

If this motion is carried—as I have no doubt it will be—and there are reasons why the Federal Government should pursue the policy it has announced, then the blame lies entirely on the Federal Government because it has neither the sense of responsibility nor the sense of courtesy to inform the people of this State and its Government what are the reasons actuating the Federal Government in its decision. I am prepared to believe that the Federal Government has some reasons. I am not prepared to accept the dictum of the Canadian journal. I am prepared to believe that there are reasons underlying the Federal Government's policy. I only regret that that Government has not told us adequately what the reasons are. If it would do so, I would be prepared to revise my present opinion on the matter.

Mr. F. C. L. Smith: I do not think the Federal Government is able to state what the reasons are.

Mr. McDONALD: Then why not tell us that it is unable to inform us of the reasons? I would be satisfied even with that. If the Federal Government has international communications of a secret nature such as cannot be told to this Parliament, then let the Federal Government say so. We might then trust it and assume that its proposed policy is a policy of absolute necessity. I agree with the Minister for Mines when he says that it seems as if the manpower of Australia has not received sufficient investigation, and that the gold industry of this State has not had a thorough investigation to determine whether it is necessary that this industry beyond other industries should be singled out for what may amount to destruction. If this protest will lead to either of those two things—firstly, a statement, if it can be made, of the reasons for this policy regarding our gold industry, and secondly, a statement whether the carrying of this motion will lead to an examination of the manpower position and to an assurance that all other avenues of manpower are being equally explored—then the motion will have done good for the future of the State.

I want it to be clearly understood that if the Federal Government can show me—and I am sure that is the view of all other members and also of everyone engaged in the gold industry—that the safety of Australia requires that this industry, or any other industry, should be invaded in the way now proposed, then I agree, and I think every-

body will agree, that compared with the safety of the country no other consideration at present is worthy to be weighed against the primary consideration of our national survival. With those observations I am prepared to support the motion.

### *Personal Explanation.*

The MINISTER FOR MINES: In explanation may I say that when moving my motion I stated that I had been informed by a Mr. Newman that the call-up of men from the mining industry had been postponed. I am now informed by Mr. Stagg that that was a misunderstanding, that the information is not correct, and that the call-up will continue.

On motion by Mr. Triat, debate adjourned.

*House adjourned at 5.35 p.m.*

## **Legislative Council.**

*Wednesday, 13th May, 1942.*

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The PRESIDENT took the Chair at 11 a.m., and read prayers.

### **MOTION—NATIONAL SECURITY ACT.**

*As to Closing Hours of Shops.*

HON. C. F. BAXTER (East) [11.5]: I move—

That this House urges the Government to proceed forthwith to have Clause 3 of the Closing Time for Shops Order, made under the National Security Act, 1939-1940, as published in the "Government Gazette" on the 24th April, 1942, so amended as to operate only in that portion of the State as is comprised in the definition of "Metropolitan Area," set out in the Hotels, Licensed Premises, and Registered Clubs (Closing Time) Order, made under the National Security (Supplementary) Regulations published in the "Government Gazette" of the 18th March, 1942.

The motion deals with the earlier closing of shops, which has been rendered necessary by black-out or brown-out conditions imposed throughout the State. Unfortunately, however, the regulation has been extended to all shops south of the 26th parallel and consequently embraces towns that are not in any way concerned with the black-out or brown-out conditions. No brown-out or black-out has been instituted in those towns, nor is it likely to be. The order under review has been promulgated under the National Security (Supplementary) Regulations and it is interesting to trace what really happened in connection with its imposition.

A section of the business people of Western Australia waited on the Minister for Civil Defence. When I say a section of the business people I refer to the Metropolitan Retailers' Association, which must not be confounded with the Retail Grocers' Association of Western Australia which is a very large body, whereas the former organisation is merely composed of representatives of a number of large grocery shops and drapery stores situated in the city blocks of the metropolitan area of Perth and Fremantle. It is a small body, but sufficiently influential to suit the Minister's contention. It approached the Minister for Civil Defence and not the Minister for Labour (Hon. A. R. G. Hawke) who takes an active interest in matters of this kind. The Minister for Civil Defence passed on the recommendation of the Metropolitan Retailers' Association no doubt with his commendation, with the result that Mr. Hawke, with that very weak backing and without any thought or consideration for those outside of the particular shopping areas concerned in the recommendation—that is, those business areas in which it is necessary to have earlier closing—

Hon. C. B. Williams: Hear, hear!

Hon. C. F. BAXTER:—on account of the tremendous congestion.

Hon. C. B. Williams: I am glad you are converted.

Hon. C. F. BAXTER: I do not say I am converted. Perhaps Mr. Williams will hold a different opinion before I have concluded my remarks. Instead of the order being made to apply to the district suggested by the deputation, it was applied throughout the State. Only this morning I

read the following interesting portion of the Premier's speech in another place yesterday. The report states—

Mr. Willecock said he protested most emphatically against any further surrender of State rights and powers to the Commonwealth.

In addition to the Premier, other Ministers of the State Government have expressed that opinion. But what rank hypocrisy it is to make such statements when they take every advantage of using the Federal authorities to bring about, under the National Security Regulations, a state of affairs that Parliament would not agree to! Take the black-out regulations. They were disallowed in this House, with the approbation of everyone.

The Honorary Minister: Not of everyone.

Hon. C. F. BAXTER: That action was not approved by Ministers, of course. What was the result? Has the Government made any move at all to replace the regulations we disallowed? All that was necessary could have been drafted out within a few hours. Of course, the Government has done nothing at all! It has passed the matter on to the Federal Government. The orders under the regulations with which the motion is concerned afford another instance. What is the use of the Premier and his Minister saying they desire to stop Federal encroachment upon State administrative preserves? The Government did not make any attempts to deal with this matter locally. I could continue citing instances of similar actions by the State Government, and yet the Premier says he is opposed to the incursions made by the Federal Government. Of course Ministers are opposed to such encroachments when it suits them, but they are quite willing to take advantage of that tendency from time to time.

Tremendous difficulties have followed upon the enforcement of the order dealing with 5.30 p.m. closing. While I favour that alteration when applied to the metropolitan area, it should not be made to affect the outer parts. We realise that in the city there is such a congestion of traffic that the Metropolitan Bus Company states that it is absolutely impossible for the buses to cope with the traffic. Anyone who attempts to make use of the tramway service between 5 p.m. and 6.30 p.m. does not require to be told what the position is. The trouble

is that the 5.30 p.m. provision has brought the transport problem more prominently before the public because that time is too close to 5 p.m. when a large section of employees ceases work for the day. The 5 o'clock traffic cannot be cleared before the 5.30 exodus from shops, hence the transport congestion.

I am not stressing that, however, but I emphasise the great disadvantages suffered by the people in the country areas since the commencement of the war. In many instances those difficulties should never have arisen. There is one important point to be mentioned regarding the position in the country. The men on the land cannot afford to break into their working week in order to make a trip to the shopping centre to purchase provisions and other requirements. We know that they will not do it because it involves such a setback to their seasonal work. Why apply 5.30 closing of shops to country districts where no congestion has ever existed? There is no justification for it. Hence I ask that the order be amended to institute 6 o'clock closing only. The business people are at a disadvantage equally with the country residents. The former cannot work in accordance with their industrial awards.

Hon. J. Cornell: How does this affect the late shopping night?

Hon. H. V. Piesse: There is none in the country.

Hon. C. F. BAXTER: Of course there is.

Hon. H. V. Piesse: There is not. It has been cut out.

Hon. C. F. BAXTER: I beg the hon. member's pardon; it has not been cut out.

Hon. H. V. Piesse: It has been cut out in the Great Southern.

Hon. C. F. BAXTER: Mr. Piesse cannot see past the Great Southern!

Hon. J. Cornell: He has never travelled.

Hon. C. F. BAXTER: No. Had he travelled, he would have learned that there are many places where the late shopping night prevails.

Hon. H. V. Piesse: There is none at Northam, which is in your province.

The PRESIDENT: Order!

Hon. C. F. BAXTER: Some people will learn some day—we hope! I am somewhat in a quandary regarding the order which refers

only to 6 o'clock closing and not to the late shopping night. Perhaps I had better read the order, which sets out—

In respect of each shop which is within the area to which this order applies and which is required by the legislation of the State of Western Australia to be closed to the admission of the public on some days of the week at 6 o'clock post meridian, half-past five o'clock post meridian is substituted for the hours specified in subregulation (1) of the said Regulation 21 in respect of all days of the week on which by the legislation of the State of Western Australia such shop is required to be closed to the admission of the public at 6 o'clock post meridian.

I question if that order applies to the late shopping night.

Hon. J. Cornell: I think it cuts it out.

Hon. C. F. BAXTER: It may be so. It refers only to those shops open for business till 6 o'clock, but certainly it may be interpreted to apply to the late shopping night as well. The country people are in a most invidious position. Perhaps Mr. Piesse will agree that business in the rural areas is suffering a continuous and severe decline. If people in the agricultural areas find it difficult to secure their requirements locally, we must remember that they are well supplied with illustrated catalogues by city firms. Those catalogues are copiously illustrated and give details regarding quality and prices. That enables people in the rural areas to write out their orders and place them with the metropolitan emporiums.

Hon. W. J. Mann: Thereby building up the mail order business of the big city businesses.

Hon. C. F. BAXTER: That is so. That is what will happen increasingly in the rural areas. Mr. Piesse mentioned the position at Northam. The only really satisfactory business day at that centre is Saturday, and the trouble is that farmers during the busy season cannot spare the time to proceed to town to do the necessary shopping. Is not the position of the man on the land at present bad enough without added disabilities being unloaded upon him? Take the position of the wheat farmer. His superphosphate supplies have been reduced and his acreage has been cut down. On top of that there is every prospect that next season superphosphate supplies will be still further curtailed. That is not the worst feature.

The quality of the superphosphate supply is to be reduced from 22 to 17 per cent., mak-

ing the fertiliser of very poor quality for Western Australian wheatgrowing purposes. In addition, the price for the superphosphate supplies is to be increased considerably because there are only two places from which phosphatic rock can be procured. One is Egypt, which is 8,000 miles away, and the supplies from that country are rather poor. The other source of supply is Makatea Island, but no regular shipments are available from there and special arrangements have to be made to procure supplies, which make it more costly than ever. During the present season it has already been disclosed that approximately 2,000 farmers who procured superphosphate supplies last year have not applied for them this season. In our small agricultural community a decrease of 2,000 farmers means that about 90 per cent. of that number are going out of business.

There may be a larger percentage than that in the case of graziers in the South-West who are not topdressing. If they are not topdressing, they are very foolish, because they will not get superphosphate when they want it, or the same quality of superphosphate. The Minister for Industrial Development (Hon. A. R. G. Hawke), who professes to be so anxious concerning the welfare of the working classes, should give a little more consideration to those people in the country who are being so hard-pressed just now. Surely, as the member representing the Northam electorate, he should know what is the position of the people there, and should be prepared to devote a little of his time to their interests. Working under the protection of the National Security Regulations, the Government of which the Minister for Industrial Development is a member, has been trying to secure parliamentary endorsement of proposals of which Parliament would not approve because they meant further inflictions upon industry, represented a retrograde step, and would undoubtedly lead to less employment.

Hon. J. Cornell: Are not these regulations uniform throughout the Commonwealth?

Hon. C. F. BAXTER: This order may apply to the cities, but I do not think it is uniform in the country districts in the other States. If any proof is needed of the truth of what I have said, one has only to take what appeared in the "West Australian" last week, when the Minister for Industrial

Development was asked certain questions. The first question was—

If the regulation as now promulgated is unnecessary for civil defence purposes in any area or areas, its application to these areas should be cancelled.

Why not? The State Government suggested to the Federal Government that these conditions should be imposed under the National Security Regulations. If it finds that it is in error, it could have the order amended. That is worth trying. The Minister replied to the first question, as follows:—

The application of the regulation covering the closing time of shops cannot be cancelled in any area.

I think that should have read, "Will not be cancelled." The second question was—

If in any area, by reason of an existing award or determination, the order operates so as to restrict the working hours to a point below that prescribed in the existing determination, special provision should be made by a new declaration, to give permission for an earlier opening of shops than that now prescribed by the determination, so as to permit the full week's work to be done.

The answer of the Minister was—

No action is to be taken to bring about a pro rata reduction in the remuneration of any shop assistant who may work for less than a legally specified period.

In other words, the Federal Government has imposed conditions asked for by a Minister of the State Government, conditions that interfere with wages and determinations made in this State. In effect, the Minister says, "Let it be so; never mind about the employers." The employers will have to pay the full remuneration for a shorter working week than the hours set out in determinations and awards. If that is the sort of thing we have to put up with, it is time unification came about.

Hon. G. B. Wood: They are asking for it.

Hon. C. F. BAXTER: In the "West Australian" of the 17th April last, under the headings "Earlier Closing," "Decision Later Concerning Shops," appeared the following:—

Canberra. April 16.—Earlier closing of shops could not be decreed until some complex problems were solved, said the Minister for War Organisation of Industry (Mr. Dedman) today. An announcement would be made in several weeks. One problem, he explained, was that of wages. If hours were reduced to fewer than authorised by industrial tribunals employees either would have to be paid for hours not worked or some compromise would have to be

reached. Such points were now receiving attention but his department had not yet been dealt with by the Production Executive.

The Minister and other members of the State Government must have read that article. The Government, however, jumped in with both feet, and took this step before any reasonable adjustment as between employers and employees could be made. How long this state of affairs will exist I do not know. Why prate about the sovereign rights of the State and make no endeavour to protect them? This action will probably be followed by many others of a similar type unless Parliament steps in and prevents them. The Minister, in his autocratic style, made provision for the early closing of shops, knowing full well that at the same time he was shortening the hours of work. If he does not know that no award permits employees of this character to start work at 8 a.m., he should wake up and ascertain for himself what the provisions of the awards are. The third question the Minister was asked was—

Where for any reason the order results in a restriction of working hours, provision should be made for a pro rata reduction in the workers' remuneration.

The reply was—

The shops concerned may now open as early at 8 a.m. The question of an arrangement being made for shop assistants to commence work at a time earlier than that provided for in any industrial award or agreement is one for negotiation between the employers and the union concerned.

