

COAL MINES REGULATION
(AMENDMENT) BILL.

THIRD READING.

Motion (by Mr. Vincent) proposed.

That this bill be now read a third time.

Mr. BADDELEY (Cessnock) [10.55]: Quite a number of amendments are supposed to have been inserted in the bill after the application of the guillotine. The Minister, however, has not pointed out whether they have been inserted. Hon. members were not afforded the opportunity to discuss the amendments and the bill is now submitted for the third reading. I desire to know whether the amendments have been inserted, and I ask the Minister if he will explain the details of them.

Mr. L. O. MARTIN:

Mr. BADDELEY: I am not going to be dictated to by the Minister for Public Works. I want to know from the Minister in charge of the bill.

Mr. VINCENT (Raleigh), Minister for Mines [10.58] in reply: I shall be very brief in replying to the hon. member for Cessnock. Those amendments were inserted in the measure by the Parliamentary Draftsman to make it more workable. I assure the hon. member that the amendments do not make any effective difference to the bill.

Question resolved in the affirmative.

Bill read a third time.

[Mr. Speaker left the chair at 10.59 p.m. till 11 a.m. Friday.]

Legislative Council.

Thursday, 27 March, 1941.

Casino to Bonalbo Railway (Repeal) Bill—First Readings—Abcco Royal Commission (Ministerial Statement)—Third Readings—National Emergency (Stoc's of Goods) Bill (second reading)—Police Reserve Bill (second reading)—Special Adjournment.

In the absence of the President, the Deputy-President took the chair.

The opening Prayer was read.

CASINO TO BONALBO RAILWAY
(REPEAL) BILL.

Royal assent to this bill reported.

FIRST READINGS.

The following bills were received from the Legislative Assembly and read a first time:

Coal Mines Regulation (Amendment) Bill.
Water Supply to Hospitals Bill.
Auctioneers, Stock and Station and Real Estate Agents Bill.
Navigation (Amendment) Bill.
Maritime Services (Amendment) Bill.
Farms Purchase Promotion Bill.

ABCCO ROYAL COMMISSION.

MINISTERIAL STATEMENT.

The Hon. Sir HENRY MANNING (Attorney-General) [4.37]: I desire to make a statement to the House in my capacity as Attorney-General. Yesterday it was stated by Mr. McKell, leader of the Opposition, that the three counsel at the Abcco Royal Commission represented the same interests. It is not true that Mr. Shand represented the same interests as the other two counsel engaged or that the other two counsel represented a common interest either. The facts are that Mr. Shand was retained "to assist the Commission" and announced his appearance for this purpose and in this language. This language describes a well-understood function in proceedings before Royal Commissions, by virtue of which Mr. Shand was called upon, not to represent the Government or any particular party but to bring before the Commission all matters which might have a bearing on the subject of the inquiry, irrespective of the interests of any individual or party. It so happens that the Royal Commissioner, at the conclusion of his report, says:

I am indebted in particular to Mr. Shand, Counsel assisting the Commission, for the care taken by him to present all matters that might have a bearing on the subject of this Commission, as well as for his address at the conclusion of the evidence.

This is completely borne out by a perusal of the transcript record of Mr. Shand's exhaustive cross-examination of all the witnesses, including Mr. Treatt and Mr. Nott. There is not, and never has been, any practice in existence of inviting the Opposition to be represented by counsel on a Royal Commission. No request was made either directly or indirectly by Mr. McKell that either he or the Opposition should be represented by counsel. When the Opposition desire counsel they ask for counsel, as Mr. Lang did in 1937 and as was done in the Starting-price Betting Commission.

THIRD READINGS.

The following bills were read a third time:

Taxation (Unemployment Relief and Social Services) Amendment Bill.

Unemployment Relief Tax (Taxation Reduction) Bill.

Social Services Tax (Taxation Reduction) Bill.

NATIONAL EMERGENCY (STOCKS OF GOODS) BILL.

SECOND READING.

The Hon. Sir HENRY MANNING (Attorney-General) [4.46]: I move:

That this bill be now read a second time.

Hon. members may have gathered from the title of the bill that it has been introduced for use in conjunction with many other measures of a similar kind, and with Commonwealth regulations. Its objective is to meet an emergency that might arise during the progress of the war. I preface what I have to say by bringing to the minds of hon. members that these measures are measures which it is thought prudent to place on the statute book in good time, so that if raids are made on New South Wales and the city of Sydney, we would, at any rate, have the necessary machinery in readiness to prevent a disaster that might be caused by confusion, uncertainty and dismay on the part of the populace. It is only quite recently that this House

passed the National Emergency Bill to enable precautions to be taken against the consequences of raids. The measure now before the House is designed to supplement certain Commonwealth activities in regard to the orderly arrangement of food supplies. The bill has relation to activities that have already been undertaken by the Commonwealth. The Commonwealth Government has made certain regulations authorising the Governor-in-Council in the various States to make rules to deal with food supplies in the event of an emergency arising that calls for action of this kind. The regulations that have already been made make provision for the handling of food supplies in the various States, having regard to the necessity for their distribution or sale for storage or consumption in a number of contingencies that may arise. It may be necessary to provide food supplies for the Far East or the Near East. At the present time Australia is engaging in activities that make it one of the most important parts of the Empire for supplying goods for the conduct of hostilities abroad. The measure is designed so to co-ordinate these activities that we will be able to carry out this work, and, at the same time, make provision for the local population by supplying it with foodstuffs against an emergency.

