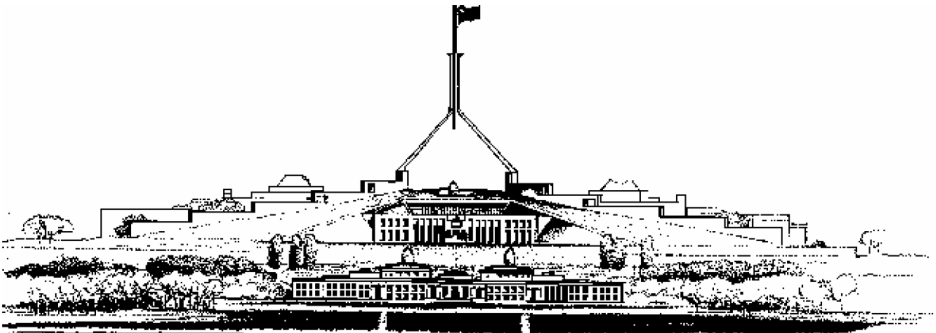




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



House of Representatives

Official Hansard

No. 39, 1909
Friday, 1 October 1909

THIRD PARLIAMENT
FOURTH SESSION

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

PARLIAMENT OF THE COMMONWEALTH.

GOVERNOR-GENERAL.

His Excellency the Right Honorable WILLIAM HUMBLE, EARL OF DUDLEY, P.C., Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Knight Grand Cross of the Royal Victorian Order, and Commander-in-Chief of the Commonwealth of Australia.

FISHER ADMINISTRATION.

(From 13th November, 1908, to 2nd June, 1909.)

Treasurer	...	...	The Honorable Andrew Fisher.
Attorney-General	...	...	The Honorable William Morris Hughes.
Minister of External Affairs	...	...	The Honorable Egerton Lee Batchelor.
Minister of Home Affairs	...	...	The Honorable Hugh Mahon.
Postmaster-General	...	...	The Honorable Josiah Thomas.
Minister of Defence	...	...	The Honorable George Foster Pearce.
Minister of Trade and Customs	...	...	The Honorable Frank Gwynne Tudor.
Vice-President of the Executive Council			The Honorable Gregor McGregor.
Honorary Minister	...	...	James Hutchison, Esquire.

DEAKIN ADMINISTRATION.

(From 2nd June, 1909.)

Prime Minister (without portfolio)	...	...	The Honorable Alfred Deakin.
Minister of Defence	...	...	The Honorable Joseph Cook
Treasurer	...	...	The Right Honorable Sir John Forrest, P.C., G.C.M.G.
Minister of Trade and Customs	...	...	The Honorable Sir Robert Wallace Best, K.C.M.G.
Minister of External Affairs	...	...	The Honorable Littleton Ernest Groom.
Attorney-General	...	...	The Honorable Patrick McMahon Glynn.
Postmaster-General	...	...	The Honorable Sir John Quick.
Minister of Home Affairs	...	...	The Honorable George Warburton Fuller.
Vice-President of the Executive Council			The Honorable Edward Davis Millen.
Honorary Minister	..	...	Colonel the Honorable Justin Fox Greenlaw Foxton, C.M.G.

MEMBERS OF THE SENATE.

THIRD PARLIAMENT.—FOURTH SESSION.

President—Lieut.-Colonel the Honorable Sir Albert John Gould, V.D.

Chairman of Committees—The Honorable Henry Dobson.

Best, Hon. Sir Robert Wallace, K.C.M.G. ...	Victoria.
Cameron, Lieut.-Colonel the Hon. Cyril St. Clair ...	Tasmania.
Chataway, Thomas Drinkwater ...	Queensland.
Clemons, Hon. John Singleton ...	Tasmania.
Croft, John William ...	Western Australia.
de Largie, Hon. Hugh ...	Western Australia.
⁵ Dobson, Hon. Henry ...	Tasmania.
Findley, Edward ...	Victoria.
¹ Fraser, Hon. Simon ...	Victoria.
Givens, Thomas ...	Queensland.
Gould, Lieut.-Colonel, the Hon. Sir Albert John, V.D. ...	New South Wales.
Gray, John Proctor ...	New South Wales.
Guthrie, Robert Storrie ...	South Australia.
Henderson, George ...	Western Australia.
Keating, Hon. John Henry ...	Tasmania.
Lynch, Patrick Joseph ...	Western Australia.
Macfarlane, Hon. James ...	Tasmania.
⁴ McColl, Hon. James Hiers ...	Victoria.
McGregor, Hon. Gregor ...	South Australia.
Millen, Hon. Edward Davis ...	New South Wales.
Mulcahy, Hon. Edward ...	Tasmania.
Needham, Edward ...	Western Australia.
⁴ Neild, Colonel, the Hon. John Cash ...	New South Wales.
² Pearce, Hon. George Foster ...	Western Australia.
Pulsford, Edward ...	New South Wales.
Russell, Edward John ...	Victoria.
Russell, William ...	South Australia.
St. Ledger, Anthony James Joseph ...	Queensland.
Sayers, Robert John ...	Queensland.
Stewart, Hon. James Charles ...	Queensland.
Story, William Harrison ...	South Australia.
Symon, Hon. Sir Josiah Henry, K.C.M.G., K.C. ...	South Australia.
Trenwith, Hon. William Arthur ...	Victoria.
⁶ Turley, Henry ...	Queensland.
³ Vardon, Joseph ...	South Australia.
Walker, Hon. James Thomas ...	New South Wales.

¹ Sworn 21st February, 1907.

² Elected Chairman of Committees, 21st February, 1907. Resigned 13th November, 1908.

³ Election declared void, 31st May, 1907. Elected 15th February, 1908. Sworn 17th March, 1908.

⁴ Appointed Temporary Chairman of Committees, 5th July, 1907. Re-appointed 17th September, 1908; 27th May 1909.

⁵ Elected Chairman of Committees, 25th November, 1908.

⁶ Appointed Temporary Chairman of Committees, 27th May, 1909.

THIRD PARLIAMENT.—FOURTH SESSION—*continued.*

McWilliams, William James	...	...	...	Franklin. (T.)
O'Malley, Hon. King	...	...	...	Darwin (T.)
Page, Hon. James	...	...	...	Maranoa. (Q.)
Palmer, Albert Clayton	...	...	...	Echuca. (V.)
¹ Poynton, Hon. Alexander	...	...	...	Grey. (S.A.)
Quick, Hon. Sir John	...	...	...	Bendigo. (V.)
Reid, Right Hon. Sir George Houstoun, P.C., K.C., K.C.M.G.	...	...	...	East Sydney. (N.S.W.)
Roberts, Ernest Alfred	...	...	...	Adelaide. (S.A.)
² Salmon, Hon. Charles Carty	...	...	...	Laanecoorie. (V.)
Sampson, Sydney	...	...	...	Wimmera. (V.)
Sinclair, Hugh	...	...	...	Moreton. (Q.)
Smith, Hon. Bruce, K.C.	...	...	...	Parkes. (N.S.W.)
Spence, Hon. William Guthrie	...	...	...	Darling. (N.S.W.)
Storrer, David	...	...	...	Bass. (T)
Thomas, Hon. Josiah	...	...	...	Barrier. (N.S.W.)
Thomson, Hon. Dugald	...	...	...	North Sydney. (N.S.W.)
Thomson, John	...	...	...	Cowper. (N.S.W.)
Tudor, Hon. Frank Gwynne	...	...	...	Yarra. (V.)
Watkins, Hon. David	...	...	...	Newcastle. (N.S.W.)
Watson, Hon. John Christian	...	...	...	South Sydney. (N.S.W.)
Webster, William	...	...	...	Gwydir. (N.S.W.)
Wilks, Hon. William Henry	...	...	...	Dalley. (N.S.W.)
Willis, Hon. Henry	...	...	...	Robertson. (N.S.W.)
Wilson, John Grattan	...	...	...	Corangamite. (V.)
Wise, George Henry	...	...	...	Gippsland. (V.)
Wynne, Hon. Agar	...	...	...	Balaclava. (V.)

HEADS OF DEPARTMENTS.

Senate.—C. B. Boydell.

House of Representatives.—C. G. Duffy, C.M.G.

Parliamentary Reporting Staff.—B. H. Friend.

Library.—A. Wadsworth.

Joint House Committee.—G. H. Monahan.

¹ Re-appointed Temporary Chairman of Committees, 23rd June, 1909.

² Re-appointed Temporary Chairman of Committees, 23rd June, 1909. Elected Speaker, 28th July, 1909.

MEMBERS OF THE HOUSE OF REPRESENTATIVES

THIRD PARLIAMENT.—FOURTH SESSION.

Speaker.—The Honorable Sir Frederick William Holder, K.C.M.G., *succeeded by* The Honorable Charles Carty Salmon.

Chairman of Committees—The Honorable Charles McDonald.

Archer, Edward Walker	...	...	...	Capricornia. (Q.)
Atkinson, Llewelyn	...	...	...	Wilmot. (T.)
Bamford, Hon. Frederick William	...	...	...	Herbert. (Q.)
Batchelor, Hon. Egerton Lee	...	...	...	Boothby. (S.A.)
Bowden, Eric Kendall	...	...	...	Nepean. (N.S.W.)
Brown, Joseph Tilley	...	...	...	Indi. (V.)
Brown, Hon. Thomas	...	...	...	Calare. (N.S.W.)
Carr, Ernest Shoobridge	...	...	...	Macquaria. (N.S.W.)
Catts, James Howard	...	...	...	Cook. (N.S.W.)
Chanter, Hon. John Moore	...	...	...	Riverina. (N.S.W.)
Chapman, Hon. Austin	...	...	...	Eden-Monaro. (N.S.W.)
Cook, Hon. James Hume	...	...	...	Bourke. (V.)
Cook, Hon. Joseph	...	...	...	Parramatta. (N.S.W.)
Coon, Jabez	...	...	...	Batman. (V.)
⁵ Crouch, Hon. Richard Armstrong	...	...	...	Corio. (V.)
Deakin, Hon. Alfred	...	...	...	Ballarat. (V.)
Edwards, Hon. Richard	...	...	...	Oxley. (Q.)
Ewing, Hon. Sir Thomas Thomson, K.C.M.G.	...	...	...	Richmond. (N.S.W.)
Fairbairn, George	...	...	...	Fawkner. (V.)
Fisher, Hon. Andrew	...	...	...	Wide Bay. (Q.)
Forrest, Right Hon. Sir John, P.C., G.C.M.G.	...	...	...	Swan. (W.A.)
Foster, Francis James	...	...	...	New England. (N.S.W.)
⁶ Foster, Hon. Richard Witty	...	...	...	Wakefield. (S.A.)
² Fowler, Hon. James Mackinnon	...	...	...	Perth. (W.A.)
Foxton, Colonel the Hon. Justin Fox Greenlaw, C.M.G.	...	...	...	Brisbane. (Q.)
Frazer, Charles Edward	...	...	...	Kalgoorlie. (W.A.)
Fuller, Hon. George Warburton	...	...	...	Illawarra. (N.S.W.)
Fysh, Hon. Sir Philip Oakley, K.C.M.G.	...	...	...	Denison. (T.)
Glynn, Hon. Patrick McMahon	...	...	...	Angus. (S.A.)
Groom, Hon. Littleton Ernest	...	...	...	Darling Downs. (Q.)
Hall, David Robert	...	...	...	Werriwa. (N.S.W.)
Harper, Hon. Robert	...	...	...	Mernda. (V.)
Hedges, William Noah	...	...	...	Fremantle. (W.A.)
⁴ Holder, Hon. Sir Frederick William, K.C.M.G.	...	...	...	Wakefield. (S.A.)
Hughes, Hon. William Morris	...	...	...	West Sydney. (N.S.W.)
⁷ Hutchison, James	...	...	...	Hindmarsh. (S.A.)
Irvine, Hans William Henry	...	...	...	Grampians. (V.)
Irvine, Hon. William Hill, K.C.	...	...	...	Flinders. (V.)
³ Johnson, William Elliot	...	...	...	Lang. (N.S.W.)
Kelly, William Henry	...	...	...	Wentworth. (N.S.W.)
Knox, Hon. William	...	...	...	Kooyong. (V.)
Liddell, Frank	...	...	...	Hunter. (N.S.W.)
Livingston, John	...	...	...	Barker. (S.A.)
Lyne, Hon. Sir William John, K.C.M.G.	...	...	...	Hume. (N.S.W.)
Mahon, Hon. Hugh	...	...	...	Coolgardie. (W.A.)
Maloney, William	...	...	...	Melbourne. (V.)
Mathews, James	...	...	...	Melbourne Ports. (V.)
Mauger, Hon. Samuel	...	...	...	Maribyrnong. (V.)
¹ McDonald, Hon. Charles	...	...	...	Kennedy. (Q.)
McDougall, John Keith	...	...	...	Wannon. (V.)

¹ Elected Chairman of Committees 10th July, 1907.

² Re-appointed Temporary Chairman of Committees, 23rd June, 1909.

³ Appointed Temporary Chairman of Committees, 23rd June, 1909.

⁴ Held office as Speaker until his death. Decease reported, 27th July, 1909.

⁵ Appointed Temporary Chairman of Committees, 5th August, 1909.

⁶ Elected 25th August, 1909. Sworn 9th September, 1909.

⁷ Decease reported, 6th December, 1909.

COMMITTEES OF THE SESSION.

SENATE.

STANDING ORDERS COMMITTEE.—The President, the Chairman of Committees, Senator Sir R. W. Best, Senator Clemons, Senator Guthrie, Senator McGregor, Senator St. Ledger, Senator Sir J. H. Symon, Senator Trenwith.

LIBRARY COMMITTEE.—The President, Senator Chataway, Senator Keating, Senator Lynch, Senator Stewart, Senator Sir J. H. Symon, Senator Walker.

HOUSE COMMITTEE.—The President, Senator de Largie, Senator McColl, Senator McGregor, Senator Mulcahy, Senator Colonel Neild, Senator Turley.

PRINTING COMMITTEE.—Senator Croft, Senator Lieut.-Colonel Cameron, Senator Findley, Senator Givens, Senator Henderson, Senator Macfarlane, Senator Pulsford.

COMMITTEE OF DISPUTED RETURNS AND QUALIFICATIONS.—Senator Chataway, Senator de Largie, Senator Henderson, Senator Macfarlane, Senator Sir J. H. Symon, Senator Turley, Senator Walker.

PRESS CABLE SERVICE COMMITTEE.—Senator Chataway, Senator Dobson, Senator Findley, Senator Givens, Senator Guthrie, Senator Colonel Neild*, Senator Pearce, Senator Pulsford.

* Discharged from attendance, 18th November, 1909.

HOUSE OF REPRESENTATIVES.

STANDING ORDERS COMMITTEE.—Mr. Speaker, the Prime Minister, the Chairman of Committees, Mr. Joseph Cook, Mr. Groom, Mr. Watson, Dr. Wilson.

LIBRARY COMMITTEE.—Mr. Speaker, Mr. Glynn, Mr. Harper, Mr. W. H. Irvine, Mr. Knox, Mr. Sampson, Mr. Bruce Smith, Mr. Spence.

HOUSE COMMITTEE.—Mr. Speaker, Mr. Batchelor, Mr. Chanter, Mr. Fisher, Mr. Mahon, Mr. Mauger, Mr. Page, Mr. Dugald Thomson.

PRINTING COMMITTEE.—Mr. Edwards, Mr. Fowler, Mr. Hutchison*, Sir John Quick, Mr. Storrer, Mr. Watkins, Mr. Henry Willis.

* Deceased reported 6th December, 1909.

ACTS OF THE SESSION.

APPROPRIATION ACT (No. 12 of 1909)—

An Act to grant and apply a sum out of the Consolidated Revenue Fund to the service of the year ending the thirtieth day of June, One thousand nine hundred and ten, and to appropriate the Supplies granted for such year in this session of the Parliament. [Initiated in House of Representatives by Sir John Forrest, 7th December, 1909. Assented to 10th December, 1909.]

APPROPRIATION (WORKS AND BUILDINGS) ACT (No. 5 of 1909)—

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 ten, for the purposes of Additions, New Works, Buildings, &c. [Initiated in House of Representatives by Sir John Forrest, 27th August, 1909. Assented to 4th September, 1909.]

AUDIT ACT (No. 4 of 1909)—

An Act to amend the Audit Acts 1901–1906. [Initiated in House of Representatives by Sir John Forrest, 20th July, 1909. Assented to 20th August, 1909.]

AUSTRALIAN INDUSTRIES PRESERVATION ACT (No. 26 of 1909)—

An Act to amend the Australian Industries Preservation Acts 1906–7. [Initiated in Senate by Senator Best, 21st July, 1909. Assented to 13th December, 1909.]

BILLS OF EXCHANGE ACT (No. 27 of 1909)—

An Act relating to Bills of Exchange, Cheques, and Promissory Notes. [Initiated in Senate by Senator Keating, 5th July, 1907. Assented to 13th December, 1909.]

COINAGE ACT (No. 6 of 1909)—

An Act relating to Currency, Coinage, and Legal Tender. [Initiated in House of Representatives by Sir John Forrest, 20th July, 1909. Assented to 4th September, 1909.]

