

COMMONWEALTH GOVERNMENT.

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DIGEST OF DECISIONS  
AND ANNOUNCEMENTS

AND

IMPORTANT SPEECHES

BY

THE PRIME MINISTER  
(THE HON. JOHN CURTIN).

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No. 8.

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## BANNING OF BOOKS.

### ARMY MINISTER'S STATEMENT.

*In Parliament.*—On 20th November, 1941, the Minister for the Army (Mr. Forde) said—

“The questions which have been directed at the Army Censorship recently fall into three sections. The first concerns the list of publications which are on the banned list prepared for the Army; the second the alleged impounding of books being imported as cargo; and the third whether Major Cameron, M.P., is associated in his military capacity with the banning of literature.

“At the moment 171 publications, including books, magazines, newspapers, pamphlets and cyclo-styled circulars, are on the Army banned list on the ground that they are subversive. Of these, 83 come under the broad description of “Leftist”; 16 have a distinct Nazi flavour and the remainder consist of certain Japanese periodicals and material which is militantly pacifist or anti-British. Of the 171 publications, 64 are published in England, 57 in the United States of America, 16 in Japan, 9 in Russia, 4 in Australia, 3 in Manchuria, 3 in Mexico, 2 in each of France, China, Brazil, Ireland and Sweden and 1 in each of New Zealand, Argentine, Finland, Switzerland and India; 49 are printed in foreign languages and the rest in English. Included in the list of banned “Leftist” publications are the Russian newspapers *Pravda* and *Izvestia*, as well as a number of the works of Lenin and others. I have ordered a review of the 171 publications with a view to seeing if any of them can safely be released for circulation without any risk to national security. Recently two publications were removed from this list because it was found that they did not contain any subversive or objectionable propaganda. They were the *Moscow News*, a weekly newspaper published in English in Moscow, and the *Left News*, a periodical published by the firm of Gollancz, London.

“The Army is responsible for the censorship of matter passing through postal and telegraphic channels. At present if any of the publications on the Army's banned list are intercepted in the post they are stopped. The procedure which was adopted in compiling the list of banned publications was as follows: Publications intercepted in the mail by postal and telegraphic censorship authorities, and suspected of being subversive or detrimental to the efficient prosecution of the war, were submitted to the Department of Information, which is the press and publicity censorship authority. That department decided whether or not a publication contravened the provisions of National Security (General) Regulation 17. If that department decided that a publication did contravene the regulation, it was placed by the Controller of Postal and Telegraphic Censorship on the banned list and was stopped by the censors. The procedure for removing a publication from the list is that if, in the course of examining materials, a District Censor thinks that the tone of a listed publication has changed, it is submitted by the Controller of Postal and Telegraphic

Censorship to the Department of Information. If that Department finds that the publication is not subversive it is removed from the list.

"The next question is the impounding of literature after the importation and before sale or distribution. I am informed by Military Intelligence authorities that they go no further than the censorship action I have just detailed. The power to impound "Leftist" literature exists in National Security (General) Regulation 17, which provides that a Minister may, by order in the *Gazette*, declare printed matter to be a prohibited paper. The printed matter then becomes automatically banned and forfeited. Under National Security (Subversive Associations) Regulations, the Attorney-General has certain powers in regard to the property of associations which are declared to be subversive, but these do not appear to be relevant here except where they relate to the impounding of the literature of those organizations which have already been declared subversive.

"Complaints have been made that the Customs Department referred doubtful publications to the Army which the Army banned without explanation and that the Army refused to inform booksellers whether or why the ban had been imposed. I am informed that the Army in these matters acts on the advice of the Department of Information. Apart altogether from Army Censorship, the Customs Department has power under their Prohibited Imports Regulations to stop certain types of Communist literature.