The measure is a simple one. I have already pointed out that the Commonwealth has made regulations under the National Security Act authorising the Governors-in-Council in the various States to make provision for the supply of foodstuffs. It will be readily understood that in order that this may be done effectively it is necessary to make financial provision so that those people who would not be in a position otherwise to acquire the necessary stocks will be able to do so. It has become necessary for New South Wales to make some financial provision as distinct from the Commonwealth provision made under the National Security Act. Consequently, by this bill New South Wales will be empowered to make the financial arrangements necessary to make advances to the

wholesalers and retailers engaged in the distribution of these foodstuffs and so make it possible for them to have their stocks in readiness for given periods. Promissory notes having a currency of three months will be issued, and these may be renewed for another three months. There is also a provision in the measure that the stamp duty, which otherwise would be payable on these contracts, may be waived by the Crown in proper cases. Subclause (2) of clause 2 reads:

The Governor may by a proclamation under this section, for the purpose of giving effect to such rules and the objects thereof—

(a) authorise the Colonial Treasurer or any person or persons specified in the proclamation to enter into agreements for and on behalf of the Crown—

(i) for the indemnification of any person (including any bank or financial institution) against loss sustained in providing financial accommodation to persons or classes of persons referred to in the proclamation;

(ii) for the indemnification of any person (including any bank or financial institution) against loss sustained under any guarantee given by such person to a person who provides such financial accommodation;

(iii) for the payment of interest, bank charges and other expenses involved in the provisions of such financial accommodation;

(b) exempt from stamp duty under the Stamp Duties Act, 1920-1940, any instrument or class of instruments referred to in the proclamation.

This is a financial measure and is designed to supplement the more composite provision which will be made by the Commonwealth under its regulations.

The Hon. W. E. V. ROBSON: Will the bill apply to Commonwealth and State traders?

The Hon. Sir HENRY MANNING: It will apply to the prescribed persons.

The Hon. W. E. V. ROBSON: If a trader secures his stocks in advance and is not able to sell them, will there be any indemnification?

The Hon. Sir HENRY MANNING: There is provision for the indemnification of any person who is a prescribed person. There is, of course, no indemnity against loss. The objective of the

bill is to provide finance to enable these traders to have the requisite stocks on hand.

The Hon. W. E. V. ROBSON: If they are not able to dispose of them, where do they stand?

The Hon. Sir HENRY MANNING: If they are not able to dispose of them there is no indemnification.

The Hon. W. E. V. ROBSON: If they are compelled to hold these stocks, is there not a provision to indemnify them?

The Hon. Sir HENRY MANNING: That could be dealt with by regulation. The bill makes provision for the matters that are set out. The Governor may from time to time by proclamation make provision for any matter which, in his opinion, is necessary. If at any time the Governor should find it necessary to provide an indemnity, that indemnity will be provided. Indemnification will depend largely on any rules which may be made on the subject. Amendments will be made as the occasion arises.

The Hon. J. M. CONCANNON [4.58]: I have in mind a problem similar to that mentioned by the Hon. Mr. Robson. I agree with the Attorney-General that this is a regulation-making measure. Subclause (2) of clause 2 provides that the Governor may by proclamation, for the purpose of giving effect to the rules and their objects, authorise certain things, which are recited in the bill, to be done. When one looks at the statutory rules under the regulations of the National Security Act, 1939-40, it will be seen that there is no provision for the protection of a retailer who may overstock and find himself unable to dispose of the goods. The small retailers will not have the benefit of indemnification which is provided in the case of the banks and other financial institutions. If a small retailer overstocks because of a national emergency, he may not be able to sell his goods and therefore may be unable to make the necessary payments to the firms with whom he deals. I suggest to the Attorney-General that he might consider deferring the measure in order to see if it is not possible to make rules

that would provide for indemnification in the cases mentioned. For example, a small retailer may be invited to purchase a big stock of goods for an emergency; in such a case as the Hon. Mr. Robson pointed out, if he was unable to dispose of the goods there is no indemnification for him. This legislation is essentially legislation empowering the Governor-in-Council to make regulations; it is distinctly a rule-making enactment, and I really feel that the Attorney-General should consider whether or not provision can be inserted to allow of the necessary rules and regulations being made that would authorise the Colonial Treasurer to indemnify the small retailers who may suffer loss in a national emergency.

The Hon. W. E. V. ROBSON [5.2]: The only persons to be indemnified as this bill stands are the financial institutions—the banks who may provide the necessary finance to meet emergency requirements. Take the case of the wholesale manufacturer: He may be induced to buy an excess of materials for the production of goods for emergency requirements, and if he does not possess the capital he may want to be indemnified. Again, when he disposes of the goods to the retailer, the retailer may stock more than he might require for the stipulated period of three months to meet a condition of emergency. A country storekeeper, for example—and this bill will apply to country storekeepers—supplying the needs of his district, may be directed to stock an additional three months' supply of goods. If he is unable to dispose of them he should be indemnified. He may need to obtain finance to enable him to pay for the goods. The institution supplying him with the money is indemnified under this bill, but as the measure stands there is nothing to indemnify the storekeeper himself, who is making special provision for an emergency. I think there should be an amendment to protect the people who under this legislation may be called upon to store increased supplies of goods to meet the needs of the community and who, by reason of the operation of this Act, may ultimately incur loss.