The Chief Secretary: What is wrong with that?

Hon. C. F. BAXTER: Everything! The Government has set up new conditions embodying reduced hours of work. It has told the employers to go to the devil, and to fight the matter out amongst themselves. In the meantime, they are required to pay the full wage for the shorter hours worked. I dare say that to the Chief Secretary, an ex-official of the Shop Assistants' Union, that would appear to be all right, but it is not all right in my view. The Minister said that the shops concerned might now open as early as 8 a.m. There is no award or determination of the Court that would allow that to be done. Of what use would that be if no work could be provided for the employees at that hour? Females comprise the greater part of the staffs in shops today, more so than ever before. Even now it is not too late to put things right, but there is no provision

enabling women to be employed before 8.30 a.m., even if overtime be paid. Why inflict this injury upon those concerned? Why put the employers in this position and why place a burden on the people of the country, such as is now being placed? Surely both of those parties are entitled to consideration.

The action taken shows a lack of consideration on the part of the Minister, who has accepted the responsibility for regulations which have been promulgated by the Chief Inspector of Factories and Shops, under the direction of the Federal Minister. The Minister for Industrial Development has been handling this matter all through. Why does he suggest that people should do something that is illegal? That is the point. A Minister of the Crown has suggested the taking of illegal action. The statement that shops may be opened at 8 a.m. may be accepted by many people as an indication that they can bring their staffs on at that hour, when they are not entitled to do so under any award. If the employers were sued for a breach of any award, would they expect to be exonerated because of the Minister's statement? Of course they would not! I hope the House will support the motion. The action taken is unreasonable as it affects people in the country.

So far as the metropolitan area is concerned, the black-out regulations may be all right, but there is no justification for the order under discussion when applied to the country districts in the way I have indicated. The regulations were suggested in the first place to prevent the congregation of people in city streets, but when can there be a congregation of people in country areas, unless on some special occasion? Why then impose upon them insufferable conditions, thus making their lives more difficult and miserable? I hope the House will support the motion, and if it is carried that the Government will see its way clear to amend the order and put it on a reasonable basis.

HON. J. CORNELL (South) [11.32]: I have listened to Mr. Baxter with a certain amount of interest. There appears to me to be an air of mystery regarding the origin of the order to which he objects. I hope the Minister will clear this up, either by acknowledging Mr. Baxter's charge that the State Government appealed to the Federal

Government to invoke the aid of the regulations under the National Security Act to promulgate this order, or by saying that the State Government had had no option in the matter. We know that where the law of a State and the law of the Commonwealth conflict, the latter shall prevail; we also know that in legislating the Commonwealth shall not discriminate between States. I understand this order applies to all the States. There is a step which the Government can take and I advise it to take that step, lest it fail. It is no use the Government's invoking the aid of the National Security Regulations in one direction and protesting against the Commonwealth Government's putting it over the States by another regulation. The first regulation dealt with the curtailment of hours for the sale of liquor. I would strongly urge the State Government not to approach the Commonwealth Government to act in these matters under the National Security Act. To do so would be the easiest and most expeditious way, but also the most dangerous.

The State Government has power to make regulations. For instance, the black-out regulation, which was promulgated under the State Act, was subsequently disallowed by this House. Now it is proposed to invoke the aid of the National Security Regulations to deal with the black-out. If that is done, I hope the Government will say to the Commonwealth Government, "We wash our hands of the matter; you do it; you police it, as we do not for a moment consider it to be our duty. We are capable of looking after our own affairs." But if that course is not followed, the effect will be to make the States subservient to the higher authority, and this Parliament will have no say whatever. The only body to have a say will be the Commonwealth Parliament. If we stand pat, as we are entitled to do and should do, we can say to the Commonwealth Government, "We are quite capable of carrying on our own affairs through our own Legislature, provided that those affairs do not come within the scope of military matters."

As for the order under discussion, speaking for the province that you, Mr. President, Mr. Williams and I represent, I do not think it matters two hoots. The only place in our province that might be affected is Southern Cross, and I understand that the late shopping night there is cut out during the winter. Boulder, Norseman

and Esperance have no late shopping night. Mr. Baxter has pointed out what has happened in country districts. I can point to one small hamlet that you, Sir, and I know of on the Eastern Goldfields. It is situated in our province. At one time, it had a hotel, store, baker's shop and butcher's shop, as well as a hootmaker's shop. They have all now disappeared. I refer to Moorine Rock. I do not think the early closing will prove objectionable during the winter months, even in agricultural districts. Farmers have had their petrol allowance restricted and have been denuded of their capital. My observations show that they do not go into town any more than they can possibly help; and, when they do, they are desirous of returning home before dark. In the summertime, however, the story is an entirely different one, particularly in regard to the late shopping night, as the farmers may be forced to leave their harvesting operations in order to visit the town. However, I think the matter will right itself.

I do not know that our protest will have any effect, but I certainly am of opinion that there is no necessity for the order under review. In country towns half an hour is neither here nor there. It may be all right to have a late shopping night, but on the other days of the week it does not matter really when the shops close. As to the inconvenience to the public, my experience is such that if a shop were to close at 5 a.m., people would still be there at the closing hour.

Hon. E. H. H. Hall: That is the exception.

Hon. J. CORNELL: It is not. If members want a demonstration of a self-centred public, they have had one in the metropolitan area in the last few days. That was ample evidence that there is no fundamental difference between people of every nationality and colour so far as selfishness is concerned, especially when they think they may become short of some of their requirements.

Hon. H. S. W. Parker: It is their modesty. They do not want to be without clothes.

Hon. J. CORNELL: They are looking after their own selfish interests. I support the motion, in the hope that, like a shipwreck at sea, there may be a chance of saving the situation.

**HON. G. B. WOOD** (East) [11.41]: I support the motion. As I said a couple of weeks ago, it seems to me the Federal Government is taking too much advantage of regulations promulgated under the National Security Act in order to get home on this Parliament. Some two or three years ago the Legislative Council rejected a suggestion that all shops should, under the Factories and Shops Act, close at 6 p.m. and that there should be no late shopping night in the country. Yet this order seeks to force the closing of all shops in Western Australia at 5.30 or 6 p.m. Personally I cannot understand the Government's action. For instance, a referendum was taken in Northam two years ago and by an overwhelming majority the people voted for a late shopping night. Even in the Labour centre of West Northam there was only a small majority in favour of closing at 6 p.m.

If the late shopping night will interfere with our war effort, then let us close the shops at 5.30 p.m.; but, for the life of me, I cannot see how the war effort will be impeded if we allow a late shopping night in country districts. Is it intended that there shall be no lighting after 5.30 p.m. in country districts? I want to mention that on Christmas Eve, without any notice whatever, we found our country shops closed at 6 p.m. The farmers did not know anything about the matter. I was one who was caught. I took my family into a certain town and found the shops had closed at 6 p.m. It was then 7 o'clock, but the hotels were open and the street lights were on. I wondered why.

**Hon. J. Cornell**: That is happening now in country towns.

**Hon. G. B. WOOD**: The hotels, of course, are still open till 9 p.m., but the towns are browned out. That has left me and many other people perplexed. For that reason I am glad Mr. Baxter has brought forward his motion. I believe the Government is cutting its own throat, and ours too, by agreeing to these things. In my opinion the Federal Parliament was right in making provision for the alternative closing of shops at either 6 p.m. or 8 p.m., but under this order all shops must close at 6 p.m. I honestly think that if the Government will alter that late shopping hour to 8 o'clock it will meet the wishes of these people in

the country. It is a definite convenience to our farmers, particularly during the summer months. I support the motion.

**HON. W. J. MANN** (South-West) [11.46]: I support the motion. A lot of people in this State are becoming uneasy because of the action of the Government in sheltering behind the National Security Act, and in giving effect to proposals that have already been before Parliament and turned down. I do not know that the question of early closing affects the country people a great deal, particularly in the winter. At some seaside resorts the Saturday late shopping night, when shops are open till 8 o'clock, is a distinct advantage, particularly at those centres where, in the past, a number of people have spent week-ends. That need not be stressed very much at a time like this. What I am concerned with is that the Government, through the agency of the Labour Government in the Federal House, takes full advantage of the position and gives effect to a number of matters about which Parliament has, in the past, expressed disapproval. Take the statement of the Minister for Labour (**Hon. A. R. G. Hawke**) that although the shops were to work fewer hours than those permitted by the award, there was to be no reduction in the wages bill. None of us likes to see wages reduced, but the position is becoming very serious, more particularly so in the last few days.

The Federal Government has blundered in with the ukase that certain traders shall reduce their turnover by 25 per cent. But there is no compensating advantage for them that I can see. They have to maintain the same staffs, and they are going to be mulct to the extent of one quarter of the profits of their businesses. I was in Subiaco on Monday and was astonished, just after 2 p.m., to see notices on three shops—"Sold our quota for today. Re-opening tomorrow morning." In one case the employer had to discharge the staff. He created work for his employees for a little more than half a day, but they had to be paid a full day's wages, and he had only 75 per cent. of his normal trading figures with which to find them. That is quite wrong. Before a Government blunders into matters of this sort it should look into them very carefully to see just what the results will be. This House should protest.

**HON. E. H. H. HALL** (Central) [11.50]: It is up to the country members here to point out to the Government the unfair effect that this order will have on the country storekeeper. I am not going to subscribe—no matter what has been said by a member of the party to which I have the honour to belong—to any inferences which have been made that the Government has some ulterior motive. I think the members of the Government would be very ill-advised to come at anything like that, and I hope they are actuated by fairer motives. The members of the Government must realise that people in the country districts are suffering severely, as indeed are many others, as a result of this and other wartime legislation.

We members of the Country Party are just as desirous of doing everything we can to aid the war effort as is any other section of the community. It is because we think that, as in respect of other regulations, the order under discussion should not apply throughout the country districts we are making this protest. I agree with Mr. Cornell—and I have had more years of experience in a country retail shop than has the hon. member—that if shops were to keep open till any old hour—11 or 12 o'clock at night—somebody would always be coming along. But do not let us be led astray by that aspect. The people who go to shops at that late hour are definitely the exception and not the general rule. What I particularly wish to point out is the difficulty experienced by country storekeepers, who employ from six to eight men, in securing supplies. Yesterday I met the manager of a country store who employs a dozen hands, and he was in the metropolitan area for three or four days endeavouring to arrange for supplies. The position is getting very difficult. Men are being taken out of these establishments responsible for providing the civil population with their food requirements.

The biggest store in a decent sized town, such as Geraldton, has had, so the proprietor told me a few weeks ago, all the male employees taken from it and they have been replaced with girls. I agree with Mr. Baxter, and other members who think that some exception should be made in the case of people conducting businesses in the country areas. Mention has been made of a late shopping night. Geraldton is looked upon

as a good Labour town, but until this wartime legislation was introduced, it has always, with the exception of a few months, favoured the late shopping night. Why? Because Geraldton caters for a large number of people engaged in primary industries, and it is a great advantage to those people who work all day and live within a radius of 15 to 18 miles of the town, to drive in and have the benefit of the night to do their shopping and enjoy some social life. Geraldton is not the whole of the Central Province. Wiluna has a late shopping night, as has Mt. Magnet and also Dalwallinu and Morawa. That privilege should not be curtailed. These people should not be forced to knock off work and do their shopping during the day when they can easily do it in the early hours of the evening.

On motion by the Chief Secretary, debate adjourned.

#### **MOTION—GOLDMINING INDUSTRY.**

##### *As to Manpower Proposals.*

Debate resumed from the previous day on the following motion by Hon. H. Seddon (North-East):—

That, in the opinion of this House, in view of the vital importance of the goldmining industry to Western Australia, it is highly undesirable that the continuance of the industry should be imperilled by further heavy demands upon its personnel until there has been a comprehensive marshalling of the manpower available from other avocations less essential to the stability of the State and to the successful prosecution of the war effort.

**HON. G. W. MILES** (North) [11.57]: I intend to say only a few words on this motion. I congratulate Mr. Seddon on the case he put up for the goldmining industry. The main object to be served is for the House to carry a resolution to strengthen the hands of the Premier and the Minister for Mines when they put up their case in the Eastern States. I am 100 per cent. behind the Federal Government in its war effort, and anything I have to say is not carping criticism. I desire to refer to the military authorities and the enlistment of men. It is impossible for Australia to have as many men in the Fighting Forces, in proportion to its population, as it had in the 1914-18 war. In that war men went oversea and their munitions and clothing were supplied from



countries other than Australia. In this war we have so many men employed in munitions works that it is impossible to have the same proportion in the fighting line as in the previous war. I do not think that point has been taken into consideration.

In the "West Australian" of the 9th inst., there appeared an article headed "Working Principals Exempt, Rural Call-up Deferred." It is just as essential for the economy of this country to be carried on as it is to have men on active service or in the munitions factories. Without the economy of the country being properly conducted, the men cannot be maintained in the firing line. They have to be fed and clothed. That point has not been taken into consideration by the authorities. This report in the "West Australian" states:—

The Director-General of Manpower (Mr. Wurth) has instructed manpower officers temporarily to defer calling up rural workers for the militia. The instruction is designed to prevent further drains upon the supply of farm labour and to arrest the decline in the production of foodstuffs. In effect the order means the deferment of the call-up in respect of all men engaged in rural activities, said the Deputy Director-General of Manpower (Mr. C. J. Bellemore) today.

That arrangement should have been brought into force long ago. The military authorities have taken men from these industries, just as they have taken them from the gold-mining industry.

On many occasions the Prime Minister has been complimented on the case he put up for Western Australia years ago before the Disabilities Commission, and I claim that he knows the position here just as well as does any other person in the State. While I agree with the argument that it will be a calamity to Western Australia if the gold-mining industry is not permitted to carry on, I am still firmly of the opinion that the main object at this stage is to win the war. For this reason I am supporting the motion. In my opinion it is highly undesirable that the continuance of the industry should be imperilled by further heavy demands upon its personnel until there has been a comprehensive marshalling of the manpower available from other avocations less essential to the stability of the State and the successful prosecution of the war effort.