COMMONWEALTH CONCILIATION AND ARBITRATION ACT (No. 28 of 1909)—

An Act to amend the Commonwealth Conciliation and Arbitration Act 1904. [Initiated in Senate by Senator Needham, 24th September, 1908. Assented to 13th December, 1909.]

COMMONWEALTH PUBLIC SERVICE ACT (No. 25 of 1909)—

An Act relating to the salary of the Public Service Commissioner, Long Service Increments in the Fifth Class of the Clerical Division, and the Employment of Telegraph Messengers. [Initiated in the House of Representatives by Mr. Fuller, 26th November, 1909. Assented to 13th December, 1909.]

CONSTITUTION ALTERATION (FINANCE) ACT—

An Act to alter the provisions of the Constitution relating to Finance. [Initiated in House of Representatives by Mr. Deakin, 8th September, 1909. Awaiting referendum.]

CONSTITUTION ALTERATION (STATE DEBTS) ACT—

An Act to alter the provisions of the Constitution relating to the Public Debts of the States. [Initiated in House of Representatives by Mr. Deakin, 8th September, 1909. Awaiting referendum.]

DEFENCE ACT (No. 15 of 1909)—

An Act relating to Naval and Military Defence. [Initiated in House of Representatives by Mr. Joseph Cook, 4th August, 1909. Assented to 13th December, 1909.]

ELECTORAL ACT (No. 19 of 1909)—

An Act to amend the Law relating to Parliamentary Elections. [Initiated in Senate by Senator Millen, 3rd September, 1909. Assented to 13th December, 1909.]

HIGH COMMISSIONER ACT (No. 22 of 1909)—

An Act to provide for the office of High Commissioner of the Commonwealth in the United Kingdom. [Initiated in House of Representatives by Mr. Groom, 20th July, 1909. Assented to 13th December, 1909.]

INVALID AND OLD-AGE PENSIONS ACT (No. 1) (No. 3 of 1909)—

An Act to amend the Invalid and Old-Age Pensions Act 1908. [Initiated in House of Representatives by Sir John Forrest, 20th July, 1909. Assented to 13th August, 1909.]

INVALID AND OLD-AGE PENSIONS ACT (No. 2) (No. 21 of 1909)—

An Act to amend the definition of the word "Income" in the Invalid and Old-Age Pensions Act 1908. [Initiated in House of Representatives by Sir John Forrest, 25th November, 1909. Assented to 13th December, 1909.]

MARINE INSURANCE ACT (No. 11 of 1909)—

An Act relating to Marine Insurance. [Initiated in House of Representatives by Mr. Deakin, 16th September, 1908. Assented to 11th November, 1909.]

NAVAL LOAN ACT (No. 14 of 1909)—

An Act to authorize the raising and expending of the sum of Three million five hundred thousand pounds for the purposes of Naval Defence. [Initiated in House of Representatives by Sir John Forrest, 30th November, 1909. Assented to 13th December, 1909.]

OFFICERS' COMPENSATION ACT (No. 24 of 1909)—

An Act to provide for Compensation to be paid on Retirement or on Decease of certain Officers of the Commonwealth. [Initiated in House of Representatives by Sir John Forrest, 30th November, 1909. Assented to 13th December, 1909.]

OLD-AGE PENSIONS APPROPRIATION ACT (No. 2 of 1909)—

An Act to grant and apply out of the Consolidated Revenue Fund the sum of One million pounds for Invalid and Old-Age Pensions. [Initiated in House of Representatives by Sir John Forrest, 22nd July, 1909. Assented to 4th August, 1909.]

PATENTS ACT (No. 17 of 1909)—

An Act to amend the Patents Act 1903. [Initiated in Senate by Senator Sir Robert Best, 28th July, 1909. Assented to 13th December, 1909.]

REFERENDUM (CONSTITUTION ALTERATION) ACT (No. 20 of 1909)—

An Act to amend the Referendum (Constitution Alteration) Act 1906. [Initiated in Senate by Senator Millen, 7th October, 1909. Assented to 13th December, 1909.]

SEAMEN'S COMPENSATION ACT (No. 29 of 1909)—

An Act relating to Compensation to Seamen for injuries suffered in the course of their employment. [Initiated in Senate by Senator Millen, 21st July, 1909. Assented to 13th December, 1909.]

SEAT OF GOVERNMENT ACCEPTANCE ACT (No. 23 of 1909)—

An Act relating to the Acceptance of the Territory surrendered by the State of New South Wales for the seat of Government of the Commonwealth. [Initiated in Senate by Senator Millen, 7th October, 1909. Assented to 13th December, 1909.]

SUPPLEMENTARY APPROPRIATION ACT (No. 13 of 1909)—

An Act to appropriate a further sum for the service of the year ended the thirtieth day of June, One thousand nine hundred and eight. [Initiated in House of Representatives by Sir John Forrest, 8th December, 1909. Assented to 13th December, 1909.]

SUPPLEMENTARY APPROPRIATION (WORKS AND BUILDINGS) ACT (No. 16 of 1909)—

An Act to appropriate a further sum for the service of the year ended the thirtieth day of June, One thousand nine hundred and eight for purposes of Additions, New Works, Buildings, &c. [Initiated in House of Representatives, by Sir John Forrest, 8th December, 1909. Assented to 13th December, 1909.]

SUPPLY ACT (No. 1) (No. 1 of 1909)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and ten. [Initiated in House of Representatives by Sir John Forrest, 29th June, 1909. Assented to 4th July, 1909.]

SUPPLY ACT (No. 2) (No. 7 of 1909)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and ten. [Initiated in House of Representatives by Sir John Forrest, 14th September, 1909. Assented to 17th September, 1909.]

SUPPLY ACT (No. 3) (No. 8 of 1909)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and ten. [Initiated in House of Representatives by Sir John Forrest, 7th October, 1909. Assented to 9th October, 1909.]

SUPPLY ACT (No. 4) (No. 10 of 1909)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and ten. [Initiated in House of Representatives by Sir John Forrest, 5th November, 1909. Assented to 11th November, 1909.]

SURPLUS REVENUE ACT (No. 18 of 1909)—

An Act relating to the Surplus Revenue of the Commonwealth. [Initiated in House of Representatives by Sir John Forrest, 1st December, 1909. Assented to 13th December, 1909.]

TELEGRAPH ACT (No. 9 of 1909)—

An Act relating to Telegraphic Communication in Time of Emergency. [Initiated in House of Representatives by Sir John Quick, 20th July, 1909. Assented to 30th October, 1909.]

BILLS OF THE SESSION.

BUREAU OF AGRICULTURE BILL—

[Initiated in House of Representatives by Mr. Groom, 20th July, 1909. Order of the Day discharged 24th September, 1909.]

BUREAU OF AGRICULTURE BILL—

[Initiated in Senate by Senator Millen, 30th September, 1909 ; lapsed at prorogation.]

COMMONWEALTH PUBLIC SERVICE BILL—

[Initiated in Senate by Senator Colonel Neild, 28th October, 1909 ; lapsed at prorogation.]

CONCILIATION AND ARBITRATION BILL—

[Initiated in House of Representatives by Mr. Glynn, 30th July, 1909 ; lapsed at prorogation.]

COMMONWEALTH COMPANIES RESERVE LIABILITIES BILL—

[Initiated in Senate by Senator Walker, 17th September, 1908. Order of the Day discharged 29th September, 1909.]

CONSTITUTION ALTERATION (INDUSTRIAL CONDITIONS) BILL—

[Initiated in Senate by Senator Trenwith, 9th July, 1909 ; 2nd reading negatived, 4th November, 1909.]

CONSTITUTION ALTERATION (NATIONALIZATION OF MONOPOLIES) BILL—

[Initiated in Senate by Senator Pearce, 24th June, 1909 ; lapsed at prorogation.]

CUSTOMS TARIFF AMENDMENT BILL—

[Initiated in Senate by Senator Colonel Neild, 3rd September, 1909 ; lapsed at prorogation.]

CONSTITUTION ALTERATION (CREATION OF COURT OF CRIMINAL APPEALS) BILL—

[Initiated in Senate by Senator Colonel Neild, 15th September, 1909 ; lapsed at prorogation.]

ELECTORAL BILL—

[Initiated in House of Representatives by Mr. Fuller, 20th July, 1909 ; lapsed at prorogation.]

ELECTORAL BILL—

[Initiated in Senate by Senator Pulsford, 1st October, 1909 ; second reading negatived, 4th November, 1909.]

INVALID AND OLD-AGE PENSIONS BILL—

[Initiated in Senate by Senator Colonel Neild, 5th August, 1909 ; lapsed at prorogation.]

INTER-STATE COMMISSION BILL—

[Initiated in Senate by Senator Millen, 29th September, 1909 ; lapsed at prorogation.]

MARINE INSURANCE BILL—

[Initiated in Senate by Senator McGregor, 27th May, 1909 ; lapsed at prorogation.]

LEGITIMATION BILL—

[Initiated in House of Representatives by Dr. Maloney, 26th August 1909 ; lapsed at prorogation.]

LIGHTHOUSES BILL—

[Initiated in Senate by Senator Sir Robert Best, 21st July, 1909 ; lapsed at prorogation.]

LAND TAX ASSESSMENT BILL—

[Initiated in House of Representatives by Mr. Fisher, 26th May, 1909 ; lapsed at prorogation.]

NAVIGATION BILL—

[Initiated in Senate by Senator Best, 17th September, 1908 ; lapsed at prorogation.]

NORTHERN TERRITORY ACCEPTANCE BILL—

[Initiated in House of Representatives by Mr. Groom, 20th July, 1909 ; lapsed at prorogation.]

NORFOLK ISLAND BILL—

[Initiated in House of Representatives by Mr. Groom, 20th July, 1909 ; lapsed at prorogation.]

PARLIAMENTARY WITNESSES BILL—

[Initiated in Senate by Senator Keating, 11th July, 1907 ; lapsed at prorogation.]

POST AND TELEGRAPH BILL—

[Initiated in House of Representatives by Mr. Mauger, 12th August, 1909 ; lapsed at prorogation.]

POST AND TELEGRAPH BILL (Recording Machines)—

[Initiated in Senate by Senator Pearce, 8th December, 1908 ; lapsed at prorogation.]

PREFERENTIAL VOTING BILL—

[Initiated in Senate by Senator Millen, 18th November, 1909 ; lapsed at prorogation.]

SEAMEN'S COMPENSATION BILL—

[Initiated in Senate by Senator McGregor, 27th May, 1909 ; lapsed at prorogation.]

PARLIAMENT CONVENED.

THIRD PARLIAMENT—FOURTH SESSION.

Parliament was convened by the following Proclamation :—

(*Gazette No. 21, 1909.*)

PROCLAMATION

COMMONWEALTH OF
AUSTRALIA TO WIT.
DUDLEY,
Governor-General.

By His Excellency the Right Honorable WILLIAM HUMBLE, EARL of DUDLEY, a Member of His Majesty's Most Honorable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Knight Grand Cross of the Royal Victorian Order, Governor-General and Commander-in-Chief of the Commonwealth of Australia.

WHEREAS by the Commonwealth of Australia Constitution Act 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: And whereas on the fifth day of March, One thousand nine hundred and nine, the Parliament was prorogued until the fourteenth day of April, One thousand nine hundred and nine, and it is expedient to further prorogue the said Parliament: Now therefore I, WILLIAM HUMBLE, EARL OF DUDLEY, the Governor-General aforesaid, in exercise of the power conferred by the said Act, do by this my Proclamation further prorogue the said Parliament until Wednesday, the twenty-sixth day of May, One thousand nine hundred and nine, and I do appoint the said Wednesday, the twenty-sixth day of May, One thousand nine hundred and nine, as the day for the said Parliament to assemble and be holden for the despatch of business. And all Members of the Senate and of the House of Representatives respectively are hereby required to give their attendance accordingly, in the building known as the Houses of Parliament, situate in Spring-street, in the City of Melbourne, at half-past Two in the afternoon, on the said Wednesday, the twenty-sixth day of May, One thousand nine hundred and nine.

Given under my hand and the Seal of the Commonwealth of Australia aforesaid, this seventh day of April, in the year of our Lord One thousand nine hundred and nine, and in the ninth year of His Majesty's reign.

(L.S.)

By His Excellency's Command,

HUGH MAHON.

GOD SAVE THE KING! .

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CHAMBER

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House of Representatives.

Friday, 1 October, 1909.

Mr. SPEAKER took the chair at 10.30 a.m., and read prayers.

PERSONAL EXPLANATIONS.

FINANCIAL RELATIONS, COMMONWEALTH AND STATES.

Mr. HENRY WILLIS (Robertson) [10.31].—I wish to make a personal explanation. During his very interesting speech last evening, the honorable member for Fremantle referred to a statement made by me on the previous day regarding the proposed arrangement for future payments by the Commonwealth to the States, and contrasted it with what I said a year or two ago on the same subject. But in my earlier speech I was referring to the probable future expansion of the Commonwealth power, and the services which would have to be taken over. I said—

It does not necessarily follow that we should take over these large services at once.

Then come these words, which were quoted by the honorable member—

We cannot adjust the financial relations of the Commonwealth and States unless we take over these great services. Unless we obtain control of them we must return to the States at least £9,000,000 annually.

The honorable member for Fremantle has charged me with inconsistency, but the two speeches are quite consistent. In 1907-8, the States were receiving from the Commonwealth £8,856,905. That sum I wish to capitalize under a scheme which I put forward as better than that of the Government. He claims that I should support the Government scheme, but the quotation which he made does not prove that I was ever in favour of such an arrangement. I proposed to give to the States to the very fraction what the Government proposes to give to them, and to take from them, within a trifling amount, what would be taken from them under the Government scheme. But, instead of first giving them 25s. *per capita*, and then taking away that and 14s. 3d. to pay the interest on the public debt, I would treat them much more liberally. I would give the States as much as they would receive under the Government proposal, and was within the mark in saying that £9,000,000 would have to be returned to them on the basis

of the 1907-8 payment. The basis of the calculation on which the Government scheme rests is not sound, whereas my scheme has an actuarial foundation.

Mr. SPEAKER.—The honorable member must not discuss the Government scheme.

Mr. HENRY WILLIS.—I am merely mentioning facts which show that my speeches on this subject have not been inconsistent. I propose to give to each State what it is actually entitled to. It is because the Government scheme will not do so that I cannot support it. My scheme would provide funds for all time, whatever the expansion of the Commonwealth expenditure might be by reason of the taking over of new services, but under the Government proposal such expansion cannot be provided for.

Mr. KING O'MALLEY.—The honorable member's scheme is a good one.

Mr. HENRY WILLIS.—I fear, Mr. Speaker, that you may think that it was arranged between the honorable member for Fremantle and me that he should make the quotation to which I have referred, in order that I might have an opportunity this morning to again explain the merits of my scheme, but I assure you that, although we sit together, nothing of the kind has been done.

Mr. WISE (Gippsland) [10.37].—Unfortunately, I was temporarily absent last evening when the honorable member for Fremantle referred to something which I said in this House on a former occasion. He quoted from a speech delivered in 1907, to charge me with inconsistency. To understand the position, it must be remembered that my remarks were made in consequence of something said by the honorable member for Flinders who, in estimating what the revenue from Customs duties would be a few years ahead, referred to the States' debts. He said—

What we might fairly say is that the lower limit of the amount which we ought to hand back to the States is that which, to my mind, is impliedly prescribed by the Constitution. I refer to what is, I think, the basis of the constitutional proposals, and that is that we should burden ourselves with the whole of the interest of the States' debts as existing at the time of the establishment of the Commonwealth. I believe that to have been in the minds of most of those who framed our Constitution—

Mr. SPEAKER.—The honorable member is now dealing with the speech of another honorable member which is not in question. I ask him to confine himself to a personal explanation of such remarks of

his as he considers to have been misrepresented.

Mr. WISE.—I cannot do so without referring to the speech of the honorable member for Flinders.

Mr. SPEAKER.—The honorable member may refer to it incidentally, but may not quote from it at length. Were such quotations allowed, it would be possible, under cover of a personal explanation, to read the whole of the speech made by another honorable member.

Mr. WISE.—The report of the speech of the honorable member for Flinders covers several pages of *Hansard*, and I wish to read only about twenty lines of it. If I cannot do so now, I shall certainly take an opportunity to deal with the matter fully on the second reading of the Bill; but to clear myself now of the charge of inconsistency let me say that the honorable member for Flinders had stated that the idea in the minds of the members of the Convention was that the Commonwealth, in taking over the Customs and Excise revenue, should take with it the responsibility for the debts, and the interest on them, at the time of federating. He pointed out that, in his opinion, the revenue from Customs and Excise in two or three years' time would be £9,000,000, of which three-fourths would be about £6,750,000. As that would not be sufficient to pay interest on their debts, he proposed to give them another £500,000, or, in all, about £7,250,000. I said that I agreed with that proposal, but, since then we have relieved the States of expenditure on old-age pensions amounting to £1,500,000, which brings the amount down to less than £6,000,000. When speaking the other evening, I said that I had no objection to the proposal on the score of the amount that it was proposed to pay to the States, but that I was in favour of the Lyne-Deakin scheme, which was based on the Harper scheme, under which the States would have received, to begin with, £6,000,000. The honorable member for Mernda originally proposed to give them £6,500,000 a year. Under the scheme now before us they would get about £5,500,000 a year. In reply to an interjection, I said the other evening that I was in favour of the scheme which the honorable member for Mernda outlined in his speech on the Constitution Alteration (Finance) Bill. He proposed that the States should receive 25s. *per capita* until their population had increased to 7,200,000,

and the payments to £9,000,000, the amount of the interest on the State debts, as they exist at the present day. I found no fault with the proposal to pay, £5,500,000 to the States, and was, indeed, prepared to commence with a payment of £6,000,000 under the Lyne-Deakin scheme. The honorable member for Mernda showed that the payments under his scheme would increase to £9,000,000 in about the same length of time as they would increase to that sum under the Lyne-Deakin scheme—between thirty and thirty-five years. There was no inconsistency between my speech of 1907 and that of the other evening.