"In regard to the statements which have been made that the Military Intelligence organization in Southern Command, of which Major Cameron, M.P., is a member, has taken action to impound or suppress literature other than that which is included in the banned list, I am in a position to state definitely that Southern Command has not at any time since the outbreak of the war, either within or outside the scope of their powers, impounded any literature, imported or otherwise, either on their own initiative or at the request of some other authority, or in any other circumstances. Southern Command has not been concerned in any way in association with the Criminal Investigation Branch or with the police in the impounding of literature. It is true that Major Cameron, M.P., in his military capacity, was connected with Intelligence Censorship in name for about a month, but his actual work was not very great. There are no instances in which he was concerned with the banning of literature in his military capacity."

(For earlier references, please see No. 4, page 9.)

#### MR. A. CAMERON, M.H.R.

On 21st November, 1941, Mr. Forde said—

"I can see no justification for appointing a court of inquiry to investigate the allegations made against Mr. Cameron, M.P., by a section of the press. My investigation into the whole question of the banning of books showed that there were no instances in which Major Cameron was concerned with the banning of literature in his military capacity."

## RUSSIAN NEWSPAPERS.

On 21st November, 1941, Mr. Forde said—

"In view of our changed relationship with Russia I now cannot see any justification for banning the two important Russian newspapers *Pravda* and *Izvestia*. They are quoted every day in the cables, which proves they contain no subversive propaganda against the best interests of the Allies, either in their leading articles or propaganda columns, and that Russia has everything in common with the British Empire in this struggle."

## CENSORSHIP CONTROL.

*In Parliament.*—On 21st November, 1941, the Minister for Trade and Customs (Senator Keane) said—

"Recently I had occasion to intervene with regard to a large consignment of books from overseas that had been delivered in Melbourne and had been held up since last March. Although the books number about 600, only one of them was open to challenge. Despite that fact, all books had been held under the direction of some Army authority, but, on the position being explained, the books were released. The main point is that there is dual control. I have asked the Army authorities to communicate to me their views as to whether the power of censorship, from the point of view of subversive activities, should not reside in one authority. When I receive from the Minister for the Army a reply to my recent request for a full statement on the matter, I shall answer at greater length."

On 26th November, 1941, Mr. Forde said—

"The matter of censorship control is one that will be discussed by me at the first opportunity with the Minister for Trade and Customs (Senator Keane) and the Minister for Information (Senator Ashley). There is a desire that there should be a centralized control of censorship."

## PRIMARY INDUSTRIES.

## AGRICULTURAL COUNCIL MEETING.

On 20th November, 1941, at a meeting of the Australian Agricultural Council at Canberra, the Minister for Commerce (Mr. Scully) said—

"I thank the various State Ministers for attending this meeting and welcome them to the deliberations of the first meeting over which it is my privilege to preside. I am fully conscious of the very difficult task which confronts the Government, and particularly the Minister assisting the Minister for Commerce (Senator Fraser) and myself in guiding marketing policy through the problems which war brings. I have had considerable personal experience of agricultural industries. I face the task as a man acutely aware of the primary producers' problems. In this war shipping has suffered greatly, and the British

Government finds it necessary to make changes in the disposition of shipping at short notice. Supplying countries have to cope with baffling problems and adjust their policy to variations in market demands which cannot be foreseen.

“The new Government comes to office with its own distinctive policy in regard to agriculture. It has its own ideas in regard to—

- (a) the method of improving the general economic position of the farmers; and
- (b) methods of control of marketing.

The Government believes that the financial position of farmers can be improved by a better system of long-term finance. The farmer should be able to secure, at reasonable rates of interest, financial accommodation over a long term of years in respect of the proper capital value of his farm. The present Government believes this can be made good by a properly constituted Mortgage Bank. To enable the Mortgage Bank to function with benefit to the farmer and to improve his general economic status, the Government is studying all possible measures which may be summed up under the general title of rural reconstruction. As the Minister for Commerce I will do everything to improve the farmer's income; to enhance the importance of rural life; to reverse the present tendencies towards rural depopulation, and to establish the foundations of a greater rural prosperity. The individual farmer must be protected against too heavy a load of debt. This protection must come from control of land values and from control of his general debt structure, with guidance to him as to the capacity of his property to bear the load of indebtedness. Too great a share of the income from the farm goes to the creditor.