The Hon. Sir NORMAN KATER [5.5]: I agree with the Hon. Mr. Robson that storekeepers should be protected against any loss. I can foresee that a country storekeeper may be put to considerable loss after he has acquired some large additional stocks of goods. Take the mice plague. Country storekeepers might incur exceedingly heavy loss from that source. I agree that there should be some provision to indemnify them.

The Hon. Sir HENRY MANNING (Attorney-General) [5.6], in reply: I think that the object sought to be achieved by the Hon. Mr. Robson and the Hon. Sir Norman Kater, is already provided for in clause 2 of the bill. As I explained in my second reading speech, the measure authorises the making of rules and that is a far-reaching provision. Clause 2 deals first of all with regulations made by the Commonwealth Government, and by one of those regulations the Governor here may authorise the making of rules for a number of purposes. A rule may be made to ensure the provision of emergency stocks of goods or "any class or description of goods, or for any matter incidental thereto." Then the Governor may from time to time by proclamation make provision "in relation to any matter or thing for which in his opinion it is necessary or convenient that provision should be made in order to give effect to such rules and the objects thereof." In the latter part of that provision the power is practically unlimited. It does not matter whether it is wholesale or retail, there is comprehensive power to enable a rule to be made to cover any of these matters. Then subclause (2) deals with particular matters which otherwise may not be considered to be embraced in the first part. This is the clause which indemnifies financial institutions against loss. Paragraphs (ii) and (iii) of subclause (2) come within the same category—they provide for the indemnification of persons providing financial accommodation. Hon. members will observe that there is practically no limit to the rules that can be made. The

question is whether there should be inserted in the bill an amendment which would make it compulsory, in some cases, upon financial institutions to provide the necessary financial accommodation and to provide an indemnity for storekeepers, and so forth. To do that would be to destroy the convenience of the rule-making power which will be exercised in the case of an emergency, for it would necessitate the insertion instead of a whole code of provisions which would be mandatory if an emergency arose. To do that would, in the first place, impose an almost impossible burden upon the people called upon to frame these regulations. They would need to make regulations in advance, to deal with situations which would arise in the future and which could not be anticipated. There is a danger in that; and that is why the legislation *ejusdem generis* is framed in this way: There is first of all a general clause, which gives comprehensive power; then follows the particular clause which contains the indemnity condition:

and without prejudice to the generality of the provisions of subsection 1

It is inserted to avoid the application of this rule of construction, which, in some legislation, has been found to be unfortunate. Both by the Commonwealth National Security Act and by the Act passed in Great Britain for the same purpose, the whole of the legislative powers were handed over to the Government to operate by regulation. That is not asked for here. It is not necessary, but within its ambit we ask for an unrestricted power—a power restricted as to area, but within that area unrestricted. The reason for it is the difficulty of envisaging all the complexities of an emergency and of making adequate provision to meet it. I can assure hon. members who had spoken on the measure that the views they have expressed regarding retailers and small manufacturers will be brought under the notice of the authorities as

coming from people who speak with authority in this Chamber, and those remarks will receive every consideration.

Question resolved in the affirmative.

Bill read a second time.

IN COMMITTEE.

(The Hon. G. S. ARCHER in the chair.)

Clause 2 (Governor may authorise Colonial Treasurer to enter into agreements).

The Hon. J. M. CONCANNON [5.12]: I am pleased to hear the statement of the Attorney-General that the views of hon. members will be brought to the notice of the responsible authorities. Statutory rule No. 12 of the National Security (Emergency Supplies) Regulations does not make adequate provision to cover a storekeeper or small manufacturer who may provide the goods. The storekeeper has goods on hand, but he cannot dispose of them and, being unable to dispose of them, cannot pay the manufacturer, and so it goes on until the banks and financial institutions become involved. There is a definite indemnification and authority for the Colonial Treasurer regarding any bank or financial institution, but the indemnification does not cover the small manufacturer or storekeeper. Statutory rule No. 12 reads:

The Commonwealth may enter into an arrangement with any State providing for the shares for which the Commonwealth and that State will be liable in respect of—

- (a) interest payable to any bank on any moneys advanced by way of overdraft by that bank and employed in the provision of stocks of prescribed goods for the purposes of these Regulations; and
- (b) losses arising out of indemnities given to the Commonwealth Bank of Australia in respect of advances made by that Bank, and in respect of guarantees given by that Bank to Trading Bank for the purposes of these Regulations.

The Commonwealth may enter into an arrangement to indemnify banks in respect of money advanced, but the State cannot make the necessary regulations to cover these other activities I have mentioned. I suggest that clause 2 should be postponed for the consideration of a specific class of indemnity in addition to that covering banks and financial institutions. If the Attorney-General

cannot accede to that request, I suggest that on the third reading I may be in possession of more information and may be able to advise the Attorney-General that the provision should be made. I hope, therefore, that the Attorney-General will not deny me the opportunity on the third reading of having the bill re-committed for further consideration, if necessary.

The Hon. W. E. V. ROBSON [5.17]: If the bill were amended in the manner suggested, it would mean an indemnification by the State Government without its having recourse to the Federal Government, because that Government has limited its liability to arrangements with States for indemnifying only certain people, namely those who finance the purchases. It would require an amendment of the Commonwealth regulations which do not contemplate anybody being indemnified in regard to loss of that character. If the bill were amended in the way desired by the Hon. Mr. Concannon the whole burden would be placed on the State.