Mr. HEDGES (Fremantle) [10.42].—By way of personal explanation—

Mr. SPEAKER.—I hope that honorable members do not intend to, each day, redeliver speeches which they have recently made. The right of personal explanation is always afforded to honorable members who have been misrepresented, but *May* points out clearly that such explanations are against the forms and rules of the House, and an indulgence which should be only used on very important occasions. I hope that honorable members will not feel it incumbent on them, when a personal explanation has been made, and their names, perhaps only incidentally, mentioned, to make explanations on their own account. If the honorable member desires to explain something which he has said, and which has been misrepresented, I shall allow him to proceed, but I hope that this will not continue very much further.

Mr. HEDGES.—I wish to explain something which has been misrepresented. What I said last night has been misunderstood. The honorable member for Gippsland misunderstood the point which I took. It was contained in the quotation of these words—

Such an amount represents about £500,000 in excess of the three-fourths of the present Customs revenue.

POSTMASTER-GENERAL'S DEPARTMENT.

OVERSEA MAIL CONTRACT: STAY OF
VESSELS IN PORT—MOREE POST
OFFICE—CHARGE AGAINST A POSTAL
ASSISTANT.

Mr. FRAZER.—In regard to the suggested alteration of the time-table for the oversea mails, I wish to ask the Postmaster-General if, during the currency of

the present contract with the Orient Steam Navigation Company, complaint has been lodged with the Department that the time allowed under it for the stay of their steamers at Port Melbourne is insufficient to enable the necessary loading to take place?

Sir JOHN QUICK.—I am not aware of any such complaint having been made. Under the new contract the cool storage accommodation provided on the vessels of the company will be increased to 2,000 tons. The taking in of cargo to fill that largely increased space will, it is said, require additional time, and the vessels of the company will not be able to load in time to leave Adelaide as hitherto on Thursday. The company is therefore strongly urging the adoption of the new time-table, which will enable its vessels to leave Adelaide on Friday.

Mr. FRAZER.—I wish to ask the Postmaster-General whether the cool storage space now provided on the *Moldavia*, the *Morea*, and two or three other new steamers of the Peninsular and Oriental Steam Navigation Company is equal to that which has to be provided on the new vessels of the Orient Steam Navigation Company's service. If it is, will the honorable gentleman say whether a complaint has been made that the time allowed at present to fill that space at Port Melbourne is insufficient?

Sir JOHN QUICK.—I am not aware of the exact extent of the cool storage accommodation provided at present on the vessels of the Peninsular and Oriental Steam Navigation Company, but there is a material difference between the two. Another point which must not be overlooked is that the vessels of the Peninsular and Oriental Steam Navigation Company terminate their voyage at Sydney, whereas the Orient Company's vessels have to go on to Brisbane, and they cannot go there and back, and take in cargo at Port Melbourne, in the same time as do the vessels on the other line whose terminal port is Port Jackson.

Mr. THOMAS BROWN.—I desire to ask the Postmaster-General whether his attention has been drawn to the following telegram, appearing in this morning's issue of the *Age*, under the headings "Alleged Embezzlement"; "Postal official charged." "An overworked staff."

At the Moree Quarter Sessions to-day Stanley George Weber, assistant at the local post-office,

was charged with stealing £8, the property of the Commissioners of the Government Savings Bank. Accused pleaded not guilty. . . . The Crown Prosecutor described the condition of affairs at the Moree post-office at that time as chaotic and disgraceful. Further evidence showed that complaints were frequent about that time of the Moree post-office being undermanned and the staff overworked. The business was very heavy, and large sums of money passed through the hands of youths like defendant. In a written statement defendant attributed his failure to hand over the £8 to the rush of work at the counter, and the non-entry of the amount in the office book owing to the latter having been mislaid.

Acting Judge Dawson commented in strong terms on the Postal Department summoning defendant some time after the missing money had been handed in by the defendant. There was, he said, considerable doubt in the case, and therefore the jury could not convict. The jury acquitted defendant.

Is the Postmaster-General aware that the chaotic condition of affairs referred to is not peculiar to the Moree post-office, but obtains generally throughout the States, and will he take steps to remove, as speedily as possible, the cause of complaint as to the undermanning of the Department? Further, will he inquire into this case and ascertain why the prosecution was instituted in the circumstances to which the learned Judge referred?

Sir JOHN QUICK.—I gave no authority for the prosecution, which must, therefore, have been instituted by the Deputy Postmaster-General of New South Wales, acting on legal advice. Under his delegated power, he has a certain discretion.

Sir JOHN FORREST.—This was a prosecution in connexion with Savings Bank work.

Sir JOHN QUICK.—The Moree post-office transacts business in connexion with the Savings Bank.

Mr. THOMAS BROWN.—That is so.

Sir JOHN QUICK.—There has been some slight disorganization in the Moree post-office. The matter has been brought before me, and I have on two or three occasions directed the attention of the Deputy Postmaster-General of New South Wales to it. He reported that the disorganization arose from the frequent changes made in the office, and he promised to rectify the matters complained of. No doubt, in times past, there has been ground for complaint of undermanning in connexion with many post-offices, but I need scarcely remind the honorable member that, in the Estimates now before the House, provision is made

for an increase of over 600 hands in the staff of the Department in New South Wales. It is believed that when those additional hands are employed many of the complaints about overwork and overtime will be removed.

DISORDERLY QUESTIONS.

ABSENCE OF THE OPPOSITION.

Dr. WILSON.—I have noticed, with great pain, Mr. Speaker, that during the last few mornings honorable members usually occupying the direct Opposition benches have been absent when the House has met, and I wish to ask whether you have received any information from them that they object to the prayers.

Mr. FRAZER.—If we drew attention to every absence on the part of the honorable member at the opening of the House the record would be a pretty long one.

Dr. LIDDELL.—In all sincerity, Mr. Speaker, and with a full sense of the responsibility of my position, I desire to ask whether you can inform the House what has become of our dear friend and comrade, and ex-Leader of the Opposition, the honorable member for South Sydney.

Mr. SPEAKER.—I think that I ought to be able to rely upon honorable members to put to the Chair only such questions as relate to matters with which the Chair is concerned. I may say, in passing, that the Chair is not supposed to answer questions. I sincerely hope that I shall not have to remind honorable members again that it is unbecoming to put to the Chair questions of the character of those which have just been addressed to me. Questions of a similar character have previously been allowed by the Chair to pass without comment, but they ought not to be made.

Mr. McDONALD.—I wish to ask your ruling, Mr. Speaker, on a point of order in regard to the two questions to which you have just, very properly, taken exception. Is an honorable member in order in rising, under pretence of asking a question, and deliberately offering an insult either to an honorable member or to a party in this House? If such a practice is to be continued by honorable members opposite, the Opposition will have to retaliate.

Mr. SPEAKER.—I think that the honorable member will admit that I have already dealt with the two questions in the

only way in which they could be dealt with. It is impossible for the Chair to know the nature of the question that an honorable member is going to put, but the growth of the practice of asking questions without notice is very largely responsible for what has just taken place. In the Parliament with which I was previously connected, questions without notice were not asked without the permission of the Chair, previously obtained, and with the permission of the Minister who was to be interrogated. But for the practice which has grown up in this House we should have been spared questions of the kind to which attention has just been directed, and which, I think, are disorderly and of an objectionable character.

Mr. THOMAS BROWN.—I desire to ask Mr. Speaker whether the insulting questions addressed to you—questions which you have described as disorderly—in regard to honorable members on this side of the House—

Mr. SPEAKER. — If the honorable member will permit me, I think that I have dealt with the matter in a way which will prevent its recurrence, and that no good can be obtained by putting further questions, which must tend only to embarrass the Chair.

Mr. THOMAS BROWN.—I wish to ask, sir, whether the questions addressed to you in respect to the Opposition, and which you have held to be disorderly, are to appear in *Hansard*? They seem to have been asked solely with the object of securing their publication in *Hansard*.

Mr. SPEAKER. — That is a matter which I shall have to consider.

HOURS OF SITTING.

Mr. PALMER.—In view of the importance of the discussion of the financial relations of the Commonwealth and States which is now taking place in this House, will the Prime Minister consider the advisableness of inviting honorable members to sit on Friday evenings?

Mr. DEAKIN.—Any proposition for the extension of the hours of sitting during this session will be warmly welcomed by the Government, and I hope the honorable member will be able to add other representations to his own in order that we may take the earliest advantage of the suggestion.

Mr. BATCHELOR.—In considering the suggestion just made by the honorable mem-

ber for Echuca, will the Prime Minister have regard to an alternative proposal, which would suit the convenience of a much larger proportion of honorable members, namely, that we should meet on Wednesday and Thursday mornings?

Mr. DEAKIN.—An extension of the hours of sitting can be made only by imposing increased difficulties and responsibility on certain honorable members. At an early date, however, it will be necessary to have morning sittings, but I hope, with the assistance of the House, to avoid going further. If it be necessary to sit later as well as earlier, we must do so.

PUBLIC SERVICE: MINIMUM WAGE.

Mr. TUDOR.—Recently a return was prepared to the order of the House, on a motion submitted by myself, showing the number of adults in the Public Service of the Commonwealth receiving less than the minimum wage. Will the Minister of Home Affairs make an effort to have the return prepared in a more intelligible form than that in which it has been submitted?

Mr. FULLER.—The honorable member having called my attention to the nature of the return, I caused it to be sent back to the Public Service Commissioner, with a request that a further investigation be made with a view to setting out more clearly the information sought by the honorable member.

FEDERAL CAPITAL SITE.

Mr. HENRY WILLIS.—Has the attention of the Minister of Home Affairs been called to a paragraph in this morning's newspapers stating that the Premier of New South Wales, in the Legislative Assembly, yesterday took certain action in regard to the Federal Capital site? Has the honorable gentleman any information on the subject to convey to the House, and will he state when the next step will be taken by the Commonwealth Government to secure finality in the selection and location of the site of the Capital?

Mr. FULLER.—I have read the paragraph in question, and can only say that the Government are extremely anxious that this important matter shall be dealt with with as little delay as possible. I have every hope that a measure relating to it will be submitted to the Senate next week.

PAPERS.

MINISTERS laid upon the table the following papers:—

- Papua—
 - Ordinances of 1909—
 - No. 23—Appropriation 1909-10.
 - No. 24.—Supplementary Appropriation 1909-10, No. 1.
 - Census and Statistics Act—
 - Official Bulletins—
 - Population and Vital Statistics—
 - No. 15—Quarter ended 31st March, 1909.
 - Trade, Shipping, Oversea Migration and Finance—
 - No. 30—June, 1909.
 - No. 31—July, 1909.

CONSTITUTION ALTERATION (FINANCE) BILL.

Debate resumed from 30th September (*vide* page 4008), on motion by Mr. DEAKIN—

That leave be given to bring in a Bill for an Act to alter the provisions of the Constitution relating to finance.

Mr. COON (Batman) [11.2].—I do not think I should be ashamed to confess that I rise with some diffidence to address myself to this question. The fact that I have been preceded by the Prime Minister, the Treasurer, the honorable member for Flinders, the honorable member for Mernda, the honorable member for North Sydney, the honorable member for Kennedy, the honorable member for Wide Bay, and last, but not least, the honorable member for Darwin, makes my task all the more difficult, and here I might add that I regret that I have not yet had the pleasure of being able to read the honorable member for Darwin's speech. I wish to say at the outset that I intend to put my own case in my own way, and from a layman's point of view. The honorable member for Wakefield, a new member of the House, delivered from this bench the other night a speech in which there was a lot of force and energy, and by which he made out a splendid case for a land tax. He said that our great necessity was land settlement, that people were flocking from the country to the cities, and that if this agreement were carried out it would be the means of settling people upon the land, of constructing more railways, and of ridding us of the unemployed difficulty. In this connexion it seems strange to reflect that in Victoria a few nights ago a candidate for a vacant seat in the State Parliament said that he was opposed to the land tax

proposed in this State, and that an easier way of getting the money was for the State to settle the people on the land and collect £1 5s. per head from the Commonwealth. The honorable member for Wakefield also drew attention to the question of closer settlement. He asserted that what Australia wanted was more people in the country districts, and that the cry should be, "From the cities to the lands." He told us that about 36 per cent. of the population of Australia lived in the crowded cities. The figures for the various States are as follow:—Sydney, 36 per cent. of the population of New South Wales; Melbourne, 43 per cent. of the population of Victoria; Brisbane, 25 per cent. of the population of Queensland; Adelaide, 45 per cent. of the population of South Australia—the State from which the honorable member comes; Perth, 19 per cent. of the population of Western Australia; and Hobart, 21 per cent. of the population of Tasmania.

Mr. THOMAS BROWN.—He made out a good case on those figures.

Mr. COON.—Undoubtedly he made out a good case in favour of getting the people on to the land, and I quite agree with him. In Victoria there are 120 families which own between them 6,000,000 acres, and a short time ago, when the Victorian Government were desirous of purchasing land for closer settlement, one estate was offered to them for £1,000,000, although it was rated at only £50,000. The only way to settle the people upon the land is to impose a stiff land tax, and the only authority that can impose such a tax for the purpose of land settlement is the Commonwealth Parliament. The State Parliaments have utterly failed to do so. Mr. Watt, the Treasurer of Victoria, in introducing his Land Tax Bill recently, said that the purpose of the tax was not altogether to promote closer settlement, but to produce revenue. While it is a very good thing to impose taxation in order to obtain revenue from the land, I believe that a land tax should be so imposed as to become the means of bursting up large estates. The figures for Victoria according to Mr. Watt, are as follow: There are on the land-tax register 405 estates, each over £20,000 in capital value, with a total value of £24,707,448, and a taxable value of £5,748,213. Included in those are 170 estates, each of over £50,000 capital value, with an average value of £105,021, a total value of

£17,853,675, and a taxable value of £4,337,413. Included in these are forty-five estates each, over £100,000 in capital value, with an average value of £158,899, and a total value of £7,153,444. The total area of those forty-five holdings is 1,296,538 acres, and the average area is 28,812 acres. One man owns 81,348 acres, another 55,448 acres, and a third 52,655 acres. Those estates are devoted almost exclusively to grazing, and have little or no tillage upon them. Those are statements made by the Treasurer of Victoria when introducing his Land Tax Bill—a measure which he will have very little opportunity of carrying if all the members of the State Parliament are of the same way of thinking as the candidate to whom I referred as being against the proposed land tax, and in favour of getting the Commonwealth to make up the State revenue by a *per capita* contribution of 25s. per annum.

Mr. JOHN THOMSON.—Is the honorable member in favour of an improved or unimproved land value tax?

Mr. COON.—Unimproved.

Mr. JOHN THOMSON.—The figures quoted represent improved values.

Mr. COON.—I am not sure upon that point, but I want to make it clear that I favour taxing the land and settling the people upon it. Where one man owns at present 80,000 acres, I would impose a tax sufficiently stiff to settle a few hundred people on such an area, which at present supports, perhaps, ten or a dozen. That is the sort of taxation that I favour. While we have an area of something like 2,978,000 square miles, the great trouble is that the people cannot get upon the land. The only way to get them upon it is to make the owners use it, or allow some one else to use it for them. Here is a case in point: At Terang, a few miles from Melbourne, there is some of the richest land in Victoria, but this is the condition of affairs found to exist there by a gentleman who went there recently for the purpose of erecting a church—

The people down there had not much accommodation. If they needed five rooms they generally put up two. He would never forget a ride he had. They had first to cross the creek, and then climb a hillside, slipping every step or so, for it was raining heavily; then they had to zig-zag down the other side. It took an hour and forty minutes to go those four miles. When they reached Chapel Creek he found how the members of the farmer's family he was to stay with came. The "bush buggy" was there; they could not bring it across the creek. On week days it was used to take cream to the nearest

factory. It was a sledge, and on it was lashed a kerosene case; and on the kerosene case sat the farmer's wife. A big draught-horse was drawing the sledge, a boy was driving it, and the daughter was walking ahead, carrying a candle in a bottle to show the way. He, on horseback, followed them all.

One of the first things that the States have to do is to impose a stiff land tax, and if they do not do it I think this Parliament will do it for them. I believe every leader of every party in this House has declared in favour of a land tax. The right honorable member for East Sydney has done so.

MR. JOHN THOMSON.—When did he do so?

MR. COON.—Mr. Watt, in introducing his Land Tax Bill in the State Parliament recently, stated that the right honorable member for East Sydney had declared that if the States would not do their duty in that direction the Federal Parliament would. He also said that the present Prime Minister and the honorable member for Wide Bay had declared for a land tax, and asked whether the State Parliament was going to do its duty, or leave the matter to the Commonwealth.