“The rural community requires national effort to provide in the country the amenities which are commonplace in the cities. This joint effort at improvement of the individual farmer's position and the provision of amenities for rural districts will comprise the subject matter of rural reconstruction. Details of this policy will be dealt with from time to time. I hope to have the States' co-operation to improve the status of agriculture.

“Regarding control of marketing, Ministers will have observed that it is to be the Government's policy to afford to growers a more complete control over the marketing of their products. Efficient marketing of any commodity requires specialized knowledge, but specialized knowledge must be reinforced by an interest in the return to be secured. It is, therefore, the Government's policy to ensure adequate grower representation on all marketing organizations. We hope to arrange that efficient representatives of the growers shall attain a predominant position on the marketing boards. This can be achieved without in any way diminishing the technical efficiency of those organizations.”

(For earlier references, please see No. 1, page 11.)

## AGRICULTURAL COUNCIL DECISIONS.

On 21st November, 1941, the Agricultural Council decided several matters.

### RURAL REHABILITATION.

It is desirable to continue debt adjustment for the time being and the States urged that the Commonwealth continue to find funds for State plans. The whole system of debt adjustment should be examined on a Commonwealth-wide basis with a view to bringing these plans into line with the Commonwealth Government's plans for rural rehabilitation. The States accepted the Commonwealth view that it is desirable to hasten the completion of plans for removing wheat farmers from marginal areas.

### INTERNATIONAL WHEAT AGREEMENT.

Mr. Scully reported the nature of discussions in Washington between representatives of the United Kingdom, United States of America, Canada, Argentine and Australia. Consultations on the progress made in the discussions are regarded as satisfactory by State Ministers who expressed their confidence that the Commonwealth, if it decided to participate in an International Wheat Agreement, would safeguard the best interests of Australia.

### APPLES AND PEARS.

The Commonwealth has not yet considered the matter but will do so soon and will then have the benefit of the views of the States.

### SUPERPHOSPHATES.

Council adopted a method of rationing superphosphates which was submitted by the Department of Commerce. It is based on the use by each producer of 65 per cent. of the quantity of superphosphates used in 1939-40.

### POTATOES.

Council agreed that it was inadvisable to increase acreage or stimulate production with the anticipated demands of the Supply Department. It was felt that the Supply Department should advise the State Departments of Agriculture of its likely requirements and, having done this, should confine itself to operating on the market in a normal way.

## MUNITIONS CONTRACTS.

### REFUNDS TO GOVERNMENT.

On 21st November, 1941, the Minister for Munitions (Mr. Makin) said that voluntary refunds aggregating at least £100,000 had been made to the Government by two large Australian-wide organizations. The refunds were from proceeds of war-time activities by these firms. It was a healthy sign when big companies acted in such a way, especially when, as far as he knew, the only reason for their action had been that the right spirit had prompted them. He hoped that other firms would follow the excellent example. Much of the money from one firm had been made in the erection of a munitions annexe and he wished to acknowledge publicly the company's patriotic gesture.

## MUNITIONS PRODUCTION.

### NITRIC ACID AND METHANOL.

On 21st November, 1941, the Minister for Munitions (Mr. Makin) said he had approved of a recommendation which should make Australia self-contained in respect of nitric acid and methanol, the requirements of which at present amounted to £1,000,000 annually. This

would involve an expenditure of £2,500,000. Factories would be erected at Ballarat and Maribyrnong (Victoria), Villawood (New South Wales), and Salisbury (South Australia). They would be located on the sites of government explosives factories.

#### TANK MANUFACTURE.

On 24th November, 1941, the Minister for the Army (Mr. Forde) said—

“The conference on the production of tanks in Australia considered the type of tank to be built and the whole question of the supply of engines for these tanks. Its object was to decide definitely the type of tank to be built and the type of engine to be used.”

[Ministers who attended the conference were Mr. Forde, the Minister for Munitions (Mr. Makin) and the Minister for Air (Mr. Drakeford).]