Every effort should be made to obtain the requisite men from other industries. Where men can be replaced by women the latter

should be employed. Quite a number of operations are being carried on that could be curtailed to give greater manpower before interfering with the mining industry. I have the greatest confidence in the Prime Minister and I think he knows the position as well as, or better than, most of his critics outside Parliament. He is being criticised for neglecting Western Australia, just as many people used to criticise Sir George Pearce. In my opinion, however, Mr. Curtin is doing everything possible to further the interests of this portion of Australia, as well as to carry out his part of the job of winning the war. I support the motion.

**HON. W. R. HALL** (North-East) [12.2]: I support the motion. I do so not because the people of the goldfields are unprepared to make the necessary sacrifices to help win the war, but because they object to making unnecessary sacrifices. I would have liked to see a statement from the Prime Minister on this subject. Several Ministers have visited the goldfields, but not one of them appeared to have come across vested with any authority. They came to Kalgoorlie, stayed about 24 hours and then continued the journey to Perth. Within the last two or three days we have had a visit from the Director-General and the Deputy-Director-General of Manpower. They came to get a picture of the position regarding manpower, but it seemed to me that they rather came on a sort of goodwill mission and their stay was so short that I doubt whether they could have obtained the picture they were sent to secure. A Federal Minister who visited the goldfields some time ago made a statement that the Commonwealth Government intended to take several thousand men from the goldmining industry. I understood those men were to be employed on the building of roads and aerodromes, but instead of that they were sent to Claremont to join the Fighting Forces.

The towns of the goldfields are fast becoming ghost towns. I repeat that we do not object to making necessary sacrifices, but it would be an unnecessary sacrifice to close down the mining industry. In my opinion that would be tantamount to throwing away the substance for the shadow. I do not believe that many people realise the extent of the ruin that would follow a complete cessation of mining operations on the goldfields. I would be quite right in say-

ing that ruin would overtake hundreds of private people as well as others in business. I do not propose to enter into details of the effect that the closing of the goldmining industry would have on the finances of the State. The Premier has recently dealt with that aspect, and he also stressed the extent to which this State is dependent upon the industry. Nor do I intend to make more than passing reference to the effect of the closing on large and small mining companies. That aspect also has been dealt with in this Chamber and in another place.

Do the Federal authorities realise that, if mining operations are suspended, hundreds of small business people and private individuals will be ruined? Thousands of workers year after year have invested their savings in the making of homes running into a value of £300, £400 or £500 each, and those people will be in a very sad plight. They have been taken up with the age groups and enlisted in various branches of the services, and if the mining industry now goes, their homes and their savings of years will go with it. Just as with private dwellings, businesses will become valueless. Many businesses that have been established in Hannan-street for years have closed down and more will have to close down in the near future. This is largely attributable to a shortage of commodities; traders are finding it very difficult to secure the requisite commodities and maintain their stocks. Further, since the exercise of the power to call up men for military service, those business houses are unable to obtain the necessary labour to carry on.

All this, however, will be as a drop in the ocean compared with what will happen if Mr. Dedman puts his proposals into effect. Apart from the small pastoral areas and the small amount of business occasioned by Kalgoorlie as a railway centre, the goldfields people depend entirely upon the goldmining industry. We hear much about equality of sacrifice, but there will be little equality of sacrifice in ruining hundreds of people on the goldfields while other people employed in the big munition manufacturing centres of the Eastern States wax fat on high earnings.

Hon. J. Cornell: We know what happened at Coolgardie when mining declined there.

Hon. W. R. HALL: No doubt the hon. member is well aware of that.

Hon. J. Cornell: And it applies to other towns, too.

Hon. W. R. HALL: Where does the equality of sacrifice come in if men are taken from their jobs in the goldmines and paid 6s. a day to work in an army labour corps, while thousands of people are earning high wages simply because they happen to be employed in other industries? There are certain industries considered by the Government to be essential, but if any industry is essential today, I say without fear of contradiction that it is the goldmining industry.

We hear much talk about post-war reconstruction. For that reconstruction we shall need gold. Of this there is not the slightest doubt, and we shall not have the gold if the mines are closed down. If they are closed down now, many of them will never re-open. I have given this matter close study and I can see day by day how the proposals are affecting the goldfields. When mines close down, the shafts as a rule cave in and stopes and underground workings suffer unless maintenance men are employed. Many shaft and timber men would be required to maintain them. If they are not properly maintained they will certainly deteriorate, and goldmining is an industry that cannot be restored to the producing stage in a matter of three or four months. Much more time is needed to bring a mine back to production after it has been closed down.

We have been told that gold is not an essential commodity at the present time, but Canada, South Africa, the United States of America, Russia and Japan are still mining gold. Admittedly we cannot make guns, planes, tanks, ships or bullets out of gold, but if we have the gold we can buy them. Many of the miners would be unfit for other work, and it would be much better to leave them in their jobs and procure other labour for military purposes. The labour so required could easily be obtained from less essential industries. Therefore I contend that any advantages obtained from the cessation of goldmining would be far outweighed by the disadvantages. Certainly the advantages are not sufficient to warrant the closing down of hundreds of small businesses, the ruining of many more individuals and the disrupting of the lives of hundreds of industrious workers.

Gold plays a most important part in the conduct of a war, and it was goldmining

that played a very important part in the rehabilitation of Australia after the 1914-18 war. The Federal Government, before coming to any hasty decision, should realise the part that gold has played in saving Australia in the past. You, Mr. President, will remember—though I cannot—the time when the Victorian land boom burst with such disastrous results. Businesses failed, banks closed, some of them never to re-open. The effect of these failures on the people was appalling and extreme poverty prevailed. This disastrous state of affairs was not confined to Victoria: it spread to the sister States, because Victoria was unable to continue its trading relations with neighbouring States. It was the discovery of gold in Western Australia that put this continent back on its feet; it was the gold won in this State and sent to eastern Australia to produce goods that enabled large manufacturing firms there to re-establish themselves.

History repeated itself after the war of 1914-18. After an orgy of expenditure of borrowed money, Governments awoke to the fact that they had come to the end of their tether. The oversea money market was no longer open to them. Years of depression followed, and once more goldmining came to the rescue and dragged the Commonwealth out of the mire. As the goldmining industry has thus saved Australia on two occasions, it is only reasonable to assume that once more it will come to the rescue of this continent. To my thinking, gold will be the most urgently needed of commodities towards our rehabilitation after the war. I do earnestly hope that the motion will be carried, and that the Federal Government will see its way clear, at this stage, to suspend the drawing-away of large numbers of personnel from the mines until the withdrawal becomes absolutely essential. Thousands of men are being taken from the industry, which cannot survive much additional depletion. The writing is on the wall, and I am not blind to it. I know the severe effect that the removal of men from the mines will have on this State and on the whole Commonwealth if our goldmining industry is allowed to be exterminated.

**HON. E. M. HEENAN** (North East) [12.16]: The motion deals with a matter that has greatly exercised the minds of all Australian public men and indeed of all

Australians for some weeks past. Although I am not deeply enamoured of the wording of the motion, I shall support it. Sometimes one is inclined to think that in these perilous days through which we are passing, various people are apt to be selfish and to disbelieve, or refuse to believe, the warnings that have been uttered from time to time by the leaders of our nation. I am one who holds that the absolute existence of Australia is definitely at stake now. I have read the utterances of Mr. Curtin, Dr. Evatt, and of the leaders of the Armed Forces, and I have had the opportunity to speak with men like Mr. Dedman and others who in recent months have visited Western Australia.

The stark fact impressed upon me is that the very existence of Australia is jeopardised, and that the die will be cast within the next few weeks or months. That, I consider, is the basis on which we have to regard problems such as the motion deals with. The goldmining industry is undoubtedly of vital importance to Western Australia, and more especially to Kalgoorlie and outlying mining towns, as well as to Australia as a whole. The industry will be of the utmost importance during the reconstruction period, which we hope will not be postponed long. I consider, however, that Australians as a whole, whether they live in goldfields towns, or in country towns or in the cities, will have to make great sacrifices, greater even than they have made in the past. They will have to warm themselves up to an effort such as has stimulated the people of Germany and Russia and Japan.

Hon. W. J. Mann: And England.

Hon. E. M. HEENAN: And England. I should have placed England first. Although the mining industry is near and dear to us, part of our very lifeblood and our very existence, if the words of Mr. Curtin and Mr. Dedman and General MacArthur can be relied upon, we have to offer that industry up on the altar of sacrifice in our effort to save Australia. During the last few days I have visited Laverton and Meuzies. I was a member of the conference between representatives of the A.W.U. and Mr. Stitfold and his associates, and I believe I can confidently state that that is the viewpoint of the great majority of the goldfields people. Those people know what is at stake. They realise how vital the war position is. They realise how desperate their

own situation will be if the mining industry ceases to exist. Nevertheless I believe that all of them recognise that if the issue is as serious as we are led to believe, they must be prepared to abide by decisions which the Federal Government feels it necessary to make. I deeply sympathise with Mr. Curtin in the extraordinarily difficult task he is handling at the present time.

Mr. Curtin is one of the best of the types that Western Australia has sent to the Federal Parliament. He knows the mining industry. That industry is also represented by Mr. Victor Johnson, who perhaps knows the outback mining of Western Australia better than does any member of this Chamber. Mr. Johnson realises what might happen if the industry was forced to close down. Mr. Makin and Mr. Dedman have had conferences with goldfields representatives, and I am perfectly sure that those two gentlemen realise the seriousness of the problem confronting Australia. I will admit that the manpower business has been badly handled. I hold that every effort should be made to keep our mines functioning in such a way that when a happier time comes they will be able to resume rolling along without undue difficulty or delay.

Hon. J. Cornell: What? The mines?

Hon. E. M. HEENAN: Yes.

Hon. J. Cornell: Do you mean, if the men were taken out of them?

Hon. E. M. HEENAN: I say that I am looking forward to happier times, and if the mines during the period of difficulty are kept in order, if the machinery is protected, if the shafts and so forth are maintained in decent condition, for I hope only a few months, they will when peace returns be able to function as before, and we shall have contributed just about everything that it is possible for the mining industry to contribute towards the war effort. Just the other day I met a young man who is acknowledged to be one of the best machine miners in Kalgoorlie. He has six young children—all, I believe, under 16 years of age. That man has enlisted. It occurs to me that under a scientific scheme that particular enlistment would not be permitted, but that the man would be kept in the industry because he is experienced and because the work he could do in the industry during the next few months would be, I should say, of more real value to Australia than would any use he could be put to in

the Army. The motion affirms that it is highly undesirable that the continuance of the industry should be imperilled by further heavy demands upon its personnel. Unquestionably its continuance is imperilled by the fact of so many of its workers having enlisted during recent weeks.

Hon. G. W. Miles: Read what the latter part of the motion says, "Until every other avenue has been exhausted."

Hon. E. M. HEENAN: If we pass too many resolutions placing too many restrictions on our leaders, then by the time they have sorted everything out we may find that we have lost not only the mining industry but everything else as well. That is the danger we must guard against. I feel sure that the motion will be carried, and I hope it will convey to the Federal Government, if any further pressure in that quarter is needed, the vital importance of the goldmining industry. I hope that the motion, in the form of a resolution, will cause the Federal Government to check over the manpower regulations. I hope it will cause them to evolve some scheme whereby the principal mining companies and the A.W.U. can get together and devise some means to keep the mines functioning for some little time.

Hon. J. Cornell: There is more than the A.W.U. concerned. There are the engine-drivers.

Hon. E. M. HEENAN: Mr. Cornell will understand that I include any organisation vitally affected.

Hon. J. Cornell: The key men are in the craft union.

Hon. E. M. HEENAN: I think the Federal Government should be told, "We want these mines kept intact. We want them preserved. It might even mean that they will have to stop production, but let us evolve some scheme of compensating them, so that at least those affected will not lose money." The industry is of such vital importance that the Commonwealth Government should go that far. I know that on the Sons of Gwalia mine blackfellows are working. If the tonnage there falls below a certain figure, the mine will lose money. If it has to cease production altogether, I do not know how many men will be required to preserve the machinery, the shafts, and so forth; but the Commonwealth Government should go as far even as to compensate such a mine in the event of the war pressure be-

coming so heavy as to cause the withdrawal of so many men as will force the mine to close down. I support the motion.

**HON. E. H. H. HALL** (Central) [12.30]:

As one of the representatives of the Murchison and East Murchison goldfields, I, needless to say, accord the motion my full support. I cannot throw any additional light on the subject, which has been very fully discussed. I feel it to be a waste of time for me, a member of the Parliament of Western Australia, to speak on this matter when I remember that the Prime Minister of this country is a Western Australian representative and, as Mr. Heenan said, we all regard him as being a very able and sincere man. He must know what a terrible thing this will mean to his State. In the Federal member for Kalgoorlie also we have a man who, as Mr. Heenan remarked and I want to emphasise, has a very full knowledge of this great industry and realises what the proposal will mean to the State. Mr. Johnson's knowledge of the industry is derived from his close connection with the A.W.U. I know that while he was a resident in Geraldton he was continually travelling about the Far North and through the Murchison.

Hon. J. Cornell: Senator Cunningham has a better knowledge of the goldmining industry than either of them.

Hon. E. H. H. HALL: I do not say that Mr. Johnson has a better knowledge of the industry than has Mr. Cunningham. I am not making comparisons. I knew Senator Cunningham many years ago in Laverton, when he was secretary of the Miners' Union and I was in the post office. If Mr. Cornell thinks Mr. Cunningham has a wider knowledge of the industry than has Mr. Johnson, I shall not dispute it. But Mr. Johnson does know a great deal of the effect that this proposal will have on Western Australia.

I want to say something that has not been emphasised, because most members who have spoken come from the great mining town of Kalgoorlie, of which we are all very proud. I know full well that the aspect with which I am about to deal has received due consideration, but I would be failing in my duty if I did not point out the effect this proposal will have on the one-mine townships. Youanmi, where there was only one mine, has already gone. I am not going to prophesy what will happen at Big Bell or

Reedy. As Mr. Heenan mentioned, it is not just a question of keeping the industry going. Many of those mines, especially low-grade ones, must get out a certain tonnage. If they do not there is a big loss. Who is going to stand that loss? I agree with Mr. Heenan that the matter is one for consideration by the Federal Government which should make it worth while for the companies to keep the mines going, recompensing them for the loss that will undoubtedly result if the threatened state of affairs eventuates. In the one-mine towns the whole community will lose their means of livelihood.