The Hon. J. M. CONCANNON: Statutory Rule No. 12, provides for the indemnification of financial institutions but does not cover the smaller operations!

The Hon. Sir HENRY MANNING (Attorney-General) [5.18] in reply: There are two different sets of operations in contemplation, one is an operation that enables a person to obtain goods, and that is merely financial. The other deals with the provision of large sums of money, and that is an indemnity. If a country storekeeper desires to acquire a thousand bushels of wheat, and requires an advance, he obtains it by a promissory note backed by the State Government. There may be financial institutions such as banks, which may be called upon to provide large sums of money, amounting in cases to £250,000 or £500,000. In a case of that kind, this operates as an authorisation from the Treasury to stand behind the banks, so that they will not have to bear that burden. This is merely a succession of operations beginning with the

person who buys the commodities and ending with the State that pays for them. The intermediate processes are all covered by these provisions in some shape or form. I have realised the possibility of loss through over-stocking, and that is one of the details that would need to be provided for by the rules. Of course, if any hon. member wishes to consider this matter carefully, with a view to making some suggestion on the third reading, I will agree to the recommitment of the measure. It seems to me that the bill contains a comprehensive set of arrangements, the details of which are intended to be worked out by regulation, but which will not be worked out except in the case of emergency.

The Hon. H. M. WRAGGE [5.22]: Would it be possible to provide for this contingency? A storekeeper might be improvident and might sell below cost. He might not house his goods properly. I have not the slightest doubt that appropriate rules will be framed, but I do not think that they can possibly be amended to meet a particular case. The question is whether the loss is of such a nature as to be indemnified by the Government. There are so many things which could involve loss, but which could not be set out in the rules.

The Hon. Sir HENRY MANNING [5.53]: That matter did occur to me, but I did not carry it further for the reason that I imagined any rules that were passed would be limited to certain classes of cases, such as, for instance, where a storekeeper at the urgent request of the authorities undertook a burden which he would not otherwise have undertaken.

The Hon. E. M. MITCHELL [5.24]: I have just seen a copy of the rules, and I do not see in them any compulsion or contemplated compulsion upon anyone to obtain supplies. Facilities are being made for storekeepers to obtain stocks on credit, and I should imagine that they would be glad to take advantage of them in order to get supplies on credit. Rule 9 (1) reads:—

The Minister may, by order in writing, require any person who manufactures, produces, deals in or has control of any goods,

which are prescribed goods in any part of Australia, to supply and deliver to the Minister, or to such person who is specified in the order, such of those goods as are specified in the order, and that person shall, within such period as is specified in the order, supply and deliver those goods accordingly.

Probably the storekeeper, or any other person in business, would be at liberty to take advantage of the facilities provided, and if they did not choose to supply sufficient stocks, then the responsibility would be assumed by the Minister himself to see that the goods were supplied. I think that the contingency to which the Hon. Mr. Wragge has referred shows that that probably would be the business-like way of dealing with the matter. We should let the storekeepers exercise their business judgment as to what quantity of goods they wish to take, and then, if they do not take enough, the Minister should order goods to be supplied to himself. It seems to me that what is contemplated is that the Minister will obtain goods for himself if the storekeeper thinks there is too much risk involved.

Clause agreed to.

Bill reported without amendment; report adopted.

POLICE RESERVE BILL.

SECOND READING.

The Hon. Sir HENRY MANNING (Attorney-General) [5.27]: I move:

That this bill be now read a second time.

The bill provides for the creation of a police reserve, and I should like to preface what I have to say about it by referring to the enormous importance at a time like this of providing for the orderly conduct of affairs in the State of New South Wales in the event of confusion arising from hostile attack. I do not know whether it is within the knowledge of hon. members that since the outbreak of war the duties which the police have been called upon to perform have increased enormously, and many duties have been super-added to the ordinary functions which they are called upon to perform in time of peace. At the beginning of the war the police

were called upon to guard what are known as vulnerable points, and a large proportion of them were for a long time occupied in that capacity. Again, when there was an investigation into the question of the internment of Germans, the police were called upon to make many inquiries, which enormously added to their many duties, and in carrying out that work they showed great skill and ingenuity. In addition, they have had to perform various other duties in connection with military functions and other matters, such as, for instance, the arrival of the American Fleet. That has added considerably to the ordinary duties of the police, so much so that the Commissioner of Police, with his usual foresight, set about training a considerable number of people who had expressed a desire to form a police reserve if such a body were needed in order to cope with any emergency.

There are available about 4,000 men for this work. I am not suggesting that all of them, or nearly all of them, will be called up, but they will be available. It is quite possible that they will be wanted. One does not know what may happen, and it is just as well that there should be placed on the statute book the necessary authorisation for their enrolment. The police establishment at the present time is determined having regard to the existence of a normal, as distinct from an abnormal, state of affairs. That is what one might expect. There are in existence in various statutes provisions for the enrolment of special constables, but they are not adequate for the purpose for which this bill is designed, because there is a limitation to the power of enrolment. Our legislation is a copy of the English legislation. It provides for the enrolment of special constables in a particular area to deal with an unexpected turmoil in that area. For instance, special constables enrolled at Newcastle could be used only in the Newcastle area in the event of trouble arising there. The same applies to Wollongong and elsewhere.