#### CHRISTMAS ARRANGEMENTS.

On 27th November, 1941, Mr. Makin said that State Boards of Area Management would confer with workers' organizations as to what days would be most suitable to constitute the Christmas holiday period. The department was anxious that production should be maintained at the highest possible maximum but it was recognized that, after the continuous and fatiguing hours which had been necessary to overcome the shortage of technical skill, some break at Christmas was necessary. The rest period for munition workers would allow for overhaul of and repairs to machinery.

(For earlier references, please see No. 2, page 23.)

#### CONTROL OF FORGINGS.

On 27th November, 1941, Mr. Makin said that in consequence of the heavy demands on industry in respect of steel forgings, particularly in respect of heavy forgings necessary for gun manufacture and shipbuilding, it had been necessary to establish machinery within the department to control production of forgings. An Assistant-Controller of Forgings (Mr. W. Noad) had been appointed to the Directorate of Materials Supply. It would be his business to ascertain the requirements of steel forgings throughout the Commonwealth; the forging capacity available and the full utilization of that capacity.

#### WOMEN'S WAR ORGANIZATIONS.

##### PATHOLOGY COURSE FOR WOMEN.

On 21st November, 1941, the Minister for the Army (Mr. Forde) said—

“Six women medical officers, bearing the rank of captain, are at present undergoing an intensive three months' course in the science of pathology at the School of Tropical Medicine. The course is especially devised to give these women an intensive post-graduate experience of the requirements of clinical pathology. The object is to make them

proficient and competent to take charge of laboratories in Australia for thorough investigation of the diseases to which an army is subject. Their appointment would make it possible to release male doctors of the Australian Army Medical Corps for service overseas."

#### AUSTRALIAN WOMEN'S ARMY SERVICE.

On 22nd November, 1941, Mr. Forde announced the appointment of further officers to the Australian Women's Army Service—

Assistant Controller at Army Head-quarters, Melbourne, Miss Jean Wood; Tasmanian Commandant, Mrs. E. G. B. Scriven; Assistant Commandants in Victoria, Misses Patricia Turner, E. F. Ratten, I. V. Murphy, M. Michelmore, Dorothy May, and Mesdames M. E. Jamieson and E. F. Parry; Assistant Commandant, Western Command, Miss J. Robertson.

(For earlier references, please see No. 5, page 18.)

#### WOMEN'S AUXILIARY AUSTRALIAN AIR FORCE RECRUITING.

On 26th November, 1941, the Minister for Air (Mr. Drakeford) said—

"There has been a gradual but modified intake of recruits for the Women's Auxiliary Australian Air Force in the last six weeks. Authority has been given for two separate drafts to be enrolled, approximately doubling the strength of the organization since the change of Government. An impression seems to have grown up that recruiting for the Women's Auxiliary Australian Air Force has been stopped. I am sure that this announcement will correct that impression. The general principle of the future employment of women in the Women's Auxiliary Australian Air Force and other defence services will be considered by Cabinet with a review of man-power problems, housing, uniforms and costs of such services."

(For earlier references, please see No. 3, page 9.)

#### WEARING OF UNIFORMS.

On 28th November, 1941, the Prime Minister (Mr. Curtin) said—

"The following are the women's organizations within the Defence Services for whom uniforms have been authorized:—

*Navy.*—Women's Royal Australian Naval Service;

*Army.*—Australian Army Nursing Service, Australian Army Women's Service, Voluntary Aid Detachments;

*Air.*—Women's Auxiliary Australian Air Force, Royal Australian Air Force Nursing Service.

Outside the Defence Services, the Red Cross Society, St. John's Ambulance and Girl Guides have long been recognized as bodies wearing uniforms.

"Numerous other outside women's organizations throughout the Commonwealth at present wear uniforms. The recently gazetted amendment to the National Security (General) Regulations, relating to the wearing of uniforms, is not designed to prohibit the wearing of



uniform by members of women's unofficial organizations created in connexion with the war effort, if some type of uniform is desired by them, provided that it is not 'similar to any uniform or emblem of the Naval, Military or Air Forces of the Commonwealth, or of any other part of the King's dominions, or of any women's auxiliary force, detachment or service established by the Commonwealth in connexion with any of those Forces'."