What are we going to do about the matter? One of the foundation principles of democracy is the greatest good for the greatest number. I am beginning to think that democracy must get some sure foundation for that, even so far as our own State is concerned. The great bulk of the people of this State are in the metropolitan area and I am afraid they do not think very much about the primary industries. Most of the people of Australia are concentrated in the cities. Do they fully realise—so as to make that realisation effective through their members of Parliament—what this will mean to the great undeveloped State of Western Australia? I do not think they do. If they did, they would make their wishes known to their Federal members so that this major industry of Western Australia, which is necessary for such an undeveloped State, might be maintained. The goldmining industry has played a great part in the progress of the State and if it is to do so in the future we cannot allow it to be dealt such a heavy blow.

**HON. J. M. DREW** (Central) [12.35]:

I do not propose to say very much on this question but I intend to support Mr. Seddon's motion. I intended to support it even if arguments had been advanced against it. I have had a little experience of the effect of the enlistment of men from the goldmining industry. In March of last year I was in Wiluna and the mine manager there got into touch with me and asked if I would grant him an interview. I replied that I would go across and discuss the question with him at the mine, as he said the matter was in connection with the industry. I met him that afternoon and he told me he was in despair about the future of

the Wiluna mine. The mine itself had improved considerably, far beyond expectations, and the improvement was likely to be prolonged, but the enlistment of some of his best men was occasioning him concern. He had paid a visit a few weeks before to the Eastern States. He was not absent very long but when he came back he found that 34 of his best men had enlisted.

A request had been made that the industry should be passed over for as long as possible, but the authorities informed him that if a man wished to enlist—whether he were a goldminer or anything else—and had the necessary qualifications and no physical defects, they had no alternative but to accept him. He said, "The Commonwealth Government should inform us whether it does or does not want gold, and the mining companies would then know exactly how to act." I told him to put his complaint in writing and he did so. I then advised him to send it to the representative of the Murchison district in the House of Representatives, Mr. Victor Johnson, whom he knew. That, I think, was done. Since then, until last March I was not troubled further in connection with matters of that kind but last March Mr. Triat, who represents the Mt. Magnet electorate in the Legislative Assembly, and I received an urgent request to go to Youanmi. There was some trouble, not industrial, which they wished to place before us, and we were asked to address a meeting on the Sunday.

We left by the very first train and, on arriving at Youanmi, decided the best thing was to see the manager of the mine and ascertain what was the trouble. We went to the mine and found that not only the manager of the mine was present, armed with information, but also the managers of two other big mines in the Murchison district. We had a long discussion, and they all had the same tale to tell: that men were being called up at that stage. They had not been called up previously so far as we were informed; but they were then being called up and the manager of the Youanmi mine told us that his key men were being taken and that it was absolutely impossible to work the mine profitably if that procedure continued. "We are getting men," he said. "They are coming in droves; they work a couple of days and then disappear; they are utterly incompetent." That sort of thing has been going on for some time and

it means that the mine is not doing itself justice. If competent miners were employed the output would have been much larger, but, from what he told us, utter wasters were coming along and the production was not what it should be.

Afterwards, at the meeting place we interviewed some of the miners. They stated that the subject would be discussed at the meeting and a resolution, which seemed very sensible to me, was to be moved. They did not want any exemptions. They suggested that a drill sergeant should be sent to that centre and to other centres if required. They proposed that the sergeant should drill the men as far as possible so that if their services were later required in an emergency, they would be prepared. I do not know what drill is like in these days but I put in 12 months being trained by a soldier who took part in one of the outstanding British wars and who was thoroughly competent. I belonged to a volunteer corps.

Hon. J. Cornell: Those days are not these days!

Hon. J. M. DREW: We attended drill every night in the year except holidays and representatives of the company came to Perth and took the first prize for efficiency in bayonet exercises. That was a long time ago. But bearing in mind my own experience, it seemed to me that the proposal of the miners was sound, unless drill is quite a different thing today from what it was in those times. The meeting was held and a large number of miners were present; in fact the attendance consisted almost entirely of miners. The motion was passed unanimously and a pledge given that they were prepared, when off shift, to attend drill and, if necessary, help later in the defence of their country.

There are a considerable number of houses at Youanmi. I think that about 400 miners were employed and the married men had beautiful homes. Ultimately, I suppose by reason of the fact that production was decreasing and on account of the value of the output of gold, but chiefly because of the non-existence of competent labour, the Youanmi was closed down. One man who had built a house that cost him £600, sold it for £60. I do not know how the others fared but many must have lost their homes and received no recompense whatsoever. I admired the spirit of those men, who did not want to evade the performance of their

duty to the nation and were prepared to undergo drill at perhaps some inconvenience to themselves, and I was very much surprised when it was urged that the goldmining industry should be brought to practically the same level as every other industry in the State with respect to manpower.

I should not like anything to occur that would lead to the loss of Australia, and I am sure that there is provision in Mr. Seddon's motion to prevent such a happening as it affects the goldmining industry. If the worst comes to the worst, then the mining community will fall into line voluntarily. I hope that the motion will be carried without any dissentient voice, because it seems to fit the position well.

**HON. V. HAMERSLEY** (East) [12.46]: I, too, support the motion. To me it seems imperative that we should strain every nerve to retain the mining industry in existence and not allow it to be depleted of its key men unless an extreme crisis should arise. We know the serious position that confronted the nation during the 1914-18 war and we remember a former Labour Prime Minister, Mr. Andrew Fisher, giving utterance to his memorable words when he said that Australia was ready to support Britain in her hour of trial to the last man and the last shilling. It seems to me that if we denude the goldmining industry of its manpower, we shall not be doing our best to provide the last shilling for the defence of the Commonwealth. Mr. Drew put his finger on the spot when he indicated how he and the member for Mt. Magnet (Mr. Triat) visited Youanmi and received the miners' suggestion that a military officer should be stationed in the district to train the men locally so as to avoid the necessity to withdraw them from the mines.

I have noted a similar anomaly in the agricultural districts. I cannot see that it is necessary to concentrate 300 or 400 men at one centre for training purposes in preference to having a smaller number trained near the areas where they were working on the land. In the interests of economy I think the latter course would be more sensible. Perhaps a military officer would regard it as too much trouble to proceed 20 miles for the purpose of training a group of men. He would prefer the men to travel 20 or 30 miles to a centre from which they could be transported another 20 or 30 miles to a camp

for military training purposes. Under those conditions the men are able to get only half the training they would otherwise secure. Their time is limited whereas the military man has plenty of free time.

We know what happened in South Africa during the Boer War. The burghers remained on their farms until their services were required and then they joined their commandoes and took part in the fighting. Something of the sort could be done in the rural areas here. We know what happens at present. Men are concentrated in a camp for training purposes and it is public property that many of them have not handled a rifle for six months. Yet they have been taught bayonet exercises!

Hon. H. V. Piesse: The equipment was not available.

Hon. V. HAMERSLEY: And possibly adequate equipment is not available now. The fact remains that those men were taken away from their work and concentrated in camp, thereby depriving them of the opportunity to assist in producing the shillings necessary for Australia's safety. Money is just as necessary in promoting our war effort as is manpower. I trust steps will be taken to maintain the goldmining industry and I hope my suggestion will be noted.

**HON. H. SEDDON** (North-East—in reply) [12.53]: In the first place let me emphasise the fact that I appreciate the position in which Australia finds itself today. Those who have studied the trend of events since Australia entered the war predicted that she would find herself in her present position. Owing to the large number of men required for military purposes, and the equally large number required for munitions work, it was obvious that the programme upon which Australia had embarked could not be carried out and that one or other of two aspects regarding manpower would have to be modified. It can be said that the present situation illustrates the fact that that is exactly what is taking place at present. The motion which I ask members to endorse has regard to the urgency of the position.

When we realise what is taking place in other parts of the world where invasion has actually occurred, we appreciate that no sacrifice is too great to protect Australia against the danger of invasion and conquest. It is from that angle that we must approach

this question, but at the same time we must retain the correct perspective. For example, it is not wise that 1,000 men should be taken into camp and retained there without adequate facilities for their training being provided. Those men would be far better retained in industry until their services were required and equipment was available for them.

The great difficulties we have experienced since the inception of the war have been due almost entirely to the unorganised approach to the task in hand. Our voluntary system has called up the best in our community. A great number of the men immediately offered themselves for one or other of the fighting services at the outbreak of war. Other men, equally anxious to do their duty, realised that they would be better employed at work in munitions factories. Once made public, the people will view the work in the munitions factories with as much pride as they do the achievements of the soldiers in the field. The necessity is evident today more than ever before, for our war effort to be organised, first to secure an effective front and secondly to maintain it.

I say that because our experience in connection with the A.I.F. has been that on three occasions, as a Federal Minister mentioned, our forces have had to be fully equipped in order to take the field. The first occasion was when they were equipped for the Libyan campaign, for there in the course of the retreat much of the equipment was lost. Then they were re-equipped after the debacle in Greece and Crete. For the second time their equipment was lost. Then the men were re-equipped once more for the Syrian campaign. That serves to indicate the tremendous demands made upon our resources for the manufacture of equipment and munitions and the provision of the necessary finance to enable that work to be undertaken and to allow the men to take the field. One is inclined to think that there is a serious lack of co-ordination between the heads of the various Federal departments, despite the fact that in achieving the desired results we should adopt the most effective methods possible. That impression has not been diminished by the statements of various Federal Ministers both in the Eastern States and here, and the actions taken by Federal departments while those statements were being made.

For instance, we were told by two Federal Ministers that the taking away of men from the goldmining industry would be in small numbers and would not be undertaken until every avenue of manpower had been exploited. At that very time a set of regulations was promulgated as a result of which all men up to 35 years of age who were employed in the goldmining industry had to be liberated for military service. Even this week special trains have been run to convey men engaged in goldmining and other industries to various centres in order that they might be placed in military service. There has been such great disparity between the public statements of Ministers and the actions of Federal departments, as to arouse doubtful feelings regarding our well-being. That impression is heightened by these occurrences and makes us feel that organisation for the well-being of the State and the Commonwealth is not all that it might be. Unfortunately, men are sent indiscriminately for military training and the whole business is not organised on a proper basis.

*Sitting suspended from 1.0 to 2.15 p.m.*

Hon. H. SEDDON: Before the dinner adjournment I was leading up to the point that a very unsatisfactory state of affairs has been created by the adoption of compulsion so late in our war effort. What should govern the situation at this time is what is required by the military position. Whilst it has been represented that men were urgently required for various works we have not had any definite statements from the one organisation we look to as being paramount in this matter, namely, the military organisation. If a definite statement had come from the Minister for the Army that the method of call-up was based on the number of men who would be required in the field and could be maintained there on the resources of the country, the whole position would have been made clearer than it is at present. It is not yet too late for the State Government to obtain the correct perspective by getting into touch with the military leader responsible for the defence of Western Australia. That appears to me to be the one method of approach by which we could get a definite understanding of the position. Members of the State Government could then assist in the establishment



of a policy which would be founded on that basis.

We know what has happened in Europe, where because of the inadequate arrangements made countries were overrun. We know what happened in Malaya. The general in charge of the Australian Forces in Malaya stands out as a result of that campaign. He is the person who should decide exactly how far Western Australia is required to support his efforts. We talk about losing the goldmining industry. We lose everything we have, including that industry, if the State is overrun. That is why I say the military officer in charge is the most competent person to advise us on this question. The suggestion has been made that the two motions, that moved by the Minister for Mines in another place and circulated amongst members, and my motion, to a large extent clash, and that after I have completed my reply I should withdraw my motion. I have studied both motions and prefer to leave the matter to the decision of the House. With all respect to the ministerial pronouncement, I think my motion does express our attitude as to the relationship of manpower to the goldmining industry, having regard to the demand of the Federal authorities for military purposes. I also think it expresses that attitude somewhat differently from the manner in which it is indicated in the motion moved by the Minister for Mines. I have, therefore, decided to leave it to the House to accept or reject my motion.

The Honorary Minister: We could not reject it.

Hon. H. SEDDON: Reject it for the motion moved in another place. I feel inclined to stand by my motion.

Hon. J. Cornell: I think you are unwise.

Hon. H. SEDDON: It has been said that we should be unanimous in our expression of opinion, that the two Houses should pass the same motion.

Hon. J. Cornell: We should not have two voices on the one subject.

Hon. H. SEDDON: Both motions aim at the one objective and express the same idea. It appears to me that the expression of unanimity would be obtained even though there is a slight difference in the wording of the two motions.

Hon. J. Cornell: Therefore, on your own admission, there could be no objection to withdrawing your motion.

Hon. H. SEDDON: I should like to refer to some of the speeches made by members. Particularly do I appreciate the remarks of the Chief Secretary. He set out the position in a manner that left no doubt in the minds of members. The information presented to us as a result of the investigations by the Government shows the effect of the present method in dealing with the industry. The Honorary Minister also came out of his shell somewhat in the course of his remarks, which were illuminating. In considering the manpower position there is this difficulty, that we do not find in this State the employment of women extending to occupations that were formerly restricted to men, in the same degree as is evidenced in Great Britain and other countries where the seriousness of the situation is more keenly appreciated than it is here. From that point of view I do not think the Honorary Minister has satisfied us that this State is doing its utmost in that direction.

We hold that other avenues should be exploited to make the manpower contribution required before goldmining is dealt with in a manner that may involve its extinction. The Chief Secretary showed what would be the effect on the goldfields of putting into effect a policy that would close the mines. He said that not less than 20 towns would be affected, and that not less than tens of thousands of people would lose what they have put into their homes, into the building of premises, into their investments in properties, and into the mining industry generally. We have heard a great deal about the scorched earth policy. It appears to me that that term could well be applied to the Federal Government because of its attitude towards the goldmining industry. Its policy is a scorched earth policy. Although that has been put into operation in Europe I point out that this was not done until an invasion was threatened or had actually occurred. Apparently the Commonwealth Government is going ahead of that. Undoubtedly the effect of its action will be to introduce the scorched earth policy on the goldfields.