MR. MCWILLIAMS.—That was a very good "whip"!

MR. COON.—Whether it was a "whip" or not, the day is coming when the States will see the necessity for a land tax, or we shall be placed in the proud position of imposing one.

MR. JOHN THOMSON.—We shall have a job to do it!

MR. COON.—I do not think so; I believe that at the next general election the people will declare for a land tax, because they will tolerate no longer conditions under which land is unobtainable, and there are no less than 1,200 applicants for eighty vacant blocks. The honorable member for Wakefield told us the other night that crowds of men are applying for positions in the Victorian railway service, and that many of them are from the country districts. We are told that farmers' sons are leaving the land, and it is clearly the duty of the State, and also the Commonwealth, to see that people are afforded facilities for settlement under satisfactory conditions.

MR. ATKINSON.—Will a land tax result in settlement?

MR. COON.—A land tax will give the people the opportunity which they do not now possess of going on the land.

MR. ATKINSON.—I thought the honorable member said that the people were leaving the land?

MR. COON.—That is because sufficient land is not available. The fact that 120 families own 6,000,000 acres in Victoria shows what chance there is for an ordinary person to obtain a block.

MR. ATKINSON.—It all depends on the quality of the land.

MR. COON.—I am speaking of some of the best lands. The States have parted with about 123,000,000 acres of Crown lands, for which they have received an average price of £1 per acre.

MR. JOHN THOMSON.—Where does the honorable member get his figures?

MR. COON.—They are the figures used by the Treasurer of Victoria when he introduced his land tax proposals. When Federation was inaugurated, we were told that there would be a great reduction in the expenditure of the States, and in the membership of the State Parliaments. As a matter of fact, the Commonwealth, with a population of 4,275,000, and 2,109,562 electors, has 633 members of Parliament. There is a member of Parliament for every 6,000 people, a Minister of the Crown for every 73,000, and a representative of the King for every 579,000. The Governors of Australia cost £59,000 annually; and I quote these figures simply because the people voted for Federation on the understanding that the expenditure would be reduced. The Agents-General cost £24,000 per annum, and I suppose that the appointment of the High Commissioner will run that amount up to £40,000 or £50,000, though it was clearly understood that the High Commissioner would act for the whole of the States. For the present state of affairs the Commonwealth Parliament cannot be blamed, seeing that we have not the power to dispense with the Agents-General of the States; and, under the circumstances, I am justified in urging that the States have not reduced their expenditure to the extent anticipated. I am one who believes that the railways should be controlled by the Commonwealth. A lengthy debate took place on this question at the Adelaide Federal Convention, and a number of the speakers took the same view. If we are to develop Australia in the way it should be developed, this Parliament must have control of the railways, the lands, the mines, and education. A Select Committee of the State Parliament of Victoria some

years ago recommended that a Federal Parliament, when it came into existence, should have jurisdiction over the land, the railways, and the mines; and certainly, if we are to control our trade, and make our own goods, it is absolutely necessary to have our people technically educated. In the city of Melbourne there are between 33,000 and 36,000 boys and girls from fourteen to eighteen years of age, and of that number only 900 are receiving any technical education. We can prosper only by having efficient workmen, and, to that end, our young people should be thoroughly trained; and I venture to say that in this connexion the States are not doing their duty. It has been stated by more than one honorable member that this is not a fiscal question—not a question of Protection or Free Trade. The honorable member for North Sydney said that we could increase our Tariff, or maintain the present Tariff of £2 10s. per head, without in any way interfering with its protective incidence; but I have the temerity to disagree with that view. If the revenue is to decrease, it must be on the side of the protective duties, for we can raise additional money through the Customs only by revenue duties, which fall on the masses. At the present time it is clear that the importer is paying the duty, as is shown by the fact that when, for a short time, there was a duty on wire netting, and a revenue of £18,000 was received by the Commonwealth, the price of the commodity was reduced. Who paid the duty? The importer, undoubtedly.

Mr. BAMFORD.—Does the honorable member not think that the consumer paid the duty?

Mr. COON.—The honorable member for Echuca challenged the statement I have made, though I do not quite know on what grounds; but I am certain of the fact that, while the duty was in operation, the price of wire netting was reduced for the purpose of trying to crush out competition in New South Wales.

Mr. PALMER.—I know that the users of wire netting paid more for the commodity.

Mr. COON.—They may have had to pay more for some wire netting, but the price in New South Wales was reduced while the duty was in operation. The revenue from Customs and Excise in 1908-9 was £10,843,900, or £2 8s. 6d. per head; and we have to ask ourselves where that revenue came from? Did it come

from the revenue duties, or from the protective duties?

Mr. McDONALD.—The revenue duties.

Mr. COON.—Did it? Ready-made clothing with a duty of 35 per cent.—which is clearly not a revenue duty—produced £447,000. This clothing is made in the sweating dens of London, where women work from morning to night under conditions which the House of Commons has said should not be permitted to continue, and to cope with which the House of Lords has approved of Wages Boards on the lines of those instituted at the instance of the present Prime Minister, when in the State Parliament of Victoria. Furniture, with a duty of 35 per cent., produced £57,000; boots and shoes produced £60,000; hats and caps, £112,000; stationery, with a duty of 25 per cent., £60,000; metals and machinery, at 25 per cent., £140,000; glassware, at 10 per cent., £96,000; bolts and nuts, at 20 per cent., £90,000; cement, at 1s. a cwt., £60,000; twine, at 25 per cent., £25,000; motive machinery, at 20 per cent., £29,000; matches, £97,000; pianos, £72,000; mining machinery, at 20 per cent., £20,000; electrical machinery, at 20 per cent., £22,000; earthenware, at 25 per cent., £37,000; and confectionery, at 2½d. per lb., £50,000; making a total of £2,564,640.

Mr. McDONALD.—The revenue from the articles just named will decrease as the import duties become more effective.

Mr. COON.—I shall endeavour to show that it will disappear. To summarize the figures which I have just given, one line, on which the duty is 35 per cent. and 30 per cent., returns £447,800; five, at 30 per cent., return £165,000; ten, at 25 per cent., return £398,000; twelve, at 20 per cent., return £505,000; one, at 17½ per cent., returns £72,000; one, at 15 per cent., returns £25,000; one, at 12½ per cent., returns £22,000; and two, at 10 per cent., return £119,000. From miscellaneous duties we get £810,198, making a grand total of £2,564,640. Ready-made clothing is dutiable at 35 per cent. and 30 per cent. In the Old Country some of the women employed in making such clothing receive only 6s. a week; girls are paid only 2s. 6d. a dozen for making night-dresses, and fined 2s. each for damaging them. For making blouses they are paid 8d. per dozen, and have to pay 4s. 6d. for any garment that may be damaged. It is the

importation of clothing made under such conditions that is swelling our Customs revenue. I do not think that honorable members desire that women and girls shall be sweated in order that our Customs returns may be high. From the duty on pianos we have received from £72,000 to £74,000 per annum, but since the imposition of the duty a factory has been established in Victoria. If 30 per cent. is not a sufficiently high rate to keep out imported pianos, we should do as they do in Japan—increase it to 60 per cent.

Mr. DUGALD THOMSON.—It would be better to declare that pianos shall not be imported.

Mr. COON.—I should be prepared to prohibit the importation of pianos while we have men walking about looking for employment. Those who require pianos should buy the Australian article. Why should our people, by purchasing imported goods, send money out of the country? From the duties on iron and steel we receive £72,000 a year, notwithstanding that we grant bounties for the production of iron and steel. If the importation is to continue, the bounty will be wasted. It will be useless under such circumstances to spend £150,000 in trying to encourage the industry. We have also offered a bounty for tops, to encourage wool-combing for export, and bounties to encourage other industries. All the goods from which the revenue to which I have just referred is now obtained will, within ten years, be made within the Commonwealth. In justification for that statement, I would mention the fact that Mr. Jeffery, whom the Board of Trade sent to Australia in 1905 to inquire why Great Britain was losing business here, reported that we should never be able to manufacture our own matches, because rates of wages here were too high, and hours of labour too short.

Mr. DUGALD THOMSON.—There was a match factory here at the time.

Mr. COON.—It was not in a satisfactory condition, and we were still importing matches, because the duty was not sufficient to keep out foreign-made matches. At present we are obtaining £97,000 a year from the duty on matches. But an up-to-date factory has recently been erected, at a cost of £14,000, and it is expected that the matches made there will compete successfully against the imported article. Now, in the Old Country, women get 2½d. a gross for making match-boxes in their own homes, and, working ten or twelve hours a

day, they earn 3s. or 4s. a week. If we can shut out the production of such cheap labour, surely we can successfully manufacture our own clothing, confectionery, twine, glassware and earthenware. The proposal to pay 25s. *per capita* is based on the assumption that the Tariff will continue to produce £2 8s. 6d. per head. But if the revenue from the articles which I have mentioned is deducted from the total returns, the yield per head will be reduced to £1 19s. 8d. A Commission appointed by Mr. Justice Isaacs, when Acting Premier of Victoria, reported that a Protective Tariff might be expected to yield about £2 per head, which is practically the same figure. During the last seven years, the return from the Commonwealth Tariff has been about £1 16s. 3d. per head. If, in the future, it amounts to £1 19s. 8d. per head, and the States receive £1 5s. of that, 14s. 8d. will be left for Commonwealth expenditure, or 2s. per head more than we get now. But the Commonwealth liabilities will greatly increase. Therefore, although I do not say that the proposed arrangement would make it impossible to continue a Protective Tariff, I say that that would be its tendency, should it be made permanent. If our Tariff gives the same amount of Protection as is given by the Tariffs of the United States and Japan, we shall lose at least £2,564,640 of revenue which we now levy by means of import duties. The money will have to be found in some other way. Of the 450 items in the Tariff only 200 are at present producing revenue. There are 250 items on the free list, and more than one statesman and writer has urged that it is impossible, with such a large free list, for the present Customs and Excise revenue of the Commonwealth, to be maintained. There are 750 items in the Canadian Tariff, of which only 232 are on the free list. Under the Commonwealth Tariff we impose on boots and shoes duties ranging up to 30 per cent. Japan, on the other hand, imposes duties on boots and shoes, shirts, and musical instruments, ranging as high as 40 per cent., and on umbrellas duties as high as 50 per cent. The average of our Tariff, so far as the Protective items are concerned, is about 30 per cent., as against 33 per cent. in the case of New Zealand and 44 per cent. in the case of the United States. How can Australia, with a population of 4,275,000, compete with a nation with a population of 90,000,000, which possesses a Tariff

averaging 14 per cent. higher than her own? The Commonwealth Tariff must be increased if we are to retain our present position. The fact that we are able in respect of certain items bearing duties of 35 per cent., to collect a revenue of £475,000 should satisfy honorable members either that the Protection granted is not high enough or that the local industries to which they relate have not yet been sufficiently established. I come now to the question of preferential trade. In connexion with the visit to Australia of representatives of Chambers of Commerce from the Old Country, a number of importers, in Sydney, were interviewed with reference to the 5 per cent. preferential duty in favour of Great Britain, and the general consensus of opinion was that it was too low. It was urged that a preference of 10 per cent., and in some cases of 20 per cent. was necessary. As soon as we granted a preference of 5 per cent. on British goods, German manufacturers made a corresponding reduction in the prices of their manufactures to Australian buyers, and in that way the preference granted to the Old Country has been nullified. I maintain that we are not in a position at present to reduce our duties in order to increase the preference granted to Great Britain.

Mr. MAUGER.—We could increase the preference by raising the duties against foreign imports.

Mr. COON.—I agree with the honorable member that that could be done, but as showing that we have already granted a substantial preference to Great Britain, I would point out that if the duties collected on imports from the Old Country last year had been the same as those collected on imports from foreign countries, an additional sum of £740,000 would have been raised. In other words, the preference granted to British imports amounted last year to £740,000. If, at the next general election there is returned to this Parliament, a majority in favour of granting an increased preference to British goods, there will be a further reduction in our Customs revenue, and, taking into consideration what may happen in the future I do not think we should be justified in tying up the Commonwealth for all time to this agreement. If a majority were returned at the next general election in favour of extending a greater preference to imports from Great Britain, the result would be, under this agreement, an increase of taxation paid by those least able to bear it. In dealing with this subject, we

must also have regard to the question of immigration. During the last six years, 1,232,000 persons have entered Canada, and when the Prime Minister was in England, he strongly advocated not only preferential trade, but the settlement of our empty spaces by British immigrants. Under this agreement we should have to pay to the States, 25s. in respect of every new arrival, and we should also have to make that payment in respect of the natural increase in population. Last year there were 111,545 births in the Commonwealth, and it is interesting to note that the fathers of 17,046 of these were labourers. Under this agreement every one of those children of labourers would have to bear taxation through the Customs to the extent of £1 5s. per head. I have heard of countries where a bonus is granted in respect of every increase in a man's family. I have heard of the mayor of a city who decided to give a bonus of £1 in respect of every child, twelve months of age, brought before him at the end of his mayoral term.

Mr. DUGALD THOMSON.—The honorable member does not mean that we shall have to pay to the States 25s. in respect of every one of the children born. He must deduct the deaths from the births.

Mr. COON.—My point is that we should have to pay that amount in respect of every child that survived. It is a disgrace to the Commonwealth that, according to an undoubted authority, every year 3,000 infants, whose lives could be saved, die before reaching the age of twelve months. That statement was made by Dr. Dunbar Hooper, who represented the Commonwealth at the recent convention held in Brussels. He declared that 8,000 children under the age of twelve months die annually in the Commonwealth, and that of that number the lives of 3,000 could be saved. Last year, as I have said, 111,545 children were born in the Commonwealth. The parents of 32,000 were engaged in the pastoral and mining industry; the fathers of 40,000 belonging to the labouring and industrial classes, and only 140 were of independent means. Whilst I believe that the States should be treated with some consideration, I am not in favour of this agreement being fixed for all time. I am confident that the great masses of the people do not believe in it, and will not indorse it. If we are to put this provision in the Constitution for all time—

Mr. MAUGER.—We cannot.

Mr. COON.—We cannot, but if we say that, while making it ostensibly a permanent provision, we expect the people to afterwards remove it, we shall be asking the people to do something that we do not believe in. We should not take any such course. If I thought that this was a good provision, and should be retained in the Constitution, it would be my duty to vote to make it binding for all time, and to ask the people who sent me here, and whose suffrages I should be seeking in the future, to vote for me because I was in favour of it for all time. But I have no right to disfranchise the people I represent by casting in this House a vote which I do not believe in, and which I do not think they believe in. That being so, while I am prepared to give the States every consideration, I cannot forget that the people who return the members of the State Parliaments, and the people who return the members of this Parliament, are one and the same. It is for them to say that, where the States have been extravagant in the past, that extravagance must cease. If they decide that there must be one member of Parliament for every 6,000 inhabitants, a Minister of the Crown for every 73,000, and a Governor for every 500,000, that is their business. Speaking as a member of this Parliament, I hold that the States should do their duty, and, if they do, I venture to say that the Commonwealth Parliament will also do its duty. If the States and the Commonwealth work hand in hand, as they should, I believe there is a great future for Australia. While that is so, we must safeguard, at all hazards, the 257,000 persons who are engaged in our manufacturing industries. While the States have the control of the lands, it is their duty to promote land settlement, and if they fail in that direction, it will be the duty of this Parliament to undertake it. I venture to say that we have done our share in finding employment for the people of the Commonwealth in the factories and workshops throughout Australia. As we have done our part, I trust that the States will do theirs, by seeing that the vast areas of Australia are filled with men and women able and willing to work, because such a policy must be in the interests of the whole of the people of the Commonwealth.

Mr. FOWLER (Perth) [12.4].—I think I may congratulate the House on the high tone, as a whole, of the debate which has

taken place upon this important question. Some of the speeches might with advantage have been considerably curtailed, but nevertheless I have been very pleased to sit here during the days upon which the debate has proceeded, and have been unable to refrain from contrasting favorably the House and its attitude towards this large public question, with what transpired too frequently during the previous part of this session.

Mr. WILKS.—A reminiscence of the early days of Federation.