If an examination is made of the legislation with reference to the enrolment of special constables it will be found that it is restricted. The bill asks for something quite different. Authority is sought to provide an adjunct to the police force for duty in any part of New South Wales where its services may be required. The bill is really a measure of prudence resulting from the contemplation by the Government of the multitude of complexities that may arise from what is occurring in other countries—for instance, the activities of the "Fifth Column." If we have sufficient police to ascertain the whereabouts of people who at present are perhaps engaged in subversive activities it would be very useful in the event of an uprising. They could obtain information, and it is very useful to have information available. Information cannot be available in a complete form unless the members of the force are adequate for the various duties that are entrusted to them. The reserve has had a certain amount of training and it is, to some extent, familiar with police duties. In addition there is the very great additional advantage that the reserve would be supervised by experts in the force, who know exactly what to do, and who are highly skilled and efficient.

The only trust and confidence that is asked for by the Government is the trust and confidence to be reposed in the Government by the House not to exercise indiscriminately the powers that are given it, but to use those powers with prudence in the event of confusion, turmoil, and panic. That is the object of this legislation. It will be seen that the Commissioner of Police is given power in proposed new section 27A (1) of the Police Regulation Act, subject to disallowance by the Governor, to appoint such and so many persons as he thinks fit to be members of the police reserve. The Government will, therefore, control the numerical strength of the reserve. The Commissioner of Police will select the individuals. A person under the age of forty will not be appointed unless the Colonial Secre-

tary is satisfied that special circumstances exist which render the appointment of such person desirable. That has regard to enlistments that have taken place. One must be careful not to drain the community of those who desire to render service elsewhere. The bill contains a provision for appointees to take the oath of office, which is set out, and it provides the necessary machinery for the enrolment of reservists. Payments may be made to a police reservist by way of reimbursement for out-of-pocket expenses necessarily incurred in the execution of his office, so that if his services are required he will receive remuneration from the State for the period that he is absent from his ordinary duties. It is also provided that any allowance shall not exceed the rate of pay for watchmen fixed by any award or industrial agreement for the time being in operation under the Industrial Arbitration Act, 1912-1939, in respect of the industries or callings for which the Watchmen, Caretakers, Cleaners, etc. (State) Conciliation Committee is established. It is provided that "save as aforesaid, a police reservist shall not be entitled to any remuneration in respect of his service as such."

Provision is also made for resignations and dismissals. A reservist who has taken the oath of office will not be able to leave the reserve without first having obtained the consent of the Commissioner of Police. Provision is made for the payment of pensions in case of the incapacity or death of a reservist in the execution of his duty. I do not think that there will be any criticism of the bill. The provisions seem to be reasonable, and I will not go into details unless I am asked to. The bill is brought forward as an adjunct to other war measures that the State has adopted. I suggest to hon. members that this is one of the most important war measures that have come before the House. I commend the bill to hon. members.

The Hon. J. M. CONCANNON [5.39]: I appreciate the fact that in the event of a national emergency many things must be done that we thoroughly

dislike, and that we must put up with a good deal of interference with the liberty of the subject. After all, the interests of the country demand that precautions should be taken. I really do not know whether the bill should be passed, although I realise that bills of this character are essential. The bill contains certain clauses of which I am not particularly enamoured. The State has built up a police force, which, we are told, is the pride of the Commonwealth. It is recognised all over the world as being one of the most efficient bodies of men employed by any Government. It has been built up by taking into its ranks cadets and training them for their duties. They are first subjected to certain educational tests, and after subsequent training they go out as fully fledged police officers. It has been recognised that the police in the employ of the State of New South Wales are as well paid as any body of working men in the State. Their pay amounts to about £1 a day on a seven-day basis, and they receive very liberal superannuation allowances.

This bill strikes a blow at the principle which the Labour party has been endeavouring to establish for many years in Australia—the principle of equal pay for equal work as determined by competent industrial tribunals. I am not now referring to equal pay for the sexes. One of the provisions of the measure is that nobody can be appointed to the police reserve unless he is over the age of 40 years. That may be a very wise provision, but I understand that police officers have not been encouraged to enlist in the A.I.F. because it is recognised that their services may be required in Australia in time of emergency. Another provision is that reservists shall be paid the amounts prescribed in the Watchmen, Cleaners and Caretakers' Award. Those payments are not very high. They are the equivalent of the basic wage on the basis of fifty-six hours a week. It is very difficult to support the provision that these men shall be paid the rates that apply to watchmen, caretakers and cleaners. I cannot see why reservists should be paid less than is paid to the

police. I admit that they are only reservists and that they will only be called up in time of national emergency. Proposed new section 27F (2) reads:

Any police reservist ceasing to hold his office who does not forthwith deliver over all the arms, ammunition and accoutrements supplied to him shall be liable on conviction to a penalty not exceeding £20.

There seems to me to be great danger in supplying a force of this kind with arms. We had an experience in this country not many years ago where a certain illegal organisation was operating with the connivance of many people in responsible positions in the State. These men were drilled and armed and they may have caused great pain to his Majesty the King if anything had happened, and it was understood at the time that if the Labour party had remained in power something would have happened. It is well known that the armed men of some countries determine who is to govern the country. In Mexico, if a general can win over the army, he often becomes president.