There are three factors involved in the carrying out of a maximum war effort. There is the man in the field, the man who is making munitions, and the man who finds the finance to keep both of them going. It is remarkable that all countries in the world

which claim to have built up a high standard of civilisation, have recognised the sound economy associated with the production and retention of gold. From that angle, however, apparently the whole attitude of the Federal Government shows that it has not stood shoulder to shoulder with other countries which are finding the effects of war far more severe than we are. In requiring from our people the maximum contribution to the war effort, the Government is going the wrong way about obtaining it. We have only to see the conditions appertaining to the coalmining industry in New South Wales to realise the extent to which production is being continually hampered by stoppages brought about on the most trivial excuses. The output per day per man in that industry is appallingly low. The tonnage dealt with per man employed is so ridiculously small that I cannot understand how anyone can claim that we are making the maximum effort to win the war. We find that no attempt is made to obtain from the workers any contribution outside their ordinary week's work. Certain steps indeed have been taken which have resulted in a reduction in hours of work.

Whilst I do not ask the workers to make any sacrifice that will be greatly prejudicial to them, I say that never before was there such a time when every person should be making the maximum contribution, not only as to working hours but outside of them. I should like to see that fact recognised by the Federal Government, which should take the same steps as were adopted in England where men engaged in industry have to devote a certain number of hours per week either to home guard training or air raid precaution work. Until we get some such scheme in operation here, we cannot say we are making a full contribution of the manpower in our community to the maximum war effort. I was somewhat disturbed to hear the Chief Secretary say that a lack of unanimity had been disclosed amongst members of the Chamber of Mines, and that information had been conveyed to Mr. Dedman different from that which had been furnished to the Minister for Mines. The latter, however, knows that the Chamber of Mines and the mine workers are agreed in recognising the seriousness of the war position. Their attitude in that respect is identical.

If the war demands a diversion of manpower from the industry, I have found from conversation with the men and managers that they have no opposition to offer. They suggest, however, that the method adopted is not the one calculated to produce the best results. There are on the goldfields communities scattered over wide areas and surrounded by empty spaces. A lot of work could be done amongst those communities in the way of military training. The defence of such centres in which there are so many wide and empty spaces would be very valuable in the case of an invasion. If the men up there were trained in military work, how valuable they would be in the event of an invasion by parachutists. Such a thing may easily occur some time in the near future should the enemy proceed with his plans to occupy the country. Those men might well be trained in their spare time as part of the V.D.C.

Hon. J. CORNELL: The opportunity for that already exists.

Hon. H. SEDDON: The machinery exists, but nothing has been done by the Commonwealth Government to compel the men concerned to devote their time in that direction. Surely that would be a better method of handling the men than to take them away from their work, and train them down here in camps when they could quite simply receive their training on the spot. To me it looks as if twice as much could be done by training the men there than is done in the camps, and they would be extremely valuable on account of their knowledge of the district, should we be invaded by the enemy. Another proposal was made by the mine managements. They were prepared to place their organisations, as a labour force, at the disposal of the military authorities. I pointed out previously that the organisations of the various mines, with their technical equipment, would be able to carry out certain works far more efficiently and expeditiously than they could be carried out if under the control of the military authorities, who would be more or less compelled to train their men to carry out the work.

As to the nature of the proposals made to the mine managements by the Federal Government in order to meet the position, I would point out that the committee ascertained one thing as a result of its journey to Kalgoorlie. It found what those engaged

in the industry have known all along, namely, that each mine has its own peculiar difficulties and its own peculiar set of conditions. I am quite prepared to agree with the Federal Minister that that is one of the grounds upon which the committee would make its recommendations. A mine in an outback district has labour problems altogether different from those of a mine in a centre like Kalgoorlie. Again, a mine that has a well-advanced broken ore reserve is, of course, in a much better position than is a mine living, as it were, from hand to mouth, with its development proceeding practically just ahead of its monthly output. A mine with an adequate stores reserve can institute a very different policy from that of a mine buying from day to day and at the mercy of a rapidly decreasing market. The committee will therefore find that any proposal put before the mine managements by the Federal Government will present problems difficult to solve, especially when it is desired to lay down a hard and fast principle.

Hon. J. Cornell: A uniform proposal could not be applied.

Hon. H. SEDDON: That is what I am trying to point out. For instance, methods are adopted by a mine while in full production to ensure the efficient and cheap winning of ore, but such methods would prove disastrous in the case of a sudden stoppage, especially if it were desired to retain payable ore to be worked at a later stage. That was pointed out by Mr. Webber in a letter to the Press, but he touched only on one aspect, and there are others. I well remember a mine at Comet Vale that had been opened up to 800 feet. The upper level had been filled with sand. Water had risen into the sand, with the result that when it was decided to re-open the mine, the de-watering proved one of the most difficult and dangerous tasks that ever confronted a mining engineer. A former member of this Chamber was working on that mine. He was down the shaft, as there had been trouble with the pumps. Before he knew where he was, there was a sudden rush and he found himself buried to his neck in a mixture of sand and water. It took the united efforts of everybody associated with the mine to get him out. That serves to indicate the difficulties encountered when re-opening a mine once it has been closed down.

An instance was quoted to me the other day. A mine at present working has a quantity of payable ore blocked out, and if it were treated now, it would show a profit of 2s. 6d. per ton. On the other hand, if the mine were allowed to remain idle for 12 months or so, conditions would so deteriorate as to make it quite unprofitable to put the mine into a satisfactory state for re-working. The 2s. 6d. per ton, the present rate of profit, would be more than absorbed in the attempt to recondition the mine.

Hon. Sir Hal Colebatch: That applies to many mines.

Hon. J. Cornell: The Mararoa is practically a new mine.

Hon. H. SEDDON: That is an illustration of the many difficulties associated with the Federal Government's proposal. I think that Government is endeavouring to find a minimum basis upon which the mines can be kept available for production after the war and at the same time release the maximum number of men for military duties. When the Federal Government asks the mine managements to determine the minimum number of men to carry over or, as it has been termed, to "kick over," it is putting up a difficult problem to solve. There is one aspect which does not seem to have been given consideration, and that is that such a policy really means the ultimate exhaustion of the ore reserves. A mine that has stopped development is simply living on the quantity of ore that has been broken, and the cost of that ore has not been recouped to the mine. The money that is being used by the mine is only sufficient to pay for the raising of that ore and the realisation of the gold which it contains. In time we should reach a state of affairs similar to that which existed in the industry during the 1914-18 war.

Members who were then associated with the goldmining industry will remember that the companies were asked to make available every ounce of gold that could possibly be raised in order to help the war effort. The mines did so. As a result, they were during the war simply depleting their ore reserves. When the war ended, they had then to re-develop the mines and get their plants working again. This they did under conditions far different from those which had previously existed. Rates of wages had been raised and it was necessary to re-establish new labour forces, as finance was not available. The result was that the mines

had the greatest difficulty in carrying on. It was only when the people behind the Lake View mine found courage enough to obtain large capital that steps towards the resuscitation of our goldmining industry were taken. The goldmining industry today is being asked to go through a similar experience, and I say we are asking of it something that is very hard for it to give. The mines are being asked to exhaust their ore reserves and then later to find fresh capital in order to put the mines into operation.

My motion simply asks that other occupations shall make the same contribution to manpower requirements as the goldmining industry has made and is asked to make. Some recognition should be given of the number of men in the industry who voluntarily enlisted before the present manpower conditions came into force. That should be the basis. I think it will be found that the contribution from the goldfields in this way is as high—if not higher than—the contribution made by industries in other parts of the State. When visiting the State recently, the Federal Minister concerned issued a list of occupations that had definitely been prohibited. The list was published in the "West Australian." Sixty classes of goods were prohibited, but if the list be examined it will be found that many of these goods are not being produced in Western Australia, while in respect to others only a small number of men are employed. I am inclined to think that the result of those prohibitions will be disappointing so far as the manpower requirements are concerned.

I have pointed out that there are many branches of the Government service where women could be employed to a greater degree than they are at present. That would be the means of releasing men who, even if not capable of military service, could be employed in other industries so as to release able men who can undertake military service. The whole position will have to be re-organised, because we are fighting a foe that has adopted this principle right from the start. Germany's great success is due to the fact that she put the right man in the right place; she never put a square peg in a round hole. She made the fullest use of the capacities of her subjects in the direction of increasing national production and prosecuting the war. Until we adopt some similar principle in our civil and war organisations we shall not attain complete effi-

ciency. We shall be placing ourselves in a position of the greatest possible danger, because we are fighting a foe that fully appreciates that position.

The war has disorganised a great many businesses. Men are being manpowered up to a certain age irrespective of their occupations, and this lack of organisation will be felt severely by the general public in the ensuing few weeks. The position has not been improved at all by the introduction of clothing control. Once it was decided to ration clothing surely the only fair thing to do was to do what was done in Great Britain, namely, issue coupons equivalent to the people's requirements. What recently happened in this city over this matter is an illustration of the way in which the whole business is being handled. The result is that there is established in the minds of the public a feeling of insecurity and a lack of confidence, and that is not the right way in which to prepare our people for a maximum war effort. If the people feel that the whole thing is being bungled, and the illustration I cited lends emphasis to that view, how can we expect them to have faith and confidence in their leaders when asked practically to lay down their lives in the defence of their country? During the 1914-18 war we found that our men were complaining about being sacrificed because of incompetent leadership. I say that is a state of affairs which is anything but satisfactory to a country fighting for its existence.

As far as the motion is concerned, I have attained my objective. I was rather amused at some of the comments made. One member was kind enough to say that I was simply wasting time in bringing forward the motion. Another member said it would do no good and he indulged in trenchant criticism of members who supported it. Sir Hal Colebatch came in for some caustic comments because of his remarks. Yet yesterday afternoon the Chief Secretary by his remarks justified what was said by Sir Hal Colebatch, and justified the strong remarks made by Mr. Williams. Before I conclude, I would like to read two quotations. The first is from the remarks made by the President of the Chamber of Mines, Mr. Richard Hamilton, who in his annual report said—

In the early stages of the war while some mines were affected by enlistments the position was not felt acutely by the goldmining

industry generally. With the call-up of the A.M.F. for full-time service the position deteriorated rapidly, particularly as regards out-back mines and on various occasions it was necessary for the Chamber to make application to the military authorities and others for consideration in respect to manpower. These requests were in most instances well received by the authorities and considerable assistance was given by way of deferred enlistments and in some cases by the temporary exemption of certain classes. Despite the help given by the authorities to the industry, the difficulty of carrying on efficiently became greater as time went on.

With Japan's entry into the war and the intensified call-up of men rendered necessary to meet this new situation the difficult position which existed in the goldmining industry as regards manpower at once became critical. This position still continues and is in fact daily becoming more acute and it is the endeavour of the executive council to obtain from the Federal Government a clear statement of its demands from the goldmining industry so that plans for the operation of the mines during the remainder of the war may be decided upon. Failing a clear-cut statement from the Government as regards the demands to be made on the industry it is feared that the present policy of denuding step by step the industry of its manpower will lead to a state of chaos.

The other quotation I wish to place before members is in answer to the comments of the Chief Secretary. I made some inquiries of the Chamber of Mines concerning his remarks dealing with the lack of unanimity because it seemed to me to be a matter requiring clarification. As a result of telephone inquiries, the Chamber of Mines has supplied the following information:—

Knowing the consequences of the closing down of the mines, the Chamber of Mines is definitely and unanimously of the opinion that manpower should be allowed to the goldmining companies sufficient to keep the mines in a state of production. No other view has ever been expressed by the Chamber and if such view has been taken for granted by visiting Government officials to Kalgoorlie, then it has been gained from conversations which have taken place outside of the Chamber. Mr. Kitson's statement that the Chamber of Mines expects the Federal Government to do something which the Chamber itself is not prepared to carry out is an abstract statement, and it is very difficult to understand just what he means. The Chamber, however, wishes to state that it has never requested the Federal Government to do something that it itself is not prepared to do. The Chamber is quite prepared to put forward schemes to keep the industry in production provided the Federal Government allows sufficient manpower for it to do so, and having once decided to do this, to not interfere with the position.

That completely defines the attitude of the Chamber of Mines. A very large number of men have come down during the last few days and the position which now exists on some mines must be very precarious. Some mines are still able to carry on and maintain production, but for how long that position will be maintained rests in the lap of the gods.

Hon. J. Cornell: If you take another 500 men out of the industry, it will close itself!

Hon. H. SEDDON: Exactly. It is quite possible that the next military call-up will result in closing the mines and thereby bring about the position that we have been anticipating. At any rate, there is my motion. If members think the Government's motion would be more suitable, I am in their hands.

Hon. J. Cornell: Ask leave to withdraw. (One member can object and the motion can be put.)

Hon. H. SEDDON: That is one way of getting over it, provided it is understood that, in my opinion, the position is met more adequately by my motion than the Government's proposal.

Hon. W. J. Mann: Put it to the House.

Hon. H. SEDDON: I will leave it to the House to decide. On the understanding that members are given an opportunity to offer free expression of opinion, and so long as it is understood that the Government's motion will be carried, I ask leave to withdraw the motion.

Motion, by leave, withdrawn.

## PERSONAL EXPLANATION.

*Hon. C. F. Barter and Late Shopping Hours.*

Hon. C. F. BAXTER: I crave your indulgence, Mr. President, to make a personal explanation. During the course of my remarks on the motion I brought before the House on early closing, a very sharp difference of opinion was brought to light in the speeches of members who followed me in connection with the late closing of shops. As a consequence, during the dinner suspension I looked into the matter and I found that in December last regulations imposed by the Federal Government, doing away with the late shopping night, were passed. As a consequence, I was wrong in my contention. Members know I have been in hospital for a long time, and the regulation was promulgated during that period. I

am only now completely recovering. It was an oversight on my part and I apologise for any words of my speech which may have misled members.

Hon. J. Cornell: Mr. Piesse was the victim.

Hon. C. F. BAXTER: Yes.

## MOTION—GOLDMINING INDUSTRY.

*As to Review of Manpower Position.*

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [2.54]: I ask leave of the House to introduce, without notice, a motion to take the place of the one withdrawn by Mr. Seddon.