Mr. FOWLER.—It is, undoubtedly, reminiscent of the early days of the Federation to hear a question like this discussed so earnestly and with so much ability, and, I am pleased to be able to add, without so much of the purely party aspect that we have sometimes had. There are only two points which I wish to discuss, and which have not been dealt with in this debate up to the present. The one note during this debate which has seemed to me to ring somewhat hollow is the cry that some members of this House are sacrificing "national interests" to some less important State interests. The cry of "Nationalism" is found to rest on a very slight basis, when we inquire into the relative positions of the State and Federal Parliaments. I deny that the great Commonwealth Parliament is any more National than is the sum total of the State Parliaments. I would remind honorable members that throughout the discussion in the States of the question of Federation the fact was never lost sight of that we were to have a Federation, not only of the peoples, but also of the States of Australia. In every phase of the extensive and able debates upon the Federal question one can see how fully and earnestly the matter of the conservation of the duties and rights of the States was intended to be provided for in the Federal compact. I have heard a good deal about the predominant position of the Canadian National Parliament, as it is called, in contrast with the powers of the Parliaments of the Provinces. I have heard honorable members express regret that this Parliament has not been endowed with what they choose to call the same national powers as are possessed by the Parliament of the Dominion of Canada. If they take the trouble to look up the Act which brought that Dominion Parliament into existence, and compare the list of functions apportioned to it with those apportioned to the Parliaments of the

Provinces, they will find that substantially there was made in that great part of the Empire the same re-arrangement as has been made in Australia. There is undoubtedly the one difference, that the Dominion Parliament has under its control all powers not directly handed over to the Provinces, whereas the Commonwealth Parliament has only the powers specifically handed over to it by the States. In other words, the position is reversed, but in both cases there was, in the minds of those responsible for the creation of the two central bodies, a recognition of the same common-sense principle. What ruled their minds, and determined their allocation of duties and functions, was simply a question of common sense. They asked themselves what duties could be best performed by a centralized authority, and what by the States or Provinces. That was the problem that they endeavoured to solve, and the framers of our Constitution most emphatically decided it apart from any question of creating an "Imperial" Parliament for Australia. They settled it purely and simply on a utilitarian basis, having due regard to what appeared to them to be the capacity of the Commonwealth Parliament for certain functions, and the corresponding ability of the State Parliaments to carry out other duties. I would remind honorable members that when the Federal Convention had finished its work, there were very many Democratic members of the Australian community who denounced the result as contrary to the best interests of the Democracy. They had a wholesome objection to that centralization of power which is undoubtedly anti-Democratic. They regarded such powers as were handed to the Federal Parliament as tending in an undemocratic direction, and they consequently opposed the Federal Constitution as it was put before the people. There is no doubt that, with perhaps the single exception of centralization for defence purposes, the peoples of civilized communities show an increasing inclination to decentralize. Honorable members who represent Victoria should not forget that the objection urged in the early days against the government of the Port Phillip settlement by the New South Wales authorities was, from a Democratic stand-point, well founded. It was said then, with a great deal of force, that certain functions carried out by that remote Government in New South Wales could be much better performed by the people of the Port Phillip settlement themselves. A separation took place, and the supreme control of their

own affairs was granted by the Imperial authorities to the people of Port Phillip. From that time, the development of Victoria undoubtedly went on by leaps and bounds, and the people of that State found, until the defence problem became of such supreme importance, that very little objection could be taken to the decentralizing influence which had given them the control of their own territory. We hear a great deal about the fact that Australia has no fewer than seven Parliaments, and some honorable members go so far as to wish that, with the exception of this Parliament, they were all wiped out. But if any one considers the tremendous distances that separate the various parts of Australia, he will, I think, begin to realize that even seven Parliaments are by no means an excessive number to control such a vast geographical region. Of course, one may be reminded that the population of Australia is comparatively small; but, again, I contend that it is not so much a matter of population as of area or of geographical separation of one part of this island continent from another. The population of Port Phillip, when separation from New South Wales was demanded and obtained, was comparatively insignificant, but that was regarded as no obstacle; and I say without hesitation that any one who looks at the huge area of Australia, and the geographical separation of certain parts of the continent, must realize that the State Parliaments, although they control, nominally, only a handful of people, have functions that cannot be performed as well by any centralized authority. We have room in Australia for twenty-five United Kingdoms; and in my own State there is an area equivalent to half-a-dozen average European Kingdoms. Any one who looks at such facts as these will, I think, hesitate to say that, while it is quite proper there should be a central authority to deal with trade and commerce, and so forth, the functions of the State Parliaments cannot be carried out by them in their respective spheres much better than they could be carried out by us. I am glad to be able to compliment the Ministry on having dealt with this question, as it appears to me, in that broad, general spirit required in such a crisis in the history of Australia. Here we have no question affecting one or two particular States, but one affecting the welfare and development of the whole of Australia. I, for one, intend to give hearty support to the proposals of the Government. I realize that the proposals, as they stand, cannot be

interfered with without seriously injuring the possibility of a settlement with the States. We have an understanding between two parties; and if we, on the one hand, interfere with it, it stands to reason that the other side may have some hesitation in accepting any changes we may make. On the whole, it seems to me that, with the years of experience behind us, the Government proposals meet the situation in Australia; and the provision made for the future is, humanly speaking, as well thought out as any such provision could possibly be. Another phase of the question, with which I desire to deal very briefly, more particularly affects my own State. An impression has been sedulously fostered in certain quarters that Western Australia, in particular, in supporting, as I believe it does through the length and breadth of its vast area, the proposals of the Government, is very selfishly doing so in order to obviate other taxation of a State character. There is no doubt that up to the present time Western Australia has suffered considerably financially from the effects of Federation. While some members of this House have suggested that Western Australia comes to the other States, and to the Commonwealth Parliament, in the attitude of a mendicant, I am glad that such a view is not general. It is a view which was repudiated by those who gave special consideration to the circumstances of Western Australia when drawing up the Constitution, and who now, under the present arrangement, seek to continue that consideration. In both cases it is admitted by those who have gone into the question that the sliding scale provided for Western Australia was only an equivalent, and not an absolute equivalent, for the losses she sustained by entering the Federal compact. It is also admitted, in the arrangement we are asked to seal, that Western Australia is fully entitled, as a matter of justice and equity, to special consideration, in view—and I quote the phraseology of the memorandum—of the large contribution to the Customs revenue *per capita* made by that State. We undoubtedly require all the money we can get in Western Australia for our local development. Western Australia has been behind the other States in obtaining that inflow of capital and of humanity without which no new country can progress. We have, as I have already said, suffered severely in our development by reason of the steadily decreas-

ing amount of money available for us under Federal conditions. The State has done all in her power — all that she can reasonably be expected to do — to supplement by local taxation the shortage of revenue from Federal sources. The fact is—and may come as a surprise to many honorable members—that the total revenue of Western Australia per head through direct taxation is not less than £1 1s. 3d., as compared with an average of 17s. 2d. for the whole of the Commonwealth. Western Australia is, I think, second only to Tasmania in the thoroughness with which it has applied the principles of direct taxation. In view of the rudimentary character of our development, I contend that the taxation of this character imposed in Western Australia is even greater, relatively, than that of any of the other part of the Commonwealth. That, I think, is a fairly sufficient reply to those who contend that Western Australia, in order to make up the shortage of Federal revenue, ought to tax herself still more. In that State there is a land tax of 1d. in the £1, an income tax of 4d. in the £1 on incomes over £200, a dividend tax of 1d. in the £1 for all companies, stamp duties, and totalizator duties; and in view of a list of that kind the charge of not having sufficiently contributed from local resources is totally and absolutely unfounded.

Sir PHILIP Fysh.—Are there probate duties in Western Australia?

Mr. FOWLER.—Not up to the present; the large fortunes of Western Australia have not yet developed—they are *in posse* and not *in esse*.

Mr. POYNTON.—Most of the people there are young.

Mr. FOWLER.—And doubtless their fortunes will increase with increasing years. I sincerely hope that in Western Australia there will be none of those great fortunes which characterize particularly the land magnates of the other States, but the people there may look forward to competence and independence as the result of energy, industry, and thrift, as is being proved every day of our existence. If Western Australia places 100 settlers on the land through the exercise of the functions of the State Parliament, that is as much a step in the direction of national welfare and development as the creation of an industry in Melbourne by means of a high Protective duty. In regard to settlement, the State Parliaments have a national duty

to perform—a duty which, with the exception of defence, transcends any, I think, that lie before us in this Parliament. So long as the power of dealing with the land is left in the hands of the State Parliaments, so long are they entitled to be regarded as national in their character, quite as much as is the Parliament in which we have the honour to sit. I hope that the proposed arrangement will be carried. It will, I believe, be the means of giving the States a solidarity in their financial relations that will enable them to carry on effectively their work of development. If that be done, and if we can settle thousands where none are at present, the Commonwealth, through the Customs, will be given an increased revenue that I feel sure will supply the whole of our requirements for an indefinite period to come.

Mr. PALMER (Echuca) [12.28].—The Prime Minister, in opening this important discussion, wisely pointed out that the Constitution, under which we work and are governed, not only affects us as a Commonwealth Parliament, but has an important bearing on the State Parliaments and Governments. Particularly in the matter of finance the interests of one are irrevocably connected with the interests of the other; and this, of course, is especially the case during the ten years existence of the operation of the Braddon section. I have viewed the approach of the expiration of the operation of that section with some measure of anxiety. It was clear to my mind that if we allowed the time to pass without, in the meantime, arriving at some satisfactory arrangement, we should find ourselves in absolute possession of an income very much larger than we could at times judiciously expend, while the States would be placed in financial difficulties. This being so, I am glad that we have so far arranged matters that an agreement has been come to in conference between representatives of the Commonwealth and the States. It does not concern me now that under it some of the States will not fare as well as others; it is sufficient to know that their representatives were able to fall into line, and agree to accept a *per capita* payment of 25s. Many extraneous matters have been discussed on the motion before the House, but I do not propose to follow the example of those who introduced them. The honorable member for Batman referred to the imposition of a land tax. If land taxation is to be imposed, it should be by the Govern-

ments of the States. Only under very extraordinary circumstances should the Commonwealth impose land taxation. Should the Commonwealth impose a land tax without being impelled thereto by pressing necessity, it would to some extent offend against the Constitution. I refuse to consider the agreement as affecting the Tariff. It has been argued that the natural result of a Protective Tariff is to diminish the returns from Customs, and, undoubtedly, to the extent to which Protective duties are effective, they reduce Customs revenue. But the statistics of the world show that many of the most effective Tariffs yield a good return. Moreover, it has been freely stated by the Prime Minister that, although we are asked to agree to pay to the States 25s. *per capita*, the money must not necessarily be raised by Customs and Excise duties.

Mr. TUDOR.—Does the honorable member suggest raising it by direct taxation?

Mr. PALMER.—I am not a prophet. No doubt, when the need arises, the Parliament of the time will adopt the wisest means to meet the occasion. The discussions in the Convention make it clear that it was intended that the States should always participate with the Commonwealth in the Customs and Excise revenue.

Sir PHILIP Fysh.—Nothing is more certain.

Mr. PALMER.—It would be clearly a breach of faith if the Commonwealth were to refuse to return to the States their fair portion of that revenue. The Protective policy of Australia is likely to be more stringent in the future than in the past. Honorable members generally are agreed that 25s. *per capita* is not too large a sum to return to the States, but it is objected that should the agreement be embodied in the Constitution, it will be unalterable. I do not indorse that view. The electors who choose the Commonwealth Parliament choose also the State Parliaments, and if they found that more money was going to either the Commonwealth or to the States than was needed by one or the other party, they would insist on a re-division. It has been argued that the States will be against any amendment of the Constitution with a view to an alteration of the agreement. But should the Commonwealth find itself in financial difficulties, and compelled to resort to direct taxation, while the States had more revenue than they needed, the people would surely insist on an amendment of the Constitution.

Sir WILLIAM LYNE. — The honorable member's speech would lead one to regard him as an anti-Federalist.

Mr. PALMER.—I am altogether a Federalist. The Commonwealth alone can deal with defence and certain other large matters; but, while it has great and important functions to discharge, the Governments of the States have also their duties. Australia is too large to be governed wholly from any one centre. Had we had unification before the Coolgardie water scheme was carried out, would it not have taken many years to convince the central Government that that scheme was needed, and would have results justifying the expenditure?

Mr. FOWLER.—We may judge how long it would have taken by the time needed to obtain a survey of the proposed railway from Kalgoorlie to Port Augusta.

Mr. PALMER.—Similarly I might ask, how long would it take to convince Western Australians or Queenslanders of the justification for expenditure on perhaps necessary irrigation works in Victoria? Both the Commonwealth and the State Governments have work to do in developing the continent, and it is our business to see that the revenue is fairly divided between them. Unquestionably, had this matter been settled four or five years ago the States would have received more than they are now likely to receive. New schemes for expenditure have been brought forward, Defence is likely to prove more costly, and in various ways we have been made aware of the need for more money for the proper exercise of the functions of the Commonwealth. It seems to me, however, that to return to the States 25s. *per capita* would be fair and reasonable. The honorable member for Gippsland said that he would agree to the scheme if it were to have effect for only a three years' or five years' period. Such an arrangement would not be acceptable to the States, because it would mean continual financial unrest. The Treasurers of the States would not know how they would stand at the end of the period, and the matter would have to be repeatedly discussed. It has been said that the sons of Victorian farmers are leaving this State. It is true that some of them are going to New South Wales, Queensland, and even Western Australia; but I am glad of that. One of the best things that can happen is that Australian-born men should push out into the more remote parts of the continent, and undertake the development of unoccu-

pied land. Newcomers will find the settled parts more congenial, and we may expect immigrants in increasing numbers. I consider the proposed agreement acceptable. The members of the Conference are to be commended for having transacted their business in private. Had their deliberations been open to the press, an agreement might not have been arrived at. It is often an advantage to be able to discuss matters calmly and deliberately, when the eye of the press is not focused on those who are deliberating.

Mr. POYNTON.—Is not that a good argument in favour of the Labour party's caucus?

Mr. BATCHELOR.—Or of the Government caucus?

Mr. PALMER.—The Labour party has played its cards remarkably well. The caucus method is a good one from the point of view of honorable members opposite. It is essentially a good system to adopt in the settlement of big financial questions such as these. If this agreement is embodied in the Constitution, the problem will of necessity be settled for some considerable time. That it will be settled for all time, however, I absolutely deny. It will be disposed of for a time long enough to enable us to determine more clearly and conclusively what are likely to be the permanent requirements of the Commonwealth and State Legislatures. We are certainly wiser to-day than we were ten years ago. At the Federal Conventions the foremost thinkers of the time had no data upon which to arrive at a determination as to what would be the relative expenditures of the different Parliaments. But with the knowledge that has since been gained as the result of our experience during the last ten years, we are now in a much better position to arrive at a satisfactory conclusion. Taking advantage of the data that has thus been obtained, the Commonwealth Government, in conjunction with the State Premiers, have determined that a certain payment can be legitimately made to the States without unduly inconveniencing either party to the agreement. If, say, ten years hence, it is found that the agreement is not an equitable one, I venture to think that the people who will to-day consent to its embodiment in the Constitution will just as readily consent to an amendment of the Constitution to meet the then existing requirements. In the meantime the States will have secured that measure of certainty with respect to their finances which

is necessary to enable them to proceed with the various important projects which they have in view. These considerations, and the fact that I know that the closest attention has been given to the subject by the Government, induce me to favour the agreement. I know that the States are not getting all that they wanted. Their representatives spoke of a *per capita* payment of 26s. or 28s. per annum, but they, like the Commonwealth Government, have had to make concessions. The States have now agreed to accept this *per capita* payment of 25s. per annum, which is less than they would have been prepared to accept if a guarantee of the continuance of the arrangement could not have been given.

Mr. BATCHELOR.—They have to accept, under the Constitution, what this Parliament provides.

Mr. PALMER.—But it is well that we should work amicably with the States.

Mr. BATCHELOR.—Admittedly, but that is not the question.

Mr. PALMER.—I would not put the States in a false position, which might result in their having to impose an amount of direct taxation that would be burdensome to the people. One result of the agreement arrived at by the Premiers' Conference was made apparent immediately in Victoria. Directly the agreement was arrived at, the Victorian State Government faced the situation, and, wisely or unwisely, proposed a land tax.

Mr. ROBERTS.—The State land tax was proposed long before the Conference was held.

Mr. PALMER.—But its details were not fixed until after the Conference had taken place. The land tax proposals of the State Government have been framed with due regard to the fact that under this agreement Victoria will receive much less than it has been receiving from the Commonwealth under the Braddon section. This agreement will relieve the Commonwealth Government of the necessity of having to resort to the issue of Treasury bonds as an expedient for meeting our immediate difficulties. Surely that is a matter of some importance. The issue of short-dated bonds is not wise, but the Treasurer, in his Budget statement, intimated that the Government proposed to resort to that expedient in order to meet temporary difficulties. If this agreement be adopted, however, those difficulties will be removed, since the Commonwealth will be relieved of the obligation to return

three-fourths of its Customs and Excise revenue to the States, and will have more than is necessary to finance the current year. Having regard to the obligations that are likely to confront us, and to the revenues we shall possibly receive, it appears to me that if this agreement be carried into effect, the Commonwealth will have at its disposal sufficient funds to enable it to do all that it can legitimately be expected to do out of revenue. If we attempted, however, to provide out of revenue for all the great developmental schemes that we have in view, we should be called upon to impose such heavy taxation that, instead of Australia holding out attractions to people in other parts of the world, it would be regarded as a country for people to avoid. That consideration must lead us to the adoption of a rational system of borrowing.

Dr. WILSON.—If we construct some of the proposed transcontinental railways, we shall shortly have to borrow.

Mr. PALMER.—Undoubtedly. In these circumstances all that we have to consider is what is a fair division of the Customs and Excise revenue between the States and the Commonwealth, and I think that, having regard to the basis of distribution which has been arrived at, and to the statistical returns which have been laid before us as to the *per capita* return of Customs and Excise revenue in other countries, it must be admitted that we are not proposing to return to the States more than we might reasonably be expected to do.

Sitting suspended from 12.56 to 2.15 p.m.