The Hon. H. M. WRAGGE: There is more to it than that. There is political machinery as well!

The Hon. J. M. CONCANNON: In Mexico?

The Hon. H. M. WRAGGE: Yes!

The Hon. J. M. CONCANNON: I am not referring to the advanced American States. The organisation in Australia to which I referred was the "New Guard." Only in an emergency will these police reservists be called up for duty. Nevertheless, they are to be armed. Nothing is being done to bring them under the Police Regulation Act, and that may be the whole explanation of my complaint. Such a force might cause a lot of trouble, possibly not in these times, but in certain situations that might develop later in Australia. I do not know whether I should oppose this bill.

The Hon. H. M. WRAGGE [5.45]: I was astonished to hear the Hon. Mr. Concannon say that he might oppose a bill of such a salutary nature as this. I cannot understand any Government

“worth its salt” not making some provision of this sort, and perhaps no better provision could be made than that embodied in the bill. It is not intended to bring into being a body of armed men who will have the inherent authority possessed by men in the recognised police force, because the latter are a highly-disciplined body. The Government would be recreant to its duty if it did not take some such steps as are proposed. We have all heard the phrase, “It could not happen here.” Have we not read what has happened in other countries? It is amazing that a bill of this sort should be opposed by the Hon. Mr. Concannon and his colleagues.

The Hon. J. M. CONCANNON: I said I really did not know what I should do, and that I was looking for advice!

The Hon. H. M. WRAGGE: Hon. members should read a book which has just been published, “The Rape of Denmark.” It was written by a Danish Minister and it describes the utter astonishment of some Danes who were walking across a bridge which was familiar to them when they found armed men in charge. It took them some time to realise that those men were Germans. That came from within. Does the Hon. Mr. Concannon suggest that trouble here cannot come from within?

The Hon. J. M. CONCANNON: We have our military forces!

The Hon. H. M. WRAGGE: Is it sufficient to rely on the military forces? Is it not considered prudent to fortify ourselves to provide for an emergency? In case of domestic disturbance a great deal of harm might be done by calling out the armed forces. The police have an extraordinarily happy knack of dealing with these matters in an effective way without resorting to force of arms. Of course, they are armed, and that is quite right. Seeing that they have been trained as policemen, the last thing they would do would be to use those arms. No doubt the men will be chosen with great care before they enter the police reserve. I cannot conceive that any persons other than decent citizens would be permitted to enrol. In regard to

such matters as that, I take it many men would gladly volunteer for this particular duty. As to the rates of pay, the appropriate way of determining whether the payment is sufficient is to compare the amount proposed to be paid to the police reservists with that of the men in our armed forces; and it must be recollected that the men in the armed forces are men who have joined voluntarily to defend their country. For myself, I have the greatest pleasure in supporting the bill, and I have not the slightest doubt that the House will pass it with a substantial majority.

The Hon. G. MULLINS [5.51]: I fear that if this bill is carried it may bring about further troubles with the waterside workers. As hon. members know, the waterside workers refused to work on wharves where ex-members of the police force were employed as watchmen. I am not against the bill, but I want to feel assured that the waterside workers will not be victimised. They are a body of men I respect, and the hon. Mr. Mitchell will, I am sure, support me. We know where police officers are sacked from the force they often take on the job of watchmen, and if they are not available for the job, there is the chance that some of these police reservists may find employment at the same work. Sir George Beeby recently stated that the waterside workers were a subversive and treasonable body, but the public should remember—and I say this with all due respect—that Sir George Beeby got into political life on our backs.

THE DEPUTY-PRESIDENT: Order! The hon. member must confine his remarks to the bill before the House, which provides “for the appointment of police reservists; to amend the Police Regulation Act, 1899-1935, the Police Offences Act, 1901-1936, and certain other Acts in certain respects: and for purposes connected therewith.”

The Hon. G. MULLINS: As I read the bill, its object is to create a reservist police force, and I am trying to point out the danger I see in that step. As regards Sir George Beeby, all I want to say about him is—

The DEPUTY-PRESIDENT: Order!

The Hon. G. MULLINS: If Sir George Beeby thinks—

The DEPUTY-PRESIDENT: Order! The hon. member is not complying with my ruling. He is attempting to deal with some matter altogether foreign to the bill.

The Hon. G. MULLINS: I am sorry that you rule my remarks out of order, Mr. Deputy-President. I shall support the bill.

The Hon. A. W. McNAMARA [5.55]: The purpose of the bill under consideration cuts right across the disciplined police force the State now possesses. Nothing was said by the Attorney-General that would justify the establishment of a body of police reservists. New South Wales has had a police force for a number of years—a force that hon. members have frequently referred to in glowing terms. As the Hon. Mr. Wragge pointed out, the force is well disciplined, and it has given good service to the State. I quite agree with him. That fact in itself should be a sufficient reason why a police reserve force in the terms contemplated by this measure should not be established. If we were confronted with a shortage of police, if the Police Commissioner was experiencing difficulty in carrying out work of the department because of the exigencies of the war, the obvious way to overcome it would be to increase the personnel of the present force. That would be the legitimate course to adopt if we wish to maintain the existing force at its present high standard. Does the Attorney-General suggest that the work the members of the force are now required to perform makes it necessary to establish a force of reservists to look after the crowds which view the processions on the arrival of fleets? That is no reason, surely! In years past important personages and ships representative of foreign navies, and military troops from other countries have visited us, but it was not considered necessary to introduce a measure to establish a special police reserve force to cope with the crowds. As regards the work devolving upon the department in connection with the registration of aliens, that