Leave given.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [2.55]: I move—

That in view of the vital importance of the goldmining industry to Western Australia and the decision of the Federal Government as announced by Mr. Dedman, the Minister for War Organisation of Industry in the Commonwealth Parliament and as published in the "West Australian" of Friday, the 8th May, 1942, "That there cannot be any protection given to the goldmining industry from the call-up for military service of men directly or indirectly engaged in the industry"—this House emphatically protests against the manpower proposals in connection with goldmining, which will constitute a disastrous interference with the major industry of Western Australia. While fully recognising the vital needs of the war situation, we demand that the manpower position be reviewed and that a reasonable amount of labour be conserved to this most important industry, so that it may be maintained.

This is the same motion that was introduced in another place and which I expect will be carried there, if it has not already been passed. There is no necessity for any further debate on the subject, but, if I may, I would like to refer to one point, and that is the one made by Mr. Seddon in his concluding remarks when he mentioned the fact that it appeared that there was very little co-ordination between the various Commonwealth authorities interested in the war effort. He was referring, of course, to the Armed Forces, to the requirements for munitions and also to the manpower requirements of industry generally. I would like to tell him that the Government believes there is a lot of truth in that state-

ment. It believes it is desirable that there should be very close co-operation between all these authorities and that after the manpower authorities have conferred with the various heads of the Armed Forces—the Air Force, Army and Navy—together with the Minister for Munitions Production and perhaps with one or two others to advise in regard to the vital necessity of certain industries a policy should be laid down. At the present time we find the Army calling for large numbers of men, and, of course, the other branches of the Armed Forces also. At the same time we have representations being made to the manpower authorities who find it exceedingly difficult to meet the situation. I do not propose to say any more except that I appreciate the fact that Mr. Seddon brought his motion forward in the way in which he did, and eventually, after a full discussion, agreed to withdraw it in order that we might have unanimity between the two Houses on the particular motion agreed to.

Question put and passed.

## MOTION—UNIFORM TAX PROPOSAL.

*As to Submission to State Parliaments.*

Debate resumed from the previous day on the following motion by Hon. H. Seddon (North-East):—

That in view of the effect of the Federal Government's proposal for a unified income tax on the finances of the States, and while recognising the necessity for the Federal Government to have the field of finance free to be devoted to war requirements, the whole question of the financial relationship between Commonwealth and States should be submitted to the State Parliaments before ratification of the proposal.

**HON. SIR HAL COLEBATCH** (Metropolitan) [2.58]: I congratulate the Government very warmly and sincerely on the action it has taken in inviting Parliament to co-operate with it in its protest against the two threatened actions, each of which is calculated to do considerable damage to Western Australia. I hope that both motions will have the support they deserve from both Houses and from all sections in order that it may become evident that these protests are not made by the Government representing, for the most part, one party, but are made by Parliament representing the whole of the people. I hope also that this action will

be regarded as a precedent and that this Government, and other Governments, whenever the interests of Western Australia are seriously threatened, will take the same step of calling Parliament together in order that the feelings of the people may be given full expression. I hope Mr. Seddon will follow the same wise course that he has taken in connection with the motion just disposed of. As the seconder of the motion, I was glad that Mr. Seddon accepted the Government's proposal in order that there might be unity between both Houses and between all parties.

But there is another reason why I shall be unable to give Mr. Seddon's motion whole-hearted support, and that is the reason he himself supplied. He was quite definite in saying that the rights of the State to levy taxation, if sacrificed, would mean the abrogation of self-governing powers, that is, the self-governing powers reserved to the State by the Constitution. He seemed equally certain that if those rights were surrendered now as a war-time measure, it would be extremely difficult and probably impossible to get them back after the war was over. Again I say he was absolutely right. But though I believe him to be right in saying that we dare not sacrifice, even in war time, the rights of the State to impose taxation, I fail to follow him in his suggestion that some sort of compromise might be arrived at—a compromise that would involve the surrender of that right of taxation.

I take a pride in the fact that I opposed with all the vigour at my command—and at the time I was facing the electors—the Financial Agreement, the unjust operation of which to this State becomes more and more manifest year by year. The State having been deprived under the Financial Agreement of the right to borrow money, the Commonwealth now seeks to take away from it the right to tax its own people. This means that the entire policy of State development is to be subject to Federal control. It means unification, and unification of a particularly objectionable character so far as Western Australia is concerned. I think it rather significant that just as the Financial Agreement was so framed that it could not fail to advantage New South Wales as against the other States, so are these taxation proposals in the nature of a direct and generous subsidy to the people of New South Wales.

It is pertinent to the present issue to point out that the Financial Agreement provided that in cases where the loans to the States had to be cut down, each State was to have allocated to it the same proportion as the net loan expenditure of that State in the preceding five years bore to the net loan expenditure of all the States in that period. Because of that provision, in every case where it was necessary and proper for the amount applied for by the States to be cut down, New South Wales has received the lion's share for the simple reason, and for the entirely evil reason, that over the five years previous to the passing of the Financial Agreement, New South Wales had been the most extravagant borrower of the whole of the States, having borrowed far more per capita than any of the other States. This was the case during the last Loan Council proceedings when the amount allocated to the States was very much smaller than it had been, but New South Wales got the lion's share, far more than its share on a population basis, in spite of the fact that so large a percentage of Commonwealth expenditure was taking place in New South Wales and in spite of the fact that the money was so much more urgently needed by the Commonwealth for war purposes. I shall refer a little later to the extent to which these proposals for uniform taxation advantage New South Wales unfairly at the expense of the other States.

I do not think it necessary to speak at any length on the constitutional aspect of the question. It has been pointed out that Section 51 of the Commonwealth Constitution gives the Commonwealth unlimited power of taxation, but members will recall that Mr. Seddon read Sections 106 and 107. I propose to read them again. If it is to be contended that under Section 51 the Commonwealth could tax the people of the State, should it so desire, to the extent of 20s. in the pound, thereby taking away any possibility of State taxation, then this portion of the Constitution must be regarded as a confidence trick put up against the States.

Section 106 reads—

The Constitution of each State of the Commonwealth shall, subject to this Constitution, continue as at the establishment of the Commonwealth, or as at the admission or establishment of the State, as the case may be, until altered in accordance with the Constitution of the State.

## Section 107 reads—

Every power of the Parliament of a Colony which has become or becomes a State shall, unless it is by this Constitution exclusively vested in the Parliament of the Commonwealth or withdrawn from the Parliament of the State, continue as at the establishment of the Commonwealth, or as at the admission or establishment of the State, as the case may be.

If those sections mean anything at all, they mean that all those rights of the States that were fundamental to self-government—and the first of these is the right to tax the people—must be preserved and cannot be taken away by the Commonwealth. So I say that if it is argued that Section 51 empowers the Commonwealth to levy money by taxation to the extent of taking away the self-governing powers of the State, the States have been the victims of a confidence trick. I would refer members to another section of the Commonwealth Constitution, Section 99, which reads—

The Commonwealth shall not, by any law or regulation of trade, commerce, or revenue, give preference to one State or any part thereof over another State or any part thereof.

What is the proposal under this scheme? The proposal is that there shall be uniformity of taxation throughout the States, but that the proceeds of the tax shall be divided amongst the States in a most extraordinary fashion. Here are the figures—

	£
New South Wales .. .. .	15,991,000
Victoria .. .. .	6,666,000

Members can go through the whole list, but those two instances are sufficient to show the absolute disregard of that section of the Constitution. I have used the illustration of New South Wales and Victoria because it is the more striking. What the Government proposes to do is to decrease taxation in New South Wales and increase it in Victoria and give New South Wales more than double the amount it gives Victoria.

I do not intend to say anything about the personnel of the committee except to remind members that both political members of the committee were pronounced and declared unificationists, men who had stated over and over again that they wished to abolish State Parliaments. If members will refer to paragraphs 6, 7, 8, 9 and 10 of the report two things will be made clear. Let me read those paragraphs—

6. A striking example is that under the present system rates of taxation could rise

above 20s. in the pound for many taxpayers but for the fact that State taxes paid in the previous year are allowed as a deduction in determining Federal taxable income.

7. Despite this provision, total taxes payable can still rise above 20s. in the pound in the case where the State tax paid in the previous year is appreciably less than State tax payable, because the taxpayer's income or the effective rates of State taxation have increased. Some alleviation of high rates of taxation is given by the provision in the Federal Act that the combined rate of Commonwealth and State taxes shall not exceed 18s. in the pound.

8. Even this provision is not fully effective, partly because it has not been adopted by the States, and partly because it only applies to the rate over the whole of the income and not to the rate on the highest part of the income on which taxpayers may still pay more than 20s. in the pound.

Is it not obvious that this is a difficulty which could easily be overcome? All that is necessary is for the States to adopt a similar provision and for the Commonwealth to alter its method in accordance with the advice tendered to it by the Commissioner of Taxation. To that point I shall return in a moment. It is utterly absurd to say that, because of a blunder in the method of imposing taxation, there happen to be certain cases in which a man may be required to pay more than 20s. in the pound and while there are easy and simple methods of overcoming that difficulty, the Commonwealth Government should tear up the Constitution of Australia and destroy the self-governing powers of the States.

9. This and other difficulties can best be overcome by a single uniform taxation system administered by the Commonwealth.

10. The committee attaches importance to the need for simplification of income taxation throughout the Commonwealth. Despite past achievements in the direction of uniformity, there is still overlapping and insufficient co-ordination between the Commonwealth and States and the committee considers that a sole taxation authority opens the way to more simple and efficient machinery for the raising of revenue.

The other point that emerges from those paragraphs is that this committee was bound to recommend it as a wartime expedient, but as a matter of fact recommended it as something that should apply permanently—altogether the sort of recommendation we might expect from those desirous of bringing about complete unification. We have been told that the people want this. I have yet to learn that the people in this State or even those in other States are so completely



out of touch with their Governments that they wish to see this done, even though it means sacrificing the self-governing powers of the States. The tale of people wanting this and wanting that has been told over and over again.

Let me remind members that with the single exception of the Financial Agreement, every attempt made by the Federal Parliament to increase its powers at the expense of the States has been rejected by the people. I am quite sure that if a referendum was submitted to the people of Australia on this question, the fact that some might feel it would be more convenient to have one income tax than two would not go very far in influencing a majority that it was a matter of such importance as to justify the sacrificing of their self-governing powers. The powers of the Commonwealth have been extended at the expense of the States chiefly as a result of judicial decisions, and while it is not for me or any other member to question those decisions, I would remind the House of one of them, the decision regarding Section 92 of the Constitution. The interpretation of the High Court had been accepted for a great number of years, because the Constitution prohibits an appeal to the Privy Council in a case involving a difference between the Commonwealth and the States, but when Section 92 became a matter of dispute between an individual and the Commonwealth and therefore could be taken to the Privy Council, the decision of the High Court was upset with such unanimity and probably with more forceful language than the Privy Council has given utterance to in any case within my recollection.

Honourable members will recollect that I referred to the case, and I have it particularly in mind because it enabled me to establish very close, very valuable, and very friendly relations with one whom I then regarded as not only a man of exceptionally brilliant intellect but also a man of transparent honesty and singleness of purpose to an extent that I have seldom before experienced. That man was Stafford Cripps. He was the man who won the James case against the Commonwealth Government.

Now to come back for a moment to the question of anomalous taxation. Of course it is wrong. There are isolated instances of

taxation of 21s. in the pound. In his annual report of 1939 the Federal Commissioner of Taxation said—

If percentage increases are continually to be imposed on these maximum rates, it can readily be seen that the rate will increase more than 20s. in the pound—an absurd position.

Last November the Federal Government persisted in the method that its own Commissioner of Taxation had denounced; and it is because of that—not necessarily at all because of State and Federal taxation, but because of that insistence on a method that the Federal Commissioner of Taxation denounced as bound to lead in some cases to taxes of more than 20s. in the pound—that this anomaly arose. It may seem rather an extraordinary suggestion that because the Federal Government, in defiance of its Taxation Commissioner's report, has persisted in the method that has brought about this extraordinary anomaly, the whole of our taxation should be handed over to the Commonwealth.

There should be greater co-operation and collaboration between the taxation authorities, Federal and State. It is a simple matter to avoid anomalies of that kind. Yesterday we were told that a man had made a present of £1,000 and by that means had escaped a tax of £1,100. Well, that is because of this anomaly. A man with an income of £3,500 a year, if he chooses to give away £1,000 and so bring his income down to £2,500, will have a little more left for himself than he would have had if he had not given that money away and had paid taxation on the £3,500. It is absurd to tolerate something that can readily be rectified. Certainly it is not a justifiable argument to use in favour of the State sacrificing its power to tax its people.

I think that in a matter of this description one is quite justified in saying a word or two regarding the methods adopted by the Federal Government for the raising of Federal Revenue. In this morning's paper we read a statement by Mr. Dedman that the Government has increased taxation on the rich and that the money paid to the wage-earner has been greater than ever before. I have no objection to the increased taxation that has been placed upon the rich. I dare say it could even go a little further; but even in that direction there is a danger, because if we impose too heavy a tax we soon destroy the income that is the source of the

taxation. I do, however, say without hesitation that any policy which during war time places increasing spending power in the hands of the mass of the population is a fateful policy, and a policy bound to re-act speedily on the wage-earners themselves, and particularly the wage-earners on the lower levels.

Not only our own Government, but the British Government also, adopted in full the proposals submitted by Keynes and other economists—a proposal under which the lowest incomes would be raised and every man would be credited with all the increased wages that he earned but under which all sections of the community should have all excess pay deferred, carrying a low rate of interest credited to them and paid to them after the war had been won. It is because nothing of that sort has been done in Australia that we see the orgy of spending in every State of the Commonwealth, the results of which will be tragic before many months are past. Several weeks ago I was told by a responsible businessman in Perth that before Christmas quite a large percentage of the retailers would have to close their doors because their shelves would be empty—there would be no stocks. We see what happened during the last two or three days with regard to clothing, the sort of thing that is bound to create a shortage. Three months ago, and even longer, the position we are reaching should have been clear to every eye. In fact, 12 months ago it had been clear to me in Melbourne and Sydney what must happen before a long period had elapsed.