Mr. BATCHELOR (Boothby) [2.15].—We occasionally hear complaints, and perhaps sometimes they are made with a great deal of justice, that honorable members take no interest in financial debates; but that is certainly not true of this debate. Honorable members are in this instance taking a great deal of interest—in their own speeches at any rate. I admit that I have not heard all the speeches, but I have been most interested in those I have heard, and regard some of them as very real contributions to our information and knowledge upon the various aspects of the financial differences between the Commonwealth and the States. I think it is a pity that some method could not be adopted by which the people of Australia generally might read and examine what is said by

both sides on a question of this importance, which will probably have to be settled ultimately by the people, and inevitably by direct reference to them if this Bill is carried. The necessity for both sides of every question being put, so that the people may be in a position to decide, is obvious at any time, but it is extremely difficult to attain that end in this case in the present circumstances of Australian politics. In this State the *Age* puts the views, and reports to some extent the statements on one side, while the *Argus* is reporting on the other side. In the other States, all the big daily papers, I think without exception, are on one side. That is a very great disadvantage from the stand-point of an equitable settlement of the question. When honorable members talk of the value of a referendum, it is necessary to assume—if there are any virtues in a general sense of fairness, and any advantages in a mass decision—that a certain amount of accurate information will reach the people in order that they may be able to express a true opinion. When, however, the whole of the information which is placed before them comes from one side only, then there is a referendum only in name. It is not a referendum to the intelligence of the people, and the decision obtained will be based on false information or misrepresentation supplied from one side only.

Mr. HARPER.—Or on insufficient information.

Mr. BATCHELOR.—Or based on insufficient information, which comes to the same thing. Of course, one can never hope that full information will be obtained by the mass of the people generally, but sufficient should be made available to them to enable them to give a vote indicative of their real interests. It is a pity, therefore, that we have no means by which we can more widely circulate a debate of this character, but I suppose it is of no use talking about that. I am afraid that the day is still far distant when we shall adopt the sensible plan, which has been suggested by one or two honorable members, of having published through all the States a daily *Hansard* in the same way that the debates of the State Parliament are published each day by the newspapers in South Australia. I only wish that we could adopt a similar method of circulating a report of the debates of this Parliament throughout the Commonwealth. One thing that I should be glad to feel

sure of in discussing this question is whether this Bill is anything more than another feeler on the part of the Government. The Government have put forward so many financial propositions. For instance, in the Ministerial statement submitted to Parliament in the early days of this session, the Prime Minister indicated, as the Government's proposal regarding the financial relations of the Commonwealth and the States, that "a temporary arrangement for a term of years to replace the existing distribution" was being prepared. That was the financial basis upon which the present Ministerial fusion was brought about. Whatever may be said about the arrangement now put forward by the Government, it cannot by any stretch of the imagination be regarded as a "temporary arrangement for a term of years." It may be a good or a bad arrangement for the States, but it obviously supersedes the proposal which the same Government put forward, after taking an adjournment of three weeks to specially consider the financial problem to tide over a period of financial difficulty. They have now dropped that proposition, and I, therefore, may be pardoned for wondering whether the Prime Minister will stick to the present arrangement for any length of time. That "temporary arrangement for a term of years" was only one of many proposals which the Prime Minister has been responsible for submitting. He has been Prime Minister for a number of years, and a leading member of almost every Government since the beginning of Federation, and we have had a whole series of financial proposals emanating from the Governments with which he has been connected. The Treasurer has also pointed out that he has frequently brought in Budgets, and he, too, has had a different scheme on each occasion on which he has dealt with this question. We have now this latest scheme before us, and we are entitled to wonder whether it is of any more use to discuss it than it has been to discuss the other financial proposals which have been put forward and dropped by the Government. All the discussions which took place on the previous proposals upon the assumption that they were the definite and final determination of the Government, were so much waste time.

Mr. MCWILLIAMS.—It is a contract this time.

Mr. WISE.—There is a political factor behind this!

Mr. BATCHELOR.—I admit the strength of the honorable member's suggestion, but, if I recollect aright, there was a political compact three or four years ago, and the scheme put forward as the result of it had to be reconstructed when the compact was broken and new ties were formed. My own view is that the present compact in the very nature of things cannot possibly last. Nothing could testify more strikingly to the fact that it is an unreal compact, and destined to an early termination, than the speech which was delivered by the honorable member for Batman this morning in advocacy of a land tax, to the horror of all those who were sitting immediately around him.

Dr. WILSON.—Do not say that.

Mr. BATCHELOR.—The honorable member himself was driven out, and I had to support the maintenance of law and order. The honorable member for Batman also indicated that he was a pronounced unificationist. I notice that he is now sitting upon this side, where he ought to be always. I admit that he did not apply the word "unificationist" to himself.

Mr. MAUGER.—He was perilously near it.

Mr. BATCHELOR.—Perilously near it! He was right over it, because he favoured the Commonwealth taking over the railways, education, mines, and lands. That left the States with the police, but as we also have some control over them, and would practically have entire control over them if all the functions enumerated by the honorable member were taken over by the Commonwealth, although the States might still have the nomination of the members of that body, the difference between the honorable member's proposals and unification is so small that it would be rather difficult to measure it.

Mr. McDONALD.—It is only extending the powers of the Commonwealth.

Mr. BATCHELOR.—I should like to tell the honorable member for Batman that although he gains the cheers of the honorable member for Kennedy, he has not the unanimous support of honorable members upon this side. I certainly do not agree with him. Any one who gives any particular thought to the question must recognise that education in particular is one of the last things that should be placed in the hands of a central Government. I quite agree with the honorable member as to the importance of technical and general

education, but it is because I attach such great value to it that I want to see some emulation and rivalry between the States in bringing about the very best method of education. The methods of education are constantly being altered and improved; and, in my opinion, one huge uniform centralized Department for all Australia would be intensely conservative and exceedingly unwieldy, and, instead of better results, would give much worse than we have under the administration of the States.

Mr. McDONALD.—We have had the same argument used about every function now exercised by the Federation.

Mr. BATCHELOR.—I may tell the honorable member that at the Brisbane Labour Conference a proposal for the unification of the railways and education was rejected, the idea of education as a Federal matter being scouted.

Mr. MATHEWS.—I think it would be easier to unify education than the railways.

Mr. BATCHELOR.—It would be one of the easiest things in the world to unify education, but I should fight to the last ditch against such a proposal, because I should regard it as extremely prejudicial to the interests of the young people of Australia. Honorable members opposite twit us on this side with being unificationists; and, in reply, I may point out that there is more dissimilarity in the views of our friends on the Government side on the question of finance and State Rights generally than is consistent with a party which is said to have a homogeneous policy, and which expects to endure. The Prime Minister, in his very excellent speech, laid much emphasis on the necessity of treating the States fairly, and of making a proper allotment of the revenues, urging that, as the States have important and onerous duties to perform, they should not be crippled in their finances. All these claims were made very eloquently; and I am sure that we all admit their truth, though they do not carry us much further in the consideration of the proposed agreement. We all know that, under the Constitution, the States have certain functions, and that it is essential they should not be financially crippled by the Commonwealth; but it is also essential that the Commonwealth should not be crippled. Nobody questions the trite observations of the Prime Minister, and, therefore, there is no need for an endless repetition of them. We may assume that

every one is anxious that the Public Services generally, whether Commonwealth or State, should not be hampered by an unfair division of the revenues. The Braddon section, after all, was only a temporary expedient, and is admittedly a clumsy method of settling the financial difficulty, in that it requires the Commonwealth to raise four times its necessary revenue. In itself, however, the Braddon section is more essentially Federal than the agreement we are now considering. It takes from the Commonwealth only a share of the revenue from a taxing power which it alone has, and does not permit the States to touch revenues raised in any other form which the Commonwealth may choose to adopt. Seeing that the power to impose Customs duties was being taken away from the States, it was very fairly claimed that the States should have a share of the resultant revenue. And the Braddon section does not impose on the Commonwealth any restriction in regard to the Tariff. We could have a high Protective Tariff with no revenue, or a Free Trade Tariff equally with no revenue, or, on the other hand, we could impose a Tariff which would raise a great deal of money, the only condition being that three-fourths of the revenue must be returned to the States. Awkward as the Braddon section may be from the point of view of national development, it is not nearly so inconsistent with a national progressive scheme of finance, as is the arrangement now proposed.

Sir JOHN FORREST.—At any rate, under the proposed agreement, we shall not have to raise four times the amount we require.

Mr. BATCHELOR.—A short time ago the Treasurer was speaking of the virtues of the Braddon section, of which he was one of the framers. No doubt it was the best expedient possible at the moment, and, therefore, we have no right to cast any reflection on those who gave it birth. Under all the circumstances, it was not a bad way of meeting an extremely awkward set of circumstances; and, of course, it has never been claimed that it is anything more than a compromise. The Treasurer must admit, however, that the Braddon section left the Commonwealth more free than does the proposed agreement.

Sir JOHN FORREST.—The Braddon section was all right until we wanted to raise more money.

Mr. BATCHELOR.—And now I suppose it is all wrong whichever way we

look at it? The Treasurer has advocated a number of financial schemes.

Mr. WISE.—And all totally opposed to the present Government scheme!

Mr. BATCHELOR.—Quite so. It may be said that I am rather late in the day in finding virtues in the Braddon section, but, while agreeing that it is clumsy, I have always held that it possessed the virtue of not imposing on the Commonwealth any obligation as to the form of the Tariff.

Mr. CHANTER.—Supposing we decided on a Tariff such as New South Wales had, where would the revenue come from?

Mr. BATCHELOR.—There would have been practically no revenue. I do not often quote my own speeches, but I should like to read the following from some remarks I made in this House in 1905—

It is said that the Braddon section protects the finances of the States, and, under existing conditions, it certainly does to some extent. There appears, however, to be a tendency in certain quarters to regard it as a fetish, which must be preserved at all hazards. I, for one, fail to see what special guarantee is afforded through its agency to the States. As a matter of fact, the guarantee which it offers from the point of view of the States' Treasurers is not half as good as that which would follow the adoption of the proposal made by the Treasurer—

That is the present Treasurer—

that the Constitution should be so amended as to provide that a fixed sum should be necessarily returned, *per capita*, to the States. The Braddon section merely provides that three-fourths of the revenue raised by the Commonwealth shall be returned to the States. It does not declare what sum shall be annually raised by us.

That accords with the view I am to-day expressing, that the Braddon section is a more Federal arrangement than the proposed agreement. If we ratify the agreement, the Commonwealth will be obliged to pay to the States for all time a sum much greater than can be reasonably spared, unless we are to increase our revenue by making the Customs taxation of the people heavier. The Prime Minister told us that, under the agreement, the Commonwealth would be free to impose any kind of Tariff. He said—

If our agreement be adopted by this Parliament, the Commonwealth for the future becomes free. The 1st July next will see the disappearance of State borders, the disappearance of the bookkeeping system, and will also find the Commonwealth relieved of the necessity which has pressed on us for a number of years of studying State Budgets and State circumstances.

As a joke, that is good. As a statement of fact, coming from such a source, it amounts almost to an insult to the intelligence of the community. The Braddon section empowers the Commonwealth, twelve months hence; to deal with the finances as it likes. Under it, we can raise just as much revenue as we may think necessary for our purposes, impose such a Tariff as we may consider best, and pay to the States as much or as little as we feel to be due to them. To compare that position with our position under the agreement, whereby we shall be compelled to pay to the States for all time 25s. *per capita*, and to say that the latter is a condition of freedom, is absurd. Under the agreement we shall have to raise a revenue of at least 50s. *per capita*, because we shall have 25s. to pay to the States, and will require at least 25s. for our own needs. I shall not consider now what the effect of the present Tariff is likely to be on the revenue of the future, because we have no data for determining the result of its protective duties. When the Treasurer brought down his Budget papers, I expressed the view that it would be useful to honorable members to have information regarding the effect of the duties which were imposed for protective purposes, and the like information regarding the operation of purely revenue duties. It is important to know the exact effect of our legislation. At present, however, the returns from protective and revenue duties are lumped together under various heads. For instance, we know what the revenue from the duties on narcotics and stimulants is, but some of the duties on those articles are highly protective, while others are merely revenue-producing, and we do not know what each set returns. Similarly, we do not know the effect of the protective duties on agricultural products and groceries, or the return from the revenue-producing duties on those articles. We should be able to compare from year to year the results of both protective and revenue duties. At present we have no data as to the extent to which the Tariff is protective. I therefore ask the Treasurer to consult his officers as to the possibility of some such division of the statistics as I have suggested. The ex-Minister of Trade and Customs, I understand, directed that something of this kind should be done, and he informs me that in Mr. Knibbs' latest statistics figures are given in regard to nearly one thousand subdivisions.

Mr. Batchelor.

Sir JOHN FORREST.—The matter is for the Customs officials rather than for the Treasury.

Mr. BATCHELOR.—The preparation of the Budget is a matter for the Treasury, and surely the Treasurer should know what the effect of the Tariff is, and what difference alterations of rates are likely to make. At the present time it is not very profitable to discuss what the future revenue of Australia will be under the existing Tariff. We know that, generally speaking, import duties, by encouraging local industries, cause a diminution of revenue. The year before last, our Customs and Excise revenue amounted to about 50s. per head, and, last year, to a little over 48s.

Mr. CHANTER.—Last year there was a decrease of about £800,000.

Mr. BATCHELOR.—That was in comparison with the returns of the previous year, when the clearances in anticipation of Tariff changes were abnormal, and the revenue amounted to £2 10s. per head. So long as the conditions of commerce are normal, we may expect the revenue from Customs to decline. Hence any scheme based on our ability to pay to the States for all time 25s. per head per annum, while at the same time having sufficient to meet our own requirements, must necessarily fail. The Prime Minister referred to the fact that New Zealand the year before last raised from Customs and Excise, 70s. per head of her population. Several honorable members have commented on that statement, but there are one or two aspects of the question to which I should like to draw attention. The honorable gentleman suggested that there was no reason to suppose that Australia could not raise an equal amount. We should doubtless be able to do so provided that we adopted the New Zealand Tariff. That, however, would mean the sacrifice of a good deal of our Protection. I find, for instance, that in 1906 New Zealand's *per capita* return from Customs and Excise duties on sugar, tobacco and cigars, spirits and wine, was 27s., and that in 1907 it amounted to 28s. 9d. I have not included in the list all narcotics and stimulants, because the duties in respect to some of them both under the Commonwealth and New Zealand Tariffs are purely revenue producing. Last year the revenue from these four items in New Zealand dropped because sugar was made free, and the Tariff was altered in some

other direction. Instead of being £3 10s. per head of the population, it dropped last year to £3 4s. per head. The figures for last year will not be found in the bound volume of the *New Zealand Year-Book*, but I have obtained them from some advance unbound copies that have reached the Library. The Customs and Excise collected on spirits, tobacco and cigars, and sugar in Australia in 1906 amounted to only 18s. 1d. per head of the population, as against 27s. per head collected in New Zealand, and in 1907 to 18s. 11d. as against 28s. 9d. per head collected in the Dominion. That difference is entirely due to the fact that we produce the commodities in question to a much larger extent than New Zealand does. New Zealand has dropped the Excise duty and has abandoned the idea of producing narcotics and stimulants from which she is anxious to obtain as much revenue as possible.

Mr. TUDOR.—The New Zealand Government with that object in view bought out the local distilleries.

Mr. BATCHELOR.—In order that it might increase its revenue from spirits New Zealand bought out the local distilleries, and the distillation of spirits is no longer carried on there. We have also to remember that New Zealand is not a wine producing country. We could not hope to raise as much revenue as New Zealand does since Australia with a climate ranging from the heat of the tropics to the extreme cold of the south offers a wider field for production. In these circumstances a precisely similar Tariff would give a larger *per capita* return in New Zealand than in the Commonwealth. New Zealand derives a large proportion of her revenue from wine, but in Australia we have no Excise duty upon it, and could obtain a revenue—excepting, of course, sparkling wines which are imported to some extent—only by the imposition of such a duty.

Sir JOHN FORREST.—Does the honorable member advocate an Excise duty?

Mr. BATCHELOR.—The right honorable member is really advocating its imposition by urging the adoption of this agreement. If it is to be carried out we shall have to give up the production of the commodities to which I have referred. The agreement will land the Commonwealth in such difficulties that it will have to raise more revenue in order to give effect to it. Naturally in such circumstances the first step taken with a view to securing

more revenue would be to impose an Excise duty on wine.

Sir JOHN FORREST.—When shall we be in the difficulties to which the honorable member refers?

Mr. BATCHELOR.—I do not think that it will be very long.

Sir JOHN FORREST.—Has the honorable member made any calculation as to the revenue we shall be receiving in 1920? We shall have more.

Mr. BATCHELOR.—The right honorable member after all is indulging in mere guess work. He admits that he has not in his Department statistics to guide him as to what will be the future operation of the Tariff. I have not calculated what the revenue will be in 1920, and no one can say what it will be. We may use the data at our disposal, but after all we can arrive only at an approximation of what the returns will be. To enable us to form a more definite conclusion on the subject, the right honorable member, in his Budget Papers, should distinguish between purely revenue-producing and protective items.

Mr. BAMFORD.—The probabilities are that the *per capita* return from Customs and Excise in 1920 will not be more than it is to-day.

Mr. BATCHELOR.—It is not reasonable to suppose that we shall be able to raise more *per capita* in 1920 than we are raising now.

Sir JOHN FORREST.—But if we do we shall be all right.