is being done. But if the force is not sufficiently large, it can be augmented in the ordinary way to meet the exigencies. The Federal authority would be the appropriate authority to carry out the work. Coming to the bill itself, this legislation does not propose to establish an extra police force. The reservists will not have the discipline the Hon. Mr. Wragge spoke of. The terms of the bill suggest, rather, that the men will be casually employed, and that they will not be subject to the rigorous discipline imposed upon the ordinary members of the police force. As to payment, provision is made for payment on the basis of out-of-pocket expenses. Does the Hon. Mr. Wragge suggest that men serving on that basis would be able to render the same valuable assistance as the general police force? I hope the House will not be a party to the enactment of legislation which will make provision for a force to deal specially with industrial organisations.

The Hon. H. M. WRAGGE: Not even if they are subversive and treasonable?

The Hon. A. W. McNAMARA: If it is a subversive organisation, the way to deal with it is to expand the police force. I do not suggest that subversive organisations should be used to break down the established conditions of the police force of New South Wales. That is what will happen under the bill. Persons will be recruited, sign an oath, and be paid a wage considerably lower than that of a police constable, and they will not be subject to the discipline of the police force. Hon. members will see the reserve being utilised for purposes not referred to in the observations of the Attorney-General in his second-reading speech. The Hon. Mr. Wragge referred to recent literature in connection with Denmark, and I should like to remind the hon. member of literature from America in connection with quasi-police forces breaking down the conditions of employment in industry and also acting as strike-breakers.

The Hon. H. M. WRAGGE: They were privately-owned forces!

The Hon. A. W. McNAMARA: This is the first departure in this State from the established system of the police force. The next step from the police reserve is the New Guard, then the coloured shirt armies so often found in the countries to which the hon. member has referred. For that reason I oppose the measure. If the Government finds any difficulty in carrying out the work of the Police Department the obvious way to overcome it is to give an opportunity to those young men recruited as police cadets. The police force of the State should be built to a proportion that can maintain discipline. The measure is distasteful to a large section of people who have had experience of the introduction of police reserves and of other methods of breaking down established working conditions.

The Hon. E. C. MAGRATH [6.3]: I have listened to the views of the Hon. Mr. McNamara, but I cannot agree with them. I place the measure in the same category as many of the regulations issued by the Federal Government under the National Security Act. The Hon. Mr. McNamara will recollect that by the terms of these regulations many of those rights of which he has spoken and that we prize very highly in time of peace have been taken away. In these abnormal times we submit to tremendous powers being exercised in a way that we would not tolerate in time of peace. Going a little farther, I ask hon. members to look at the tremendously increased investiture of power in the Federal Government. In nearly all respects the written Constitution safeguarding the community's rights has been set aside, and the present or any future Federal Government in office during the continuance of the war may do anything and everything it pleases for the good order, government, and security of the community. Looking at the circumstances under which the power has been taken, we ask ourselves, is not this legislation investing the State Government with power to do in an emergency those things that we expect the Federal Government to do to protect us from circumstances existing overseas?

The Hon. Mr. McNAMARA will join me and other critics of the Federal Government when I say that it has not exercised its powers sufficiently. If the Federal Government were to say, "Having no police force, we should set up a police force at this time," it would be agreed that the Government was properly exercising its powers. The Hon. Mr. McNamara's alternative to this proposal is that we should increase the numbers engaged in our highly-respected police force. I disagree, because it seems an extraordinary way of meeting an emergency. Appointments have to be made, there is a rigid scrutiny of qualifications, educational and otherwise, and when admitted to the force appointees may be expected to hold their jobs for life. They start on the lowest rung of the ladder and look for promotion as they accumulate years of service and render a satisfactory discharge of their duties to the community. Very heavy taxation is imposed on the community to maintain the police force. I do not complain of the number constituting what may be regarded as an adequate police force, but the burden that the community carries as a consequence of setting up of a police force should not be unduly increased to cover an emergency that we hope may be of short duration, a period of months, or, at worst, a short period of years.

The Hon. Mr. McNamara did not put forward any alternative. He resisted this proposal, but suggested no alternative except that additional men should be appointed to the permanent forces. I prefer the proposal contained in the bill to the suggestion of the hon. member. It is true that this body will not be associated with the air, military, or naval forces, nor will it be directly associated with the police force, but nevertheless it will represent an army contributing to the security of our people in time of emergency. I think it will be necessary for this body to be armed; and if it is armed, we have to trust to the good sense and judgment of the Government in power to see that the activities of the new force are exercised in

the proper way. Like the Hon. Mr. McNamara, I know the history of quite a number of mobs, not an organised force such as this legislation will bring into operation, but mobs that have gathered together to quell strikes and insurrections by the people when injustices have been done to them. This body may develop into such a mob force, but we should not be guided by our worst fears. We have to trust our State Government as we have trusted the Federal Government with wide powers so that they may do their best for us in the present emergency. I believe that the Government will not run riot with the new force, and I believe that it will be utilised in the best interests of the community. Although this bill would be resisted to the utmost in normal times, I am quite prepared to vote for it in these exceedingly abnormal times.