It should have been the simplest matter in the world to establish a scheme of clothing rationing on the ticket system which has proved so successful in England. Such a system could have been developed and put into force without a moment's notice. Had that been done, a great deal of present and future trouble would have been saved. I have not the faintest hesitation in saying that many hundreds of these panic buyers have bought goods that they do not want, and that the time will soon come when people who really need something in the way of clothing will not be able to obtain it. The system of rationing now is simply to tell the retailer that he must sell less than he did before. One retailer said today, "I had two buyers yesterday who took away £8 worth of stuff each"; and I suppose the same customers can come in today for an-

other £8 worth of stuff, and the same tomorrow and the next day. The same happened with regard to tea rationing. The Government that proposes to destroy State powers does not seem to be able to learn even from its recent lessons.

We are entitled to ask ourselves what would be the fate of a State like Western Australia under a unified form of government. We see what has happened in regard to the goldmining industry. I am concerned not so much with what has been done as with what has been said—one thing today and another thing tomorrow, no settled policy. With regard to our agricultural industry, restrictions are imposed upon Western Australian farmers that are not imposed anywhere else. Throughout the country I find farmers deploring the fact that they had been allowed to sow wheat for hay only to the limit of the extent of nine or ten acres. Those who understand the position say definitely that this must mean that there will be a shortage of hay. The question is raised in the House of Representatives and the responsible Minister says, "Farmers are allowed to sow as much wheat for hay as they like." But the farmers had received superphosphate only on the basis of wheat they could grow according to their certificates.

Hon. C. F. Baxter: That Federal Minister is quite wrong.

Hon. Sir HAL COLEBATCH: That is what he says.

Hon. C. F. Baxter: Well, he is quite wrong.

Hon. Sir HAL COLEBATCH: I ask what position shall we reach if we hand over one after another of our State powers to the Commonwealth? The Minister replied to Mr. Marwick as follows:—

So far as I am concerned, the farmer may grow as much hay for wheat as he pleases.

Hon. C. F. Baxter: Then it must be the fault of the State Government.

Hon. Sir HAL COLEBATCH: Whenever the State Government imposes conditions, it must be done by regulations, and this House is able to disapprove of them. Of course we are told that no matter how much money the great bulk of the community is allowed to spend, everything can be kept right by price-fixing. That is a most absurd contention. When the quantity of goods falls below the demand for them, something has got to happen; and the fact

that there has been price-fixing will not mean that the people who need those goods will be able to get them. As a matter of fact, in a great many instances price-fixing destroys its own motive, for the simple reason that it necessarily discourages production and encourages consumption. Consequently, in wartime it is a method that can be relied upon only with discretion and with regard to certain arguments.

Now we are told that there is to be a saving of £250,000 annually by this suggested amalgamation. I challenge hon. members to cite one single instance in which the transference of an activity from the State to the Commonwealth has resulted in other than greatly increased expenditure. I do not pretend that State Governments—and I do not except even the State Government of which I was a member—have been outstanding examples of economy; but I do say that no State Government has at any time approached the extravagance that is witnessed in every Federal department. This £250,000 that is to be saved will, I am quite certain—and I make the prophecy without any fear of having it thrown back in my face—not be realised; nor do I believe that there will be any realisation of the suggested saving of one thousand in manpower.

I have not the details at hand to discuss the question, but in the light of past experience I have no hesitation in saying that neither in men nor in money will any substantial economy result from this proposed amalgamation. I do not intend to labour the question any further, but I do emphasise that the best form of Government is that form in which the Government is closest to the people that it governs.

Members: Hear, hear!

Hon. Sir HAL COLEBATCH: I go further and say that democracy cannot be maintained under any other system. It is not without significance that the first act of Hitler on attaining power was the abolition of the State Governments. We are all aware of the following plank in the Labour platform:—

The Commonwealth Constitution to be amended to provide unlimited legislative powers to the Commonwealth Parliament, and such delegated powers to the States or provinces as the Commonwealth Parliament may determine from time to time.

The abolition of the Senate, or of equal representation of the States in the

Senate, is also a plank in the party's platform. This is one of several steps that have been taken during wartime to implement Labour's policy. It is an old saying that the one thing certain about any Act of Parliament is that it always has consequences entirely different from those expected by its proposers. It seems to me that that old and very true saying will come home to those who set up this proposition, and I find support for that belief when I read of the Labour Premier of this State declaring that had the people of Western Australia known what Federation was going to mean, they would never have entered into it.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [3.31]: I listened with a great deal of interest to the remarks of Mr. Seddon when introducing this motion, and also to those of Sir Hal Colebatch, who has just resumed his seat. I am very sorry that Sir Hal should have spoilt what appeared to me as being a very fine effort by a suggestion that this proposal of the Commonwealth Government has been introduced with a view to bringing about, or placing in operation, a plank of the Labour Party's platform. I do not for one moment believe that that has anything whatever to do with the proposal we are considering. I think it was hardly fair of the hon. member to say that, because this matter is too important to be relegated to the category of petty party or parochial politics. It goes far beyond that. I would suggest to the hon. member that the Commonwealth Government is faced with a particularly big financial responsibility, and that while I and the Government do not agree with the so-called unified taxation proposals, nevertheless we do believe that the Federal Government has been actuated by a sincere desire to do what is necessary as quickly as possible in the interests of Australia. Members will recognise that the proposals do not meet with the approval of the State Government. I do not want to quote what has been said elsewhere or by other members of this Chamber, any more than is necessary, but it is essential that I should emphasise what both the mover and the seconder of the motion have emphasised, and what the State Government has also emphasised, namely, that this proposal will take away from State Governments—not only the State Government of Western Aus-

tralia but the State Governments throughout the whole of the Commonwealth—their real right or power to govern.

I am reminded of the many occasions on which the late Mr. Holmes used to tell us in this House that finance is government and government is finance. I remember how on many occasions he expounded that theme. There is a tremendous amount of truth in the contention, and if and when these proposals are put into force, it will simply mean that no longer shall we have the right to govern ourselves in our own way. We will be placed in a position where the whole of our finances will be controlled by the Commonwealth authorities. Over many years our loan expenditure has been controlled through the Loan Council. We have heard the remarks of Sir Hal Colebatch in regard to the operations of the Financial Agreement. The position now is that when these proposals become law, as we are advised the Commonwealth Government intends, it will mean that our revenue also will be controlled by the Commonwealth authorities. One can quite imagine what is likely to happen. In this State we have only a small population and a very big problem connected with the development of a large State, approximately one-third of the Commonwealth in extent. Western Australia is to a very great degree undeveloped. We were looking forward to the time, after the war, when we would have an opportunity of developing this State in several directions, but I am afraid that when these proposals become law our opportunities will be strictly limited, and that must necessarily be so if we are going to be tied down to compensation, as it is called, to the extent of the average of the revenue of the last two years, together with the right to appeal to a commission if we desire to do something in the future that we have not done in the past.

One could mention quite a number of things that we would like to do that would cost a considerable sum of money, but if in order to obtain that money it is necessary for us to convince the Eastern States' interests then, just as we have had difficulty in the past. I am afraid we shall have difficulty in the future. I would like to point out to the House that the Premiers of all the States have opposed these proposals. I believe the Premier of New South Wales was just as strong in his opposition as was the Premier of our own State, so that it does not look

as though the State of New South Wales is likely to reap such extraordinarily increased benefits as one would have thought from the remarks of Sir Hal Colebatch.

Hon. Sir Hal Colebatch: They are not going to be bribed into giving away their rights; that is the position.

The CHIEF SECRETARY: The Premiers of all the States opposed these proposals and it appears to the Government of this State that the matter has been handled in the wrong way. We believe that the same results could have been achieved by other means, and when I say that I am reminded of the remarks of Mr. Seddon who suggested one or two ways whereby the same results could have been attained. I can tell him and the House that at the conference of Premiers more than one alternative was submitted by different Premiers, including the Premier of this State, but with no result. That is one of the strong objections this Government has to that conference; namely, that our own Premier was taken from Western Australia to attend the meeting in the Eastern States supposedly to be conferred with on the matter, only to be told when he got there what the Commonwealth Government intended to do. In effect, there was really no conference. There was a meeting of the Premiers by representatives of the Commonwealth Government, who told the Premiers just what the proposals of the Federal Government were.

If this matter had been approached by calling a conference of Premiers to consider ways and means, whereby a certain objective could have been attained, it is quite possible that the Commonwealth's end would have been achieved without its taking from the States something which is their sovereign right. Although the taking away of that right is stated to be for the duration of the war only, the right will be very hard to regain after the war. If the position is such that at the present time the Commonwealth Government is not in a position to obtain all the money it requires for the war effort, and the war continues for any further lengthy period the Commonwealth Government's position after the war will be worse than it is at present. Its liabilities will be much greater, and the necessity for having the right to ask for contributions from people of the Commonwealth generally

will be just as great as, if not greater than, at present.

It is quite easy to imagine that while the present Commonwealth Government might be sincere in its statement that it makes these proposals for the period of the war only, circumstances as I see them suggest that there will be extreme difficulty in our regaining this right once it passes away from us. Past experience indicates very clearly that when the States do surrender any right to the Commonwealth, or when the Commonwealth assumes any right from the States, such rights are not returned to the State Governments. There has been some comment with regard to the report of the committee upon which the Commonwealth proposals are based. I do not propose for one moment to find fault with the members of the committee. I believe they are capable and competent gentlemen. I am not going to assert for one moment that there is anything in this report to suggest that they had any ulterior motive. I am prepared to accept the statement that this report is a genuine recital of what the committee genuinely believes, and I am prepared to admit that, while it would be much nicer to have one tax only, as pointed out by Mr. Craig, because it would save tremendous inconvenience which we are all experiencing at the present time, and while I am also prepared to admit that if these rates are adopted by the Commonwealth Government there would apparently be a benefit to the individual taxpayers in Western Australia for the first year, I am not prepared to admit that that state of affairs would continue.

Hon. C. F. Baxter: We know it would not.

The CHIEF SECRETARY: That is my viewpoint, and it is also the viewpoint of the Government. These proposals mean a revolutionary constitutional change, and are submitted under the guise of a wartime emergency. I have yet to be convinced that the Federal Government's proposals are really vital to Australia's war effort. I do not think they are. Other ways and means could be found whereby the result desired could be achieved and the States could still retain their right to govern and tax as they thought fit.

Hon. J. M. Macfarlane: The Federal Government has not yet been refused any loan money it required.

The CHIEF SECRETARY: No, it has not. Western Australia has a very proud reputation regarding the amount of money raised within the State. I do not think the Commonwealth Government can complain for one moment regarding the accomplishments of the State in that direction. With regard to enlistments, we more than hold our own, and, in fact, our men have been called upon to make up for shortages in other States.

Hon. C. F. Baxter: Western Australians have been doing all the reinforcing.

The CHIEF SECRETARY: As for financial contributions, we have usually been the foremost State in the Commonwealth on a proportionate basis. I believe the latest figures indicate that with regard to war loans, war savings certificates, and so on, Western Australia ranks second to Victoria, which is perhaps the wealthiest State of the Commonwealth. I assert that that is a record of which we have every right to be proud. I do not mention these phases as suggesting they have any real bearing on the question of uniform taxation by the Commonwealth Government.

We feel that Western Australia is being singled out, and has frequently been singled out, for special treatment. Already we have discussed the position of the gold-mining industry. We know gold has been subject to special taxation for years past. Our wheat industry has been singled out this year for treatment different from that extended to the industry in other States, while our secondary industries have not been expanded to the same extent as have those existing in the Eastern States. We must realise we have tremendous problems and obligations in this State and it is for these reasons that I feel a very retrograde step will have been taken if this State is so circumstanced that it will have no control over its own finances.

I emphasise the fact that the opposition raised by the State Government to the Commonwealth proposal cannot be construed as being prompted by any lack of co-operation on the part of the State Government in the national war effort. It is unnecessary to stress the fact that the Government has shown on every possible occasion that it is prepared to co-operate to the utmost limit, but on this occasion it urges that the Federal Government's proposals will take away the constitutional rights of the State which

are essential to any community which desires to carry on as it has over past years in the interests of the public generally by providing wherever it is at all possible facilities that will assist the people in isolated areas far from the large centres of population. It appears to me that such social provisions as those relating to education, hospitals and so on will necessarily suffer in the future if the taxation proposals of the Commonwealth Government become permanent.

The suggestion in the Federal committee's report that a saving of £250,000 would be effected annually, and that approximately 1,000 men would be released for other services, has already been criticised by Sir Hal Colebatch, and personally I regard that claim with some doubt. I question the figures not on the ground mentioned by Sir Hal but because I know that in Western Australia, for instance, the two taxes have been collected by one authority—the Federal Government—on behalf of the State and the Commonwealth. In some States the position is reversed. In one instance the State authorities collect the two taxes on behalf of both State and Commonwealth. In view of the many matters that have arisen in connection with taxation since the inception of the war, I believe that it will be very difficult indeed to effect any material reduction in the numerical strength of the staffs required to deal with the work.

I am somewhat in agreement with Mr. Craig's statement that we have reached a stage at which business houses have been forced to increase their taxation staffs by at least 100 per cent. I can mention instances of such staffs having been increased by more than 100 per cent. in order to meet the requirements that have been forced upon private business people in the last 12 or 18 months, so as to provide the information required by the Commonwealth Taxation Department. So much has been said already on this subject that I think the House should be ready to record its vote. Again I say I would prefer that the motion submitted on behalf of the Government in another place should be passed in preference to that standing in the name of Mr. Seddon.

Hon. H. Seddon: Do not you think we could pass both?

The CHIEF SECRETARY: There is nothing contradictory in the motions but I speak from the standpoint of securing unani-

mity and uniformity respecting the particular motion to be carried.

Hon. H. S. W. Parker: We would strengthen the position by agreeing to both.

The CHIEF SECRETARY: That may be so. I had not looked at it from that point of view. As I mentioned to Mr. Seddon yesterday, the intention or desire of the Government is that both Houses should carry the one motion, but if members of this Chamber consider the position would be strengthened by carrying the motion moved by Mr. Seddon as well as that submitted by the Government, I shall raise no objection to that course being followed. I intended to suggest to Mr. Seddon that after he had replied to the debate he might feel disposed to adopt the same attitude in this instance as he did respecting his other motion and withdraw it, so that we could then pass the motion moved by the Premier in another place.