### SPORT IN WAR-TIME.

#### PRIME MINISTER'S STATEMENT.

On 21st November, 1941, the Prime Minister (Mr. Curtin) said:—

"In my judgment, sport is not detrimental to the war effort. There are thousands of the population who are engaged in the war effort, and for whom the playing of games is a positive refreshment and a good thing for their own physical welfare and for the morale of the country. It is also a matter for great satisfaction that so many men who have been prominent in sport have enlisted in the forces, and that others who have not enlisted, but are engaged in the war effort, have intimated that they are not available for a regular programme of games. I do not see why attending football matches—which attract huge crowds—should not be a positive benefit to people who work indoors all the week; many on war jobs. I see more merit in such outdoor recreation than in recreation indoors, provided, of course, that moderation and common sense are observed.

"It would be a demonstration to the world of the spirit of the British race if Australia and England resumed test matches immediately after the war. Our race does not live by bread alone. I think that sport, such as cricket, is just as important to the British race as the performance of Shakespeare. I think the two things go together in making us what we are. The English lord and the London bus driver both regard Hobbs as their common property. They watch the weather with equal anxiety before a test match.

"Things of the spirit and grace, and courtesy, are not merely valuable traits of our character. They are the things that distinguish us from other races, and enrich our whole lives. Demands by some sections that racing should be restricted will be discussed at a Premiers' Conference in Canberra early in the new year. Ample powers for control of racing are vested in the States and if there is to be any regulation of racing the States should be the responsible authority to take uniform action."

### AIRCRAFT PRODUCTION.

#### INQUIRY INTO FINANCES.

On 21st November, 1941, the Minister for Aircraft Production (Senator Cameron) said that Mr. W. T. Harris, of the Sub-Treasury, Melbourne, had been appointed full-time finance member of the Aircraft Commission and had been asked to go thoroughly into the Commission and make a report.

### COTTON FABRIC FOR AEROPLANE WINGS.

On 29th November, 1941, the Minister for Air (Mr. Drakeford) said:—

“An Australian-made cotton fabric, embodying improvements designed to conform with the more rigid war-time requirements of Royal Australian Air Force machines, is now being fitted to the wings of trainer aircraft. A shortage of the imported product will result in an extension of the use of locally manufactured material. This represents yet another step in Australia's policy of maximum self-sufficiency.”

### WAR-TIME PROFITS TAX.

#### PROPOSED COMMITTEE.

*In Parliament.*—On 21st November, 1941, the Prime Minister (Mr. Curtin) said—

“I give Mr. Holt, M.P., an assurance that the suggestion that a Parliamentary Committee on war-time profits tax legislation be set up will receive the most sympathetic consideration. I had hoped that such a committee would have been established last year. Mr. Holt is no doubt aware that representatives were actually named by the Opposition to sit on such a committee. It was subsequently discovered, however, that the activities of the proposed committee were to be restricted to an examination of the sales tax measures of the Government. I had hoped that it would be empowered to make a general review of the Government's taxation arrangements.”

### WOOL AGREEMENT.

#### REVIEW NOT MADE.

*In Parliament.*—On 21st November, 1941, the Minister for the Interior, on behalf of the Minister for Commerce (Mr. Scully), said—

“The Government finds that the understanding between the United Kingdom and Australian Governments is that the price of wool may be reviewed in May of each year. The Government has also ascertained that the previous Government failed to initiate any such review. On account of this failure it may not be possible to arrange any change in the price until the 1942-3 clip. The Government at present has this matter under consideration.”

(For earlier references, please see No. 3, page 8.)

### ARMY INVENTIONS BOARD.

#### MINISTER TO REVIEW.

On 22nd November, 1941, the Minister for the Army (Mr. Forde) said he intended to review the present set-up of the Inventions Boards and particularly the Army Head-quarters Inventions Section with a view to ensuring a more expeditious consideration of submissions. Six hundred inventions a week were submitted to the inventions section of the Army. Only about ten had been accepted but a considerable number, which showed great promise, were being investigated.