Mr. BATCHELOR.—Surely the right honorable member does not think that we have reached the limit of our expenditure? If we make this return to the States for all time, it will be impossible for us to carry out the undertakings to which the Commonwealth is pledged. Assuming that we make this payment, and that our Customs and Excise return *per capita* is maintained at 50s.—which is very unlikely—we shall not be able to take over the Northern Territory and to develop it by constructing a transcontinental railway. Neither shall we be able to pay old-age pensions on the scale that the majority of honorable members desire to see adopted.

Mr. KELLY.—Does the honorable member think that the Treasurer would support this agreement if he thought it would interfere with the construction of the Western Australian transcontinental railway?

Mr. BATCHELOR.—I have known the right honorable member to be guilty of many inconsistencies; and perhaps the suggestion just made by the honorable member for Wentworth may cause him even now to hesitate to urge the Parliament to adopt this agreement.

Sir JOHN FORREST.—I am not easily frightened.

Mr. BATCHELOR.—If the honorable member were, I think that he would be slow to ask the people of Australia to support this proposal. I do not desire, however, to labour this point. Every one knows, no matter what statements may be made for party purposes, that it is exceedingly unlikely that the people would submit to the imposition of a Tariff that would produce from Customs and Excise more than 50s. per head of the population. The tendency is certain to be in the direction of a decrease per head. In those circumstances we cannot hope in the future to be able to pay 25s. per head to the States, and still have enough to meet our own commitments. What would have been very much better was some modification of the proposals of the honorable member for Mernda. I have always looked to the taking over of the State debts by the Commonwealth to wipe out all these financial difficulties.

Sir JOHN FORREST.—That is not the Constitution, any way.

Mr. BATCHELOR.—It is the Constitution. The Constitution lays it down distinctly that the Commonwealth may take over the State debts, and one of the great reasons urged upon the people for accepting the Constitution was the hope that great savings would result through the Commonwealth taking the debts over.

Sir JOHN FORREST.—That is right; but the States had to indemnify the Commonwealth.

Mr. BATCHELOR.—Of course; but that is not the point. The whole point I wish to make is that it would get over the difficulty as between the States and the Commonwealth. The right honorable member interjects that it was not contemplated in the Constitution, but it certainly was. If there was one thing more than another contemplated in the Constitution it was that the State debts should be taken over, and it was laid down expressly that the States were to indemnify the Commonwealth for any cost to which it might be

put. That part of the problem has now been dropped. I admit that I cannot attach any great importance to the State Debts Bill, which is also to be brought forward, because all that it proposes to do is to extend the Constitution so that the whole of the State debts, and not only a part of them, may be taken over. That does not get us any "forrarder." For ten years we have had the right to take over the debts incurred by the States up to the time of Federation, but we have done nothing in the matter. We could have wiped out the Braddon blot, and saved all the trouble if we had taken over the debts in the last ten years.

Sir JOHN FORREST.—Wiped out the Braddon blot?

Mr. BATCHELOR.—The Constitution provided that the Braddon section should apply until the Commonwealth took the debts over, and not after.

Sir JOHN FORREST.—The Braddon section applied for ten years. It had nothing to do with the taking over of the debts.

Mr. BATCHELOR.—The taking over of the debts would have superseded the Braddon section—

Mr. GROOM.—The honorable member means "in effect."

Mr. BATCHELOR.—Of course I mean in effect. I did not mean to say in so many words that it would do so.

Mr. SPEAKER.—Order. I would point out to honorable members that this is virtually a second-reading debate, and not a dialogue, and that honorable members are not entitled to take up the time occupied by others in making their speeches.

Mr. BATCHELOR.—If three-fourths of the Commonwealth revenue had been absorbed in paying interest on the State debts, that would have absolutely wiped out, in effect, the Braddon section.

Mr. GROOM.—But it would have left the Commonwealth with only one-fourth.

Mr. BATCHELOR.—Of course, it would not have affected the revenue of the Commonwealth, but it would have wiped out the difficulties that existed at the time between the Commonwealth and the States. One of the reasons why I greatly object to this agreement is that, instead of being likely to hasten the taking over of the State debts, it will delay it, and I think that any one who looks at the question can hardly avoid arriving at the same conclusion. Under the Constitution as it stands,

if the Commonwealth were to take over the State debts at the present time it would be to the interest of the Commonwealth to make every saving possible, because it would receive a larger revenue in consequence. There would be every incentive to the Commonwealth to insure the most careful management, and to save to the people as much as possible, because every penny that could be saved would increase the Commonwealth revenue.

Sir JOHN FORREST.—How?

Mr. BATCHELOR.—When we take over the debts, the interest on them becomes a charge on the Commonwealth revenue, and the more savings we make in conversion, the more economical the management of the debts, the more revenue will be left to the Commonwealth.

Sir JOHN FORREST.—Would not the States get the saving?

Mr. BATCHELOR.—Certainly not.

Sir JOHN FORREST.—That is a new idea!

Mr. BATCHELOR.—Does the right honorable member mean to say that if the Commonwealth took over the State debts, and gradually wiped out the whole of them, it would still have to pay to the States the amount which it had wiped out by the saving that it made?

Sir JOHN FORREST.—Certainly; all the savings would go to the States.

Mr. BATCHELOR.—That is a most extraordinary proposition!

Sir JOHN FORREST.—It was part of my proposal.

Mr. BATCHELOR.—I have never heard it before, and if the right honorable member considers it, I am sure he will recognise that it is an unthinkable proposition. I admit that that would be the result if the agreement now before us were carried, and the Constitution were amended in such a way that we had to pay the States 25s. per head for all time. In that case, no matter how many savings the Commonwealth made, it would be no better off. The Commonwealth might wipe out that proportion of the debts which is represented by 25s. per head—about £160,000,000—in a period of years, by means of savings in conversion and careful management, but it would be no better off as the States would still receive from it 25s. per head. We should then have taken over the debts from the States, handed over to them their reproductive works, and left

them with all their assets and undertakings—

Sir JOHN FORREST.—Of course, the honorable member regards the States as a lot of aliens!

Mr. BATCHELOR.—The right honorable member need not be silly. According to the present proposal of the Government, if we wipe out the State debts in twenty or thirty years, and leave the States with their assets free, and in full enjoyment of all the revenues derivable from those assets, it will make no difference to the Commonwealth, which will have to go on paying the States 25s. per head.

Mr. HEDGES.—We should wipe the debts out with the States' money, which the States allow us to collect.

Mr. BATCHELOR.—That is a curious sort of argument.

Sir JOHN FORREST.—Here are my proposals as reported in *Hansard*. Will the honorable member look at No. 8 of them?

Mr. BATCHELOR.—The right honorable member has handed me a report of the *Budget* speech for 1906, in which he lays it down that—

All net profits arising from any conversion or redemption of existing loans should be credited by the Commonwealth to the State concerned, and the annual payment by that State reduced accordingly from time to time.

Of course, I agree with that, but that is not the point which I was making. It simply means that any saving made would go to reduce the amounts which the States had to make up to the Commonwealth during the time that the Braddon section continued to operate. I was dealing with the period when we had got beyond that stage, and when the savings became much more than the amounts by which the States had to indemnify the Commonwealth. Even the Treasurer has never yet suggested that we should then go on paying all the profits to the States.

Sir JOHN FORREST.—I do.

Mr. BATCHELOR.—The words—

The annual payment by that State reduced accordingly from time to time,

refer only to payments by the States to the Commonwealth. They cannot refer to a time when the payments by the States to the Commonwealth will have ceased. As I should like to clear up this point, which is of some importance, I should be glad to obtain leave to continue my remarks on a future day.

Leave granted; debate adjourned.

ADJOURNMENT.

OLD-AGE PENSIONS: REGULATIONS AND CORRESPONDENCE: PAYMENT OF PENSIONS AT POST OFFICES—SUPPLY OF BAYONETS TO VICTORIAN FORCES—SLOT TELEPHONES—PUBLIC TELEPHONES IN HOTELS.

Mr. DEAKIN (Ballarat—Prime Minister) [3.29].—I move—

That the House do now adjourn.

I again invite honorable members to be good enough to assist the Government at this period of the session to reach the next stage of this measure as early as is possible. I do not wish to deprive honorable members of the opportunity of speaking, but simply invite all to follow the many excellent precedents set them by condensing their remarks.

Dr. MALONEY (Melbourne) [3.30].—I am sorry to have again to bring the administration of the Old-age Pensions Act under the notice of the House. I have here a letter received by Mr. Prendergast, the representative of North Melbourne in the State Parliament, and forwarded by that gentleman to me, and I have also had brought under my notice by Sir Alexander Peacock, M.L.A., the great difficulty that is caused by the number of questions that are put to applicants. I should have thought that, seeing the Postmaster-General and the honorable member for Batman are opposed to the present system, that some remedy would have been applied; but it would appear that all questions asked or communications sent are evaded or put on one side. The Treasurer, whose stomach is never empty, tells us that cases brought under his notice have been sent on to the registrars, and that in a few weeks replies may be expected. Such a state of things is really absurd; and I believe that the unnecessary delay is resented by nine out of ten of the taxpayers.

Sir JOHN FORREST.—The consideration of the Victorian applications is nearly finished.

Dr. MALONEY.—If the Treasurer says that, let me tell him that he does not know what he is talking about; and if the matter were debated in a meeting, say, at the Melbourne Town Hall, the pity and contempt of the people would be his. The letter sent on to me from Mr. Prendergast is as follows:—

In regard to your memo. *re* Mrs. Fahey, a pension of 10s. per week was recommended in her case on the 1st instant, and the papers were sent on the same day to the Old-age Pen-

sion Office. I have written *in re* the matter, which will perhaps live them up. The above remarks apply to Mr. Tucker's case. There seems to be an extraordinary amount of delay in dealing with the claims at the Old-age Pension office. I shall always be glad to do anything for you in this matter.

On that letter is the following note by Mr. Prendergast:—

Please note the length of time the pension papers remain undealt with in the Commonwealth offices.

I have another letter here which was handed to me by the honorable member for Maribyrnong, in whose district the case is, and it is as follows:—

I wrote you, and gave you full particulars about my husband, F. W. Ellsworth, applying for a pension, the 1st of July. You were kind enough to answer that letter, and thanks very much for your kind sympathy. I thought I would let you know how he got on. The first time he went before the Court, he was recommended for 10s. a week. Another month passed; then he was told to apply again at Court. He did so, and the gentleman said, "The papers are returned," and said, "They will not grant you 10s. a week." Everything had to be gone over again, then he was recommended for 7s. 6d. a week. Another month passed. This week he got word his pension was granted, and when he went, all they had granted him is 5s. a week. Now, sir, is that all respectable old people can get at the age of 71 years? He has not been able to work for some years, and I have had a hard struggle to make ends meet. My age is 64, and for many years I have had very bad health, suffering from gall stones. We possess nothing, but if we live for another five years, and can keep the payment up of the house we are buying, we should have a roof over our heads.

It seems to me that the Department does not make any allowance for a house that has been bought on the instalment plan. If the amount paid up were considered, it would be a fair thing; but it is decidedly not right to take into account a house which will not be paid for until five years have elapsed. This man is suffering from diabetes.

Sir JOHN FORREST.—Why do you not send on these cases to the Department?

Dr. MALONEY.—I am sick and tired of sending cases on.

Sir JOHN FORREST.—I am sure the honorable gentleman always gets civility and attention.

Dr. MALONEY.—I get civility from those who do not know what these delays mean to the poor people—from an officer who draws £20 a week, and has as much sympathy with the cases as, perhaps, the Treasurer has.

Mr. CROUCH.—I have written several letters to the Treasurer, and have not received answers.

Dr. MALONEY.—What, then, becomes of the alleged civility and readiness to reply?

Sir JOHN FORREST.—The honorable member only desires to find fault and advertise himself.

Dr. MALONEY.—If I advertised myself as the honorable member does, I should be a Guy Fawkes.

Mr. SPEAKER.—I have already called honorable members to order several times, and I ask them not to break the Standing Orders by interrupting the honorable member addressing the House.

Dr. MALONEY.—Here is another case in the constituency of the honorable member for Gippsland, to whom I shall hand on the letter—

A short time ago, I wrote to you calling your attention to how I had been treated in reference to my old-age pension, but, since then, I have become acquainted with the new feature in reference to the administration of pensions. My wife, not being satisfied as to the amount that she was receiving, wrote to the police magistrate that inquired into her case, at the Moe Court-house, on 26th July last, explaining some mistakes she had made in answering some of the questions that the police magistrate asked her with a view of getting things reviewed, and informing him of the amount she was receiving, viz., 4s. 6d. per week. She got an answer to her letter, a copy of which I herein enclose, informing her that the amount that he, the police magistrate, had recommended to the Commissioner, that she should have was £14 a year for herself, and also, her husband. Now, I consider the difference between £14 that the police magistrate recommended, and the 4s. 6d. a week which we are paid, amounts to £11 14s., making a difference of £2 6s. a year for each of us. The question I should like to have answered is, what is the use of appointing a police magistrate to inquire into the old-age pension applications, if their decisions and recommendations are not to be followed out, and by whose authority this kind of thing can be carried out, whether it is by the instruction of the Treasurer to the Chief Commissioner, or the Commissioner to his deputy, to carry on these cheese-paring tactics? It would be interesting to know, so that the blame might rest on the right shoulders. It might not seem much to the officer who has the administration of the pensions, that the difference of £14 and £11 14s. is only £2 6s. a year, is very much to make a complaint about, but if those officers had to change places with us, they would find that that would make a material difference.

In reference to this case, the following memorandum was sent by the Clerk of Courts at Traralgon:—

I am directed by the police magistrate to inform you that he recommended £14 per annum in each case, yours and that of your husband. Any further communication in the matter should

be to the Deputy Commissioner of Pensions for Victoria at Melbourne, who may remit the cases to the police magistrate for rehearing if he thinks fit, on the materials that are on the fresh matter you may place before him.

There are about 180 questions to be answered by the applicants and their friends; and, in addition, the police magistrate has power to ask any question he likes, and the latter, unlike the officers of the Department, has before him the applicants. I should like to know why it is that the Department so frequently alters the decisions of the magistrates, and why such an unreasonable length of time is occupied in the remission of the cases. It is not pleasant to me to have to continually bring such cases before the House; but if honorable members could see the worry caused by the unnecessary and infamous questions, I feel certain that, on a vote in the House, 95 per cent. of them would be wiped out.

Mr. CROUCH (Corio) [3.43].—I do not think it is a good practice to bring individual cases before the House, but if the honorable member for Melbourne, who appears to have an unusually large number of them on his hands, has had the same experience as myself, he is justified in his action. Personally I have had only five cases of the kind sent to me, and I wrote in reference to them to the Department. Three of the communications I forwarded to the Treasurer, and not one of them has been replied to, even in acknowledgment of their receipt. One of these cases, however, I know has been attended to; but, in reference to the other two, I addressed myself to individual officers, and then they were looked after. If letters are addressed to the Treasurer, it should be somebody's duty to, at any rate, acknowledge their receipt. No matter what time may be occupied, the honorable member for Melbourne, if his treatment has been similar, should see that the facts are laid before the House, or, otherwise, his constituents may think that he is neglecting his duty. There is a matter in connexion with the Defence Department to which I desire to direct attention. For the last seventeen months the infantry militia of Victoria has been without bayonets. New rifles were issued in March, 1908, to the force at Bendigo, Ballarat, and in the metropolis, and to a number of the men of the volunteer infantry, but they were not accompanied with bayonets. The average service of a militiaman is about eighteen months, so that between one-half and two-thirds of the present militia forces of Victoria are

without training in the use of the bayonet. We know how important a part the bayonet played in the Russo-Japanese war, notwithstanding the long range of the modern rifle, and the usefulness of and need for training in bayonet work is obvious. I have been told that representations have been made to the District Commandant by the regimental commanders, but that, as an artilleryman, he knows little about infantry requirements and does not see the importance of issuing bayonets, and has pooh-poohed the proposals submitted to him. About 50,000 bayonets are at some future time to be altered to fit the short rifle. It must be remembered that whatever defence scheme may be adopted will not be perfected for seven years. That proposed by the Government is not to be initiated until 1st July, 1911. If, until then, the Victorian District Commandant has decreed that the militiamen are to be without training in the use of the bayonet—it is only in Victoria that this state of affairs obtains—it will be a very unfortunate thing for the country.

Mr. POYNTON (Grey) [3.49].—I also have received numerous complaints regarding the administration of the Old-age Pensions Act, one of the most serious reaching me within the last two days. A magistrate in the northern part of the State which I represent is alleged to have said, when inquiry was made as to the cause of delay in dealing with pension applicants, that he had no time for Commonwealth work while there was State work to be done. I am informed that he is not paid for Commonwealth work.

Mr. TUDOR.—Surely that is incorrect.