HON. J. CORNELL (South) [3.55]: I hope I shall not detain the House very long in speaking to the motion. I merely wish to emphasise the fact that the essence of the issue is the invasion of the sovereign rights of the States. The Federal Government's proposal for uniform taxation is accompanied by something like the catchword "Secession." Here I join issue with Mr. Craig who said yesterday that the people wanted this so-called reform. I have yet to find a single individual who favours the change once the effect has been explained to him. I remind Mr. Craig that the people wanted secession but they were very ill-advised regarding the way they went about endeavouring to secure it.

One of the fundamental reasons why the British Empire is in the position it finds itself today and for its state of unpreparedness for war on a huge scale, is that Parliaments for long paid heed more to what the people wanted than in determining on behalf of the people what was necessary in the interests of the nation. They had regard to what the people did not want rather than determining what was necessary and then going straight ahead to accomplish that end. It is because of that that the Empire is in its present jam. What is necessary for Parliament to do today is to assert its individuality as a legislative institution and to stand up for what in its mature experience it deems essential in the national in-

terests, and act accordingly without running to the man in the street for his views, when we know that the man in the street is just a straw blown where the wind listeth.

The whole essence of the present situation appears to be that the Federal Government has made up its mind that it is going to foist uniform taxation on the States. That is undoubted. The Chief Secretary admitted as much. He said the Premiers were invited to go East for what they thought was one purpose. They accepted the invitation and when they got to Melbourne they found they were in the position of the man who was invited to have lunch with another and was then told what he had to eat. That is the position in which the State Premiers found themselves. They were told what the Federal Government had decided upon and were not asked for their views. I reiterate what I have often said, namely, because the Federal Parliament is a higher authority than the State Parliament, it is more qualified to speak upon national matters than upon domestic matters which are more the perquisite of State Parliaments. I join with Mr. Forgan Smith who said, "Heaven save us from these geniuses who sit in Canberra." Everyone knows that the geniuses there are few and far between and as a parliamentary institution the State Parliament of Western Australia and those of the other States will compare quite favourably with any Federal Parliament that has existed during the past 20 years. It is easy to say that we shall have one taxing authority in time of war, but once such an authority is set up, it will be a difficult matter to revert to pre-war conditions. The mere statement that it is a wartime measure is so much eyewash. Experience teaches—

Hon. W. J. Mann: Sometimes.

Hon. J. CORNELL: —and has taught me that any attempt to abolish a power that a Parliament has assumed is confronted with extreme difficulty. I would cite the position regarding the Financial Emergency Act, which was passed by the Mitchell Government. That is partly on the statute-book today. The rate was 6d. in the pound, and was that Government abused for imposing it! Those that came to curse remained to pray! Today that tax is part and parcel of our income tax, but multiplied about tenfold.

I will deal with the field of income tax itself. I well remember when the late Mr. J. E. Dodd first contested for the South Province. In 1907 this Parliament passed the State's first income tax and I can remember Mr. Dodd condemning it. You, Sir, also condemned it, but what you said has not altered the fact that that Act still remains on the statute-book and that the income tax has become the keystone of our financial structure. The Commonwealth income tax was imposed in the second or third year of the 1914-18 war. That was the Commonwealth's first incursion into the field of income tax. What was the reason put forward? "We are at war; when the war is over, we will wipe it out." But the tax is still here, more iniquitous than ever. The Commonwealth Government also at that time passed, as a war measure, the entertainments tax. Subsequently they relinquished that tax below an admittance fee of 2s. 6d., which was immediately reimposed by the State Government. It may be said that such measures are intended to be only temporary, but when they come, they are there to stay.

What will be the logical outcome if this proposal for uniform taxation is adopted and the war goes on for another few years? It will be necessary to alter the legislation then existing in order to discontinue the tax. After the war, when the Commonwealth Government would be asked to discontinue the tax, the argument would be changed over. The fact that provision is to be made in the proposed Bill to limit its term to the war period and 12 months thereafter means nothing. Let us go back to 1915, when Hon. W. D. Johnson introduced the Industries Assistance Bill. That contained a clause limiting its duration to one year, but the Act is still on the statute-book. It has been renewed year by year by Parliament. The same remark applies to the Dried Fruits Act and many other Acts which were originally intended to be temporary, but have in fact become permanent. That is exactly what will happen in connection with the uniform taxation proposal. It will be continued no matter what may be the colour of the Governments that succeed each other.

I shall not quote figures, as the case has been well put by Mr. Seddon, Sir Hal Colebatch and the Chief Secretary, but I desire to indulge in a retrospect. Federation today

has assumed quite a different hue from that which it had for me 40 years ago. One matter that should be inquired into is whether our great Ally, the United States of America, which is going to pull us out of this struggle, is introducing uniform taxation and making it applicable to the 48 States of the Union, thus taking away from the States their income taxing rights. All the countries making up our Allies, excluding Russia and the U.S.A., have single Parliaments—I refer to Great Britain, Canada, South Africa and New Zealand—except that half the prairie provinces of Canada are subject to the Dominion Parliament. We can therefore fairly compare Australia with the United States.

Our Commonwealth is a federation, as is the United States. Just as our States gave certain powers to the Commonwealth, so did the States of the Union give certain powers to the American federation. How can we stand up to the situation that awaits us? I know of former State parliamentarians who have squeezed their way into the Federal Parliament. So far as that Parliament is concerned, there is no doubt in my mind that we cannot lay the blame for this uniform taxation proposal solely at the door of the Federal Labour Party. It can also be laid at the door of another party in that Parliament, the U.A.P. I do not think any blame attaches to the Country Party, as I have not been able to discover any advocates for the proposal in the personnel of the Country Party in the Federal Parliament. There is, however, no question that uniform taxation will become law by the joint efforts of the Federal Labour Party and the U.A.P. The Chief Secretary informed members that the Premiers were told what would be done. Assuming that comes to pass, and it seems certain, what stand will the States take? The States are in agreement that the proposal should not be adopted in the manner suggested by the Commonwealth, but what will the States do?

Hon. V. Hamersley: We shall have a revolution, I think.

Hon. J. CORNELL: Mr. Hamersley is running true to form. The older he gets the more revolutionary he becomes. Some time ago he was leading a revolution against the banks; I shall be glad to be his chief of staff when he leads a revolution against the Commonwealth. No doubt one or two other members would enlist also. Our position,

however, has become analogous to that of the little boy who, for misbehaviour, was put to bed without his tea. The States must repent and accept the situation.

For many years I have been a student of the Commonwealth Constitution, and I have my doubts whether such an enactment as is contemplated would be constitutional. Not long before the last Federal election, so eminent a legal authority as the Hon. R. G. Menzies said, when it was suggested that that election should be postponed, that the Constitution would not permit of such a course. From a commonsense reading of the Constitution, I doubt the legality of the contemplated action of the Federal Government today. But this inescapable query remains: What are the States to do if the legislation is passed? Two courses are open. One is to seek a decision on the point from the High Court. The High Court would interpret the Constitution; but it is a long, winding, steep road before the High Court can be moved. The machinery would before then have been in operation and the damage done.

Assuming that the High Court held, on the application of one or all the States, that the Commonwealth Parliament had exceeded its authority, what could be done with the money collected in the meantime? It could not be returned to those from whom it was collected. The alternative would be for an ordinary taxpayer to take proceedings in the High Court to test the validity of the enactment, but the position would be almost the same, if it were held that the action of the Federal Parliament had been unconstitutional. There could be no comparison between such a case and the James case, because, as Sir Hal Colebatch pointed out, only the citizen taking action would get redress; the other citizens would not.

Though it was said that owing to the Constitution the Federal elections could not be postponed, later on, perhaps twelve months hence, we may hear of the Commonwealth elections being postponed by an Act of Parliament until the end of the war. If the Commonwealth Government said, "In the interests of the war we will put a Bill through Parliament to postpone the elections, despite the Constitution," who will say nay? That is the position we are up against. Every activity of the central authority leads more and more not only to unified control but, as my old friend W. M. Hughes would say,



to junta control. If any support of mine, even to the extent of following General Hamersley, can achieve some ways and means of preventing an irreparable wrong being done to our sovereignty, I will be only too pleased to assist. As a humble unit of this State, I do suggest, and I do hope that the Commonwealth authority will listen to reason and that some arrangement will be arrived at whereby the State Premiers and the Prime Minister can reach agreement on some definite scheme which will simplify matters without impairing the sovereignty, or as the Minister has said, the right of the States to tax. If that is done, the gap is bridged. I for one, and I think every other member of this House also, am at all times open and susceptible to an appeal to reason, but I have an objection to being sandbagged, and that is just about what this proposal means to the State. It is developing into something which will destroy our very vitals.

**HON. E. H. H. HALL** (Central) [4.19]: It has been said that self-preservation is the first law of nature. That being so, it did not surprise me to find that Premiers representing different political parties were all opposed to the proposals of the Federal Government in connection with unified taxation. It has been said here this afternoon that the matter is one which emanates from a certain party. Mr. Cornell has satisfied me that that is not so. His references to the support given to this movement by the two initial parties in the Federal Parliament is nearer the mark. The point put forward by Sir Hal Colebatch that this is an endeavour to get something belonging to the Labour Party is to be deprecated. We should endeavour to approach this as far as possible free from party politics. Mr. Seddon would be well advised either to withdraw his motion—and I would prefer that because we do want to be unanimous on this matter—or else—

Hon. G. B. Wood: What about passing both?

Hon. E. H. H. HALL: No. What I object to in Mr. Seddon's motion is the latter portion of it where he says, "the whole question of the financial relationships between Commonwealth and States should be submitted to the State Parliaments before ratification of the proposal." It seems to me that the Federal

Government thinks this is a matter of urgency. There has been a pretty full debate in both Chambers on this matter. To have it brought back again would be redundant.

Hon. H. Seddon: Instead of being "should be submitted" it should read "should have been submitted."

Hon. E. H. H. HALL: I am 100 per cent. in agreement with that suggestion. I have discussed the matter with Dr. Hislop, and we framed an amendment, but he has had to absent himself and I do not feel equal to dealing with the amendment myself. The Minister would probably say it would unduly delay matters. As far as I am concerned the motion put up by the Government meets with my approval, but I would like to see some expression of opinion along these lines, that this being a sovereign State, the State Government should have been consulted before its proposal was thrown out. That is all I want to say.

I hope we will be able to arrive at unanimity, but I am not going to resume my seat without saying—and this is not said from a party point of view, because I dare-say had the Labour Party not been in power, the other people would have been guilty of something of the kind—that, whether we like it or not, we have got to put our own house in order first in regard to these matters. You will remember, Sir, that when we were asked as a people to federate, we were promised—alas for these promises!—that it would mean not an increase in the cost of government but a decrease. How these able men who went around and made these promises were going to stand up to them, I do not know. I can well remember that promise being made, but I forget the amount it was going to cost.

Hon. G. B. Wood: One shilling and sixpence per head of the population.

Hon. E. H. H. HALL: Thank you! We all know how that 1s. 6d. has grown. I was a member of the Civil Service in pre-federation days. I know something of the control and administration of the post office under the State Government. I continued to be a member of that department under the Federal Government, and I was in two or three other departments conducted by the Commonwealth. It is not an easy thing to say, but as one who has had years of experience I do say that the Post Office, federally controlled, is better administered than it was prior to Federation. It is no use saying, "No

good can come out of Nazareth." We have to keep trying for that efficiency which the people who send us here so much desire. Those in charge of the government of this State, therefore, should endeavour to reduce the expenditure on government, and not increase it. But what do we find? It is infinitesimal, but it is worthy of note that instead of a reduction of State Ministers, compared with pre-Federation days, we actually have an increase. If someone in authority were to line them up, as was done in the department in which I worked, and ask, "Tell me what your job is?" they would be hard put to it to reply. A man named Green came over to this State and dealt with us. We had no very friendly feeling for him. If something of that kind were done to the State Ministers, an able administrator would be able to say, "You are about 50 per cent. too many."

We have an illustration in the Taxation Department. How long will we have to wait for the amalgamation of other departments? There is not the slightest necessity for duplicating them. I have even said, when talking to friends, "We are all State taxpayers and Federal taxpayers. We are all the same people. Why then have we these different Government departments to do the job?" There is no reason for it, and the sooner the position is tackled, the sooner shall we have grounds on which to approach the people of this country in asking that we should conduct the affairs of this State. I voted against Federation and for secession and against the Financial Agreement. But I realise that the time is coming when we will have to take the broader view, that the people of this small portion of Australia with big undeveloped spaces, cannot continue as they are at present, and without a good deal of progress, to pay the cost of State government and State control.

Even without dual departments, what does it cost? Somebody must know. It costs well over £1,000 a week, which is a large sum. When I came here 14 years ago I said, and I have not been forgiven for it by some people, that there were too many members of Parliament, and I say that that is so today. Some effort should be made to reduce the cost of government, and then we would be in a much better position to deal with a matter of this kind and justify ourselves in the eyes of the people who pay us to

come here and represent them. I hope something will be done to make these two motions one.

On motion by Hon. G. W. Miles, debate adjourned.

*House adjourned at 4.28 p.m.*

## Legislative Assembly.

*Wednesday, 13th May, 1942.*

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The SPEAKER took the Chair at 11 a.m., and read prayers.

### QUESTION—RUBBER SUPPLIES.

Mr. WATTS asked the Minister for Agriculture: 1, Are any, and, if so, what portions of W.A. considered suitable for the production of the plant known as the Mexican rubber plant? 2, If so, are any steps being taken to establish this plant in Western Australia as a contribution toward rubber supplies?

The MINISTER FOR AGRICULTURE replied: 1, Experiments conducted at Merredin Research Station and also at Muresk Agricultural College indicated that conditions were not suitable for the growth of the Guayule rubber plant. Even under cultivation at Merredin, the yield of latex was not satisfactory. 2, We are investigating the prospects of many types of latex yielding plants.

### QUESTION—PERTH TRAMWAYS.

Hon. W. D. JOHNSON asked the Premier: Will the Government secure from the New South Wales Government the services of an experienced tramway officer for the purpose of visiting Western Aus-