The Hon. Sir HENRY MANNING (Attorney-General) [6.12], in reply: I shall reply briefly to some of the speeches made on this important matter, and I shall preface my remarks by saying that no one appreciates more fully than I do the need for excessive caution in establishing a body such as is now under contemplation. If this were a measure which would enable this body to be capable of indefinite expansion, which would be likely to be utilised for the purpose of establishing in this State an abnormal police force, or which would be used for the purpose of interfering with the rights of trade unionists and industrial unionists, I should be against it, but, of course, it is nothing of the kind. The remarks of the Hon. Mr. Concannon call for some attention. With him, I believe in the importance of a close examination of these matters before expressing final assent to them. The hon. member referred to the New Guard. Of course the essential difference between the two bodies is that the New Guard was a voluntary organisation, the operations of which were conducted in secret and which depended for its numbers on people who could be persuaded to join its ranks. But the

police reserve will be an entirely different body altogether. The measure provides for its appointment and gives power to appoint. That power is given to the Commissioner of Police and the bill contains these important words: "Subject to disallowance by the Governor." That applies both as to numbers and to individuals. I mention that because it will relieve the hon. member's mind to know that the Government has in contemplation at any rate restrictive words which make it clear that this power will not be used indiscriminately. It will be given to the Commissioner of Police, but is subject to supervision on the part of the Government, and I assure the hon. member that the Government intends to exercise that supervision. So much for the reference to the New Guard.

The Hon. Mr. McNamara referred to other matters. He said that this bill was an attempt on the part of the Government to obtain police service at an inadequate rate of pay. That is not so. There is a vast difference between the ordinary police and the police reservists. The reservists are willing to render service in the interests of their country in this time of crisis, and they are being called upon for the performance of extraordinary duties. The hon. member then referred to the prospects of an emergency of this kind arising, and he suggested that if it did arise it was a justification not for the establishment of a police reserve but for permanent additions to the police force. This is an abnormal happening which might last for some time or for only a brief period. I think the hon. member will agree with the cardinal principle that the membership of the police force must be determined, as I mentioned in my opening remarks, according to the normal and not the present abnormal state of affairs, and that the cure for this abnormality is the establishment of a reserve force which will last for a limited period.

The Hon. A. W. McNAMARA: Is that set out in the bill?

The Hon. Sir HENRY MANNING: No, but the period of its establishment will depend on the circumstances, and it is not to be perpetuated for ever. I believe that the hon. member was anxious to hear some statement of that kind from me so that he might consider it. I am very grateful to the Hon. Mr. McGrath for his remarks. He referred to the Commonwealth legislation as being the pattern upon which a measure of this kind should be modelled. I would refer him to the English legislation which is one of the most striking instances of the suspension of parliamentary government, as it is ordinarily known, to meet the exigencies of the moment. In England the power granted to the Government has been exercised sparingly and with the utmost caution, and I can assure the hon. member that any powers given to this Government will be exercised with those principles in view. I should imagine that in a time of crisis if the Government or any individual member of the Government were put in possession of the responsibilities of Parliament, it would, to a large degree, be reprehensible on the part of the Government or the individual concerned to make use of those powers in a way which would not receive the complete assent of Parliament. I mention these matters because I hope that my remarks will give hon. members confidence in dealing with a measure of this kind. There are not many matters in regard to the bill on which I can give assurances to Parliament, because one is incapable of foreseeing the many strange situations that may arise in the future. However, I think hon. members can rest assured that the powers given under the bill will be exercised with the utmost caution.

The Hon. J. M. CONCANNON [6.21]: Will the Attorney-General accept an amendment to limit this legislation to the duration of the war, and six months thereafter?

The Hon. Sir HENRY MANNING: I am prepared to accept the hon. member's amendment!

Question resolved in the affirmative.

Bill read a second time.

IN COMMITTEE.

(The Hon. G. S. ARCHER in the chair).

The Hon. J. M. CONCANNON [6.23]: I move:

That the following new clause be added:
4. This Act shall remain in force for the duration of the present war between His Majesty and Germany and her allies, and for six months thereafter and no longer.

The Hon. Sir HENRY MANNING: I accept the amendment.

Amendment agreed to.

Bill reported with an amendment; report adopted.

SPECIAL ADJOURNMENT.

Motion (by the Hon. Sir Henry Manning) agreed to:

That this House, at its rising to-day, do adjourn until Tuesday next, 1st April.

House adjourned at 6.29 p.m.

Legislative Assembly.

Thursday, 27 March, 1941.

[Continuation of Wednesday's Sitting.]

Navigation (Amendment) Bill—Auctioneers, Stock and Station and Real Estate Agents Bill (No. 2)—Casino to Bonalbo Railway Repeal Bill—Farms Purchase Promotion Bill (second reading)—Maritime Services (Amendment) Bill (second reading)—Stamp Duties (Board of Review) Amendment Bill—Local Government (Amendment) Bill (second reading)—Rural Bank (Agency) Soldiers' Families Housing Bill (second reading).

The House resumed at 11 a.m.

NAVIGATION (AMENDMENT) BILL.

Bill read a third time.

AUCTIONEERS, STOCK AND STATION
AND REAL ESTATE AGENTS BILL
(No. 2).

IN COMMITTEE (RECOMMITTAL).

(Consideration resumed from 25th March, *vide* page 2115.)