(For earlier references, please see No 2, page 4; No 5, page 7.)

## LEASE-LEND NEGOTIATIONS.

On 23rd November, 1941, the Prime Minister (Mr. Curtin) said—

“There is no substance in the suggestions made that there have been hitches in Lease-Lend negotiations between the United States and Australia, caused by the change of Government in Australia. The United States Government has not asked the Commonwealth Government to give guarantees not to expand or establish new industries in Australia because of the benefits being derived by Australia under Lease-Lend from the United States. The undertakings given by the United Kingdom Government to the United States Government are fully set out in the White Paper which was issued on 10th September, 1941. The decisions embodied in this White Paper were made by President Roosevelt and Mr. Churchill during the period when they were drawing up the Atlantic Charter in August, 1941.

“Discussions are proceeding in the United States concerning surplus products, particularly on the effect of the supply of primary products by the United States to the United Kingdom under Lease-Lend on the marketing of Australian primary products in surplus production. The Government has not received any detailed reports on this subject from its officers in the United States.”

## SHIPBUILDING.

### MARINE ENGINES.

On 24th November, 1941, the Minister for the Navy (Mr. Makin) said that a marine engine factory to cost £700,000 would be built at Fisherman's Bend (Victoria). With the Minister for Health (Mr. Holloway) and the chairman of the Australian Shipbuilding Board (Rear-admiral McNeil), he had inspected sites for the factory.

(For earlier references, please see No. 5. page 22.)

## SIR EARLE PAGE, M.P.

### STATUS IN GREAT BRITAIN.

On 24th November, 1941, commenting on a question to be asked in the House of Lords by Lord Davies, concerning the status of Sir Earle Page, M.P., the Prime Minister (Mr. Curtin) said—

“It is for Mr. Churchill and not for me to answer the question. I know of no reason, however, why there should be any question concerning the status of Sir Earle Page. He has attended meetings of the British War Cabinet; had consultations and discussions with Ministers and has had regular contact with the Prime Minister. He has met him separately and also in the War Cabinet. Sir Earle Page is not a member of the British War Cabinet, but has attended meetings of it. As I have said before, Sir Earle Page is an accredited representative of the Australian Government to the British Government to represent our views on war policy. The British Prime Minister said he would be pleased to receive him. Communications I have received

from Sir Earle Page intimate that he was received most cordially and that every facility was given to him to carry out his mission—which was to state the Australian Government's views on war policy in Great Britain. There is no occasion to define Sir Earle Page's position. He is the representative of the Australian Government, and not my personal representative. He was nominated by the previous Government to proceed to England and we authorized him to continue his mission. He is the spokesman for the Australian Government. Both Mr. Churchill and Sir Earle Page have expressed satisfaction with the position and until either of them finds the present position unsatisfactory, I do not propose taking any notice of Lord Davies."

(For earlier references, please see No. 2, page 12.)

### GENERAL SIR THOMAS BLAMEY.

#### RETURN TO MIDDLE EAST.

On 24th November, 1941, the Minister for the Army (Mr. Forde) said—

"General Sir Thomas Blamey, General Officer Commanding the Australian Imperial Force in the Middle East, will leave later this week for the Middle East."

(For earlier references, please see No. 4, page 3; No. 5, page 15.)

### OWEN SUB-MACHINE GUN.

#### CONFERENCE ON PRODUCTION.

On 24th November, 1941, the Minister for the Army (Mr. Forde) said—

"The conference to-day on the Owen gun was completely satisfactory, and a number of points which were holding up production were cleared up. I believe that the factory will be in full swing producing the gun within a week or so. The first order is for 2,000 guns, but I have no doubt that further orders will be given. I am satisfied that the gun is an efficient weapon and it is the Government's aim to see that our men are given an adequate supply of modern equipment at least equal to the best our enemies can produce. The question of paying royalty to Mr. Owen did not arise. It is a matter on which the Government will give an equitable decision. Mr. Owen is at present concentrating on getting the gun into production, and has not worried about royalties."

### AMMUNITION IMPORTED.

On 27th November, 1941, Mr. Forde said