Mr. POYNTON.—That is the information which I have received, and I suggest that inquiry should be made to ascertain whether it is correct. It is very hard that the old persons of South Australia, where pensions have been promised since the nineties, should be prevented from taking advantage of our humane legislation. It will be a crying shame if this great Act loses its effect by reason of the inaction of stipendiary magistrates or others. There has been published in Adelaide a list of the applications dealt with and finally settled, but it contains only an infinitesimal part of the whole number of applicants. I cannot understand why so much time is taken in dealing with applications. One complaint I make is that everything is done to prevent old persons from getting pensions. Applicants living in miserable, ramshackle structures, only suitable for

wood houses, have had large sums deducted from their pensions. The other day I heard of such a deduction in connexion with an applicant living in a three-roomed wooden house in Port Augusta, valued by the council at £160. A few years ago I sold a five-roomed wooden house in that town for £10, and am certain that no three-roomed wooden affair would realize in the market—which is a true test of value—one-third of £160. Those administering the Invalid and Old-age Pensions Act accept every inflated valuation made by a municipality, to the detriment of the unfortunate applicants for pensions. I trust that the Minister will have inquiries made from the Deputy Commissioner in Adelaide as to the cause of the delays which have occurred in South Australia, and as to the reported utterances of the magistrate to whom I have referred.

Dr. LIDDELL (Hunter) [3.53].—I desire to put myself right about a matter as to which I have been misunderstood. On Wednesday last I drew attention to the fact that it was the declared policy of the Postmaster-General's Department not to put public telephones into hotels. Since then, persons have spoken to me on the subject in a manner which makes me think that there are some who regard me as an advocate for the placing of telephone bureaux in public-houses or other buildings where drink is sold. That is not my desire. What I wished to point out was that the Department is depriving the travelling public of a necessary convenience, and is losing revenue, by refusing to place penny-in-the-slot telephones in hotels. I am acquainted with a hotel in Melbourne where there are three telephones—one in the manager's office, another under the care of the housekeeper, and a third for the use of the guests. As persons staying in the hotel may not use the manager's, or the housekeeper's, telephone, it is very difficult for them to despatch messages. Were the Department managed on commercial principles, it would seize an opportunity like this to install a slot instrument. Some time ago I brought the matter under the notice of the honorable member for Eden-Monaro, when he was Postmaster-General, and being a man of liberal ideas and considerable business experience, he was inclined to adopt my view that, where telephones are needed in large residential hotels, the Department should supply them. I do not blame the Postmaster-General, because I think that these matters are controlled by his officers. They, however,

have been trained from their earliest years in the rules of the Department, and have had to look at the world through their pigeon-holes. Not travelling much, they know of little beyond what happens in the Department.

Sir JOHN QUICK.—This is a matter for which the Minister is responsible.

Dr. LIDDELL.—The Department should conduct its business on commercial lines, and give the public the facilities to which it is entitled. At the present time the Departmental practice is inconsistent. It is stated in the *Telephone Directory* that public telephones will not be allowed in public-houses. A hotelkeeper may hire a telephone from the Department at the rate of two calls a penny, and charge his lodgers one call a penny. But this arrangement necessitates the continuous employment of an attendant. It has been suggested that a box might be provided into which users of telephones might drop their coins. But the public will not pay when it can get a service without paying. Notwithstanding the rule that public telephones are not to be placed in hotels, I find that there is one at the Palace Hotel, Bourke-street, another at the Anglers' Hotel, Ascot Vale, and a third at the Survey Hotel, Deepdene. Strangely enough, there are only seventy-nine slot payment telephones in Victoria.

Mr. TUDOR.—Is that all the public telephones there are?

Dr. LIDDELL.—There appears to be a difference between slot payment telephones and telephone bureaux. The number of public telephones could be advantageously increased if storekeepers and others were encouraged to provide them for their customers. In New South Wales there are only fourteen slot payment telephones. There must be revenue to be derived from the use of these machines, and yet the Department does not encourage them.

Mr. TUDOR.—I think that there are four at Circular Quay alone.

Dr. LIDDELL.—There is certainly one at the Grosvenor Hotel, Church Hill, Sydney. There are also what are called public telephones. At the Hotel Australia, there is a public office from which telegrams can be sent, and other postal business transacted. Yet we have the Postmaster-General saying that, on moral grounds, he will not allow these instruments to be used in hotels, lest any one should be encouraged to imbibe liquor. In

New South Wales, there are public telephones at the following hotels:—The Arcadia, the Australia, the Metropole, the Wentworth, Tattersall's, the United Service, and the Merrylands, at Holroyd. So that, although the Department says that it will not encourage hotel telephones, we have, nevertheless, a series of public telephones at the principal hotels. One reason given by the Department is that the establishment of slot telephones at hotels might prevent hotelkeepers from having private instruments. But the reply is that if a hotelkeeper had a slot machine, and used it for his own purposes the Department would probably derive a larger revenue therefrom than it would do if he paid for a private telephone. It is absolutely ridiculous that we in Australia should not be as up-to-date in these matters as are other countries.

Mr. MAUGER.—There are States in America where the telephones are not permitted in hotels at all.

Dr. LIDDELL.—But the telephones in America are not run by the Government. They are controlled by private companies, and, to some extent, the people are exploited. We want to prevent that kind of thing in Australia. I hope that I shall be able to persuade the Postmaster-General.

Mr. MAUGER.—No chance!

Dr. LIDDELL.—Surely the honorable member can recognise that these residential hotels are not drinking shops in back streets. The people who live at them should have reasonable conveniences of this kind placed at their disposal.

Mr. COON (Batman) [4.6].—I consider that there is something wrong with the administration of the Old-age Pensions Department. Otherwise people would not have to wait so long for an answer after making an application. When a police magistrate has conducted an inquiry, and recommended the granting of a pension, the applicants are informed, often days, or even weeks later, that the Department cannot accede to the request. In some cases, no reason is given. If the officers are overworked, and cannot keep up with the demands, steps should be taken by the Treasurer to increase the staff, and to bring the work up-to-date. I trust that the Postmaster-General will convey to the Treasurer the protests that have been lodged by the honorable member for Melbourne and others, with which I thoroughly agree.

Sir JOHN QUICK (Bendigo—Postmaster-General) [4.8].—The Treasurer having been called away on urgent business, has requested me to make a note of matters affecting his Department. With reference to the complaint of the honorable member for Melbourne regarding old-age pensions, and particularly as to questions put to applicants, and the ensuing delays, I may say that some time ago I did make a remark to the honorable member for Melbourne to the effect that I thought that the questions prescribed by the regulations were too numerous and complicated. I mentioned the subject to the Commissioner, and talked it over with him. He pointed out to me that the questions, which had been framed by him, were necessary for the purpose of protecting the Government, and particularly for the purpose of identifying applicants. Particulars concerning parentage, history, and so forth, were required, in order that persons might be traced. The questions are not put for any other than public reasons, and to enable the Department to exercise a strict supervision over the administration of the Act. The Commissioner assured me that if he could see his way to recommend a modification of the regulations he would do so.

Dr. MALONEY.—What was the matter with the Victorian system, under which pensioners had not to answer any such questions?

Sir JOHN QUICK.—The Commonwealth system is more liberal than the Victorian system was. Moreover, the regulations had to be framed with a view to other old-age pension systems in Australia. It may have been found, from experience, that the Victorian regulations were defective. At all events, I have no doubt that the Commissioner considered that the regulations drawn up formed a perfect code. I should like the honorable member to recollect that while the late Ministry was not solely responsible for the regulations, certainly the present Ministry is not. They were drawn up by the Chief Commissioner and his officers; and at the present time we could not undertake to order a revision or modification of them, unless such a course were supported by the chief administrative officer.

Dr. MALONEY.—He is the brute of the whole lot.

Sir JOHN QUICK.—Having had time to reconsider the opinion which I expressed to the honorable member, I should not like to say now, in the light of the information

given to me, that the Chief Commissioner is wrong. It is also to be remembered that many of the difficulties which have occurred were incidental to the initial stages of the working of the new Commonwealth Act. They are merely initial difficulties, and they will pass away. As people become identified, and their rights to pensions are established, it will not be necessary to go over the ground year after year. It will certainly be necessary to take precautions in dealing with each application, but the Department and the public will have become more familiar with the law. I have no doubt that the honorable member has rendered valuable assistance to a lot of these old people. We have all had to help them. I have had to introduce claimants to my clerks, and to instruct them to draw out their forms of application. They are certainly entitled to help, and I hope that the honorable member will accept my assurance that the regulations were not framed solely for the purpose of embarrassing or worrying claimants. They were drafted to insure legal protection. It may be that they have caused inconvenience, but I hope that, with time and practice, that inconvenience will be found to grow less and less. As to the delay in dealing with applications, it must be remembered that we have had to call into requisition the services of State police magistrates in dealing with the vast array of claims. We are not their sole masters. We cannot compel them to give their time exclusively and primarily to the investigation of these cases, and if we had to employ special officers for the work great expense would be incurred. I believe that the police magistrates of all the States have shown a disposition to deal promptly with applications consistently with the performance of their other duties. A little consideration ought to be conceded to the police magistrates who have these vast additional duties imposed upon them, and I trust that no honorable member will suggest that we should employ special officers, and thereby add materially to the expense of administering the Act. We have received from all the States an assurance that the judicial officers intrusted with this duty are performing it conscientiously, earnestly, and as expeditiously as possible. In Victoria nearly the whole of the applications have been dealt with. The work has been grappled with in a splendid manner, and is almost complete. In the other States, it may be that, owing to the many other

duties of the magistrates, it is not so well advanced, but the Treasurer will make a note of the complaints that have been voiced this afternoon, and will endeavour to expedite the work as much as possible. I am sorry to hear the complaint as to the non-acknowledgment of letters that have been sent to the Department, but honorable members will recognise that the pressure of correspondence on the Old-age Pensions Office is enormous.

MR. TUDOR.—My experience has not been that of the honorable member for Melbourne. I have received dozens of letters from the Department.

SIR JOHN QUICK.—I also have written to the Department, and have received replies within a reasonable time. There may be special circumstances to account for the delay in certain instances. I can assure honorable members, however, that the Treasurer will make inquiries into this complaint. The valuation of properties is undoubtedly a complicated matter. I have had brought under my own notice a case in which a police magistrate adopted the municipal valuation, and have obtained, in one case, evidence that the municipal valuation was excessive. The Old-age Pensions Commissioner is not bound by the municipal valuation of properties, although a police magistrate may consider that he is. In one case within my own knowledge the Commissioner has reviewed a valuation, and has reduced it in favour of the claimant. No doubt, if honorable members will take the trouble to bring proper evidence before the Commissioner, he will review every case—as he is entitled, as an appellate officer to do—upon its merits, and will not necessarily be bound by either municipal valuations or those fixed by a police magistrate.

DR. MALONEY.—Does not the honorable member think that a claimant for an old-age pension should receive an acknowledgment of his application?

SIR JOHN QUICK.—I am not aware of any instance in which an acknowledgment has not been received. The honorable member for Corio referred to the deficiency in bayonets for rifles. The Minister of Defence has authorized me to say that he has ordered 28,000 bayonets, to be provided as soon as possible, and that he expects that upon their arrival the cause of the complaint will disappear. As to the use of telephones in hotels, to which the honorable member for Hunter has referred, I have little to add, and do not think it advisable, at this late stage of the sitting, to

enter upon a full discussion of the question. I believe that it has been the practice of the Department since Federation not to increase the number of slot-payment telephones in hotels, and I thoroughly approve of that practice as a whole. The honorable member has mentioned several hotels that are in possession of slot-payment telephones. It may be that they were provided under the State system before Federation.

DR. MALONEY.—I know of one that was not.

SIR JOHN QUICK.—I can offer no explanation of particular instances. Of late years, at all events, the Department has refused to increase the number of slot-payment telephones in hotels, on the ground that it is not desirable or proper to do so. Although there may be no objection to slot-payment telephones being fixed in high-class hotels, it would be hard to discriminate. If we began to extend the system we should have applications from every hotel-keeper in the country, on the ground that his was a respectable residential house, and it would be difficult to refuse any. I certainly approve of the proposition that the Department should popularize and extend the use of slot-payment telephones wherever there is no serious objection to their establishment. We have caused special inquiries to be made in Melbourne as to localities where they may be established, and their number has been largely increased. I am surprised to hear that there are only fourteen in New South Wales. It seems almost incredible; but if the statement be correct, I shall cause the Deputy Postmaster-General in New South Wales to submit suggestions as to suitable places in which they may be established there as in Victoria.

MR. THOMAS BROWN.—Are they public telephones?

SIR JOHN QUICK.—Yes; Departmental telephones.

MR. THOMAS BROWN.—I think that there must be more than fourteen public telephones in Sydney alone.

DR. LIDDELL.—I took the figures from the *Postal Guide*.

MR. THOMAS BROWN.—A distinction may be made by the Department between slot-payment and public telephones.

SIR JOHN QUICK.—I shall inquire into the statement made by the honorable member for Hunter. It is my desire to extend and popularize the use of slot-payment telephones, and I think that may be done without establishing them in hotels.

Hotel proprietors can have as many telephone instruments as they are willing to pay for. We do not limit them. Either Menzies' Hotel or the Grand Hotel or Scott's Hotel can get as many subscribers' instruments as they think fit. No limitation is imposed. What we do object to is that they should call upon the Department to establish Departmental telephones in any hotels further than they have been established. Let them get as many subscribers' telephones as they think fit, and, if they do, their guests and others can use the instruments on payment of a penny, provided that it is under the toll system, but, of course, if it is under the slot system—

Mr. MAUGER.—It must be under the toll system now.

Sir JOHN QUICK.—Yes, all the new telephones are under the toll system. I do not see how even these high-class hotels are interfered with by the Departmental regulation. I fail to see why they should ask us to extend Departmental telephones for the use of themselves and their patrons and customers. They should remember that if we establish Departmental slot-payment telephones in their hotels every member of the public will have the right to have access to them. They could not reserve their use exclusively for their customers and patrons.

Mr. PAGE.—How is the Minister going to discriminate between high-class and low-class hotels?

Sir JOHN QUICK.—That is the difficulty. I should not like to be called upon to draw a line and say what application should be refused and what application should be granted. I do not think it is desirable to extend the number of public telephones in hotels, nor do I think that the revenue will suffer from our action. If the demand in any hotel is sufficiently great, the proprietor has his remedy by applying for a subscriber's instrument. Any number of subscribers' instruments will be conceded to the hotels on the toll system. In that way their customers will be accommodated, and the revenue will be protected and promoted.

Mr. THOMAS BROWN (Calare) [4.23].—I desire to again bring before the House the great difficulty which old-age pensioners in remote country districts experience under the present arrangements in getting their payments made to them. Some days ago I brought the matter under the notice of the Treasurer, and showed that pensioners had to travel from a post-office to a

money-order office—a distance of from 20 to 26 miles—in order to have their payments made. I suggested that the difficulty might be largely overcome by having the payment of a pension made at any post-office, irrespective of whether or not it was a money-order office. The Treasurer gave me to understand that I was labouring under a misapprehension, and that what I suggested was the practice of the Department. I have here a typical case which I should like to have specially brought under his notice. In the *Sydney Worker* of the 23rd September the following letter appeared under the heading of "Callous Treatment of Old-Age Pensioners":—

Dear *Worker*,

I wish to bring under your notice a matter in connexion with the payment of my old-age pension which presses heavily on one of my years, and as there are no doubt many hundreds similarly placed to myself, I trust this publicity of the circumstances will be the means of bringing some redress of our grievance.

Now, sir, from Humula where I reside, to Tarcutta, to which place I have to go for my pension, is 18 miles. To make this journey once a month on a very slow old horse was quite enough, but this change once a fortnight is too severe? I spoke, to a friend and asked him if he could do something for me. He kindly offered to draw my pension money for me, and I went back to Humula feeling very grateful and glad. But later on our constable informed me the warrant had been returned to him, as the gentleman referred to above could not lift my money for me, as all storekeepers and business people were barred from drawing a pensioner's money. Now, sir, Humula is a village, and one may stand at the post-office or police station, and count thirty houses, so I ask can nothing be done that we old pensioners could draw our money in Humula post-office.

JOHN MORGAN.

To that letter this footnote was appended by the editor—

We have brought this case, typical, unfortunately, of many hundreds of others of our old folk in the backblocks, under the notice of Mr. Clegg, the Registrar of old-age pensions in Sydney. Mr. Clegg explained that our correspondent has to make such a long journey owing to the fact that there is probably no money-order office at which the pensions are made payable nearer than Tarcutta. Should there be one nearer, the Department in this, and in any similar cases, will gladly meet the wishes of the applicant. It frequently happens that a post-office is not a money-order office. If it is preferred the pension will be paid monthly to obviate the necessity of making the fortnightly journey.

While the *Worker* believes that the officers are willing to assist the old-age pensioners to the full extent of their present powers, it is scandalous that some more humane system has not been devised by the responsible heads of the Department which will enable pensioners, like our correspondent, to draw their money without

having to make a journey which, to those placed as he is, is nothing short of the infliction of downright cruelty.

The letter is on similar lines to a number which I have received from my constituents. Apparently the Department have no general scheme by which payments can be made at post-offices other than money-order offices. In this case the old man had to travel from a post-office in a little town with a police station and other advantages to the nearest money-order office, 18 miles away, in order to get his payments made, and what applies to his case applies to hundreds of others.

Mr. JOSEPH COOK.—I know that the Treasurer has the matter under consideration.

Mr. THOMAS BROWN.—I asked the Treasurer some questions and he gave me to understand that I was misinformed, and that the condition of affairs I was pointing out did not exist. I again bring this matter under the notice of the Government, and I trust that some means will be devised to meet a very serious position, and obviate the cruelty of requiring the pensioners to travel long distances.

Question resolved in the affirmative.

House adjourned at 4.28 p.m.
