receives goods at one rate of duty, while a Brisbane importer of similar goods brought by the same ship, pays a higher duty. The situation would be reversed if the ship called at Brisbane before Sydney. This is the feature which is objected to under the present section, and it has been urged that the section should be so altered as to remove this disability under which importers in one part of Australia may be placed in relation to importers in another part. The remedy suggested is for the section to be amended to provide that, as soon as an overseas vessel reports at the customs at its first port of call in the Commonwealth, the rates of duty leviable on that date shall be the legal rates for the whole of that vessel's cargo. The Government considers it inadvisable to alter the existing position. This is not because it does not admit the anomaly in question; but because, so far as can be seen, the remedy suggested would create features which would be more objectionable to the commercial community than those removed. Under the present practice all importers at any one port are on the same footing when duties

are altered. The suggested amendment would, however, alter this and one importer might be placed at a distinct advantage over another importer of similar goods at the same port. This would be due to the fact that at a time of tariff alteration the duty payable would be dependent on whether or not the goods arrived in a particular ship. For example, the goods on a boat arriving, say, at Sydney direct from overseas on the day on which a tariff alteration took effect, would be subject to the increased rate if the duty had been increased, whereas goods on a boat which had previously called at another port, would be admissible at the old and lower rate.

Senator PAYNE.—There is a complete answer to that.

Senator GREENE.—The duty on goods carried by a ship which arrived direct in Sydney to-day might have been raised at 4 o'clock yesterday, while similar goods carried by a vessel which called first at, say, Fremantle and discharged a further portion of its cargo at Brisbane, would be admitted at a lower rate of duty.

Senator REID.—That does not often happen.

Senator GREENE.—One would happen as often as the other. If it may be assumed that the average importer is far more likely to be concerned with the competition from other local importers than with the activities of importers in other parts of Australia handling the same goods, it is obvious that the commercial community would find more objection to the position which would be created if the suggested amendment were adopted than to that now existing. If, for example, the duty on certain goods is increased from to-day, and two importers in one city are clearing goods from the Customs to-day, it seems to be more important that those two importers should pay the same rate of duty than that one of them should be entitled to yesterday's lower rate merely because his goods arrived by a particular ship. From the point of view of Customs administration it can be readily seen also that the collection of duties at different rates according to the particular vessel by which the goods arrived would make matters very complicated. The contention that the present practice operates

unfairly between one State and another would be true if all vessels first reported in one particular State. But this is not so. A vessel may first report in any State and that State would then have the advantage in question. For example if a boat's first port of call is Sydney and she then goes on to Brisbane, New South Wales is favoured, but if the first port of call is Brisbane and the boat goes on to Sydney, Queensland has the advantage. On the other hand it is to be remembered that if a duty is reduced the advantage to the State at which the vessel first calls becomes a disadvantage. The whole matter has been given the fullest consideration, and it is considered that it is impracticable to find a course which would be entirely equitable to all concerned. So far as can be seen and bearing in mind the provision in the Constitution that "uniform duties of Customs shall be imposed" the present practice is regarded as the most suitable and involving the least anomaly.

Senator PAYNE (Tasmania) [11.52].

—I thank the Assistant Minister (Mr. Greene) for the courtesy of giving me an opportunity to study the department's objections to the amendment of the Customs Act in the direction I have suggested. I have listened attentively to what the Minister has said, and I shall carefully consider the objections to my proposal, which I am sure can be satisfactorily answered by those desirous of the act being amended in the direction suggested.

Question resolved in the affirmative.

Senate adjourned at 11.53 a.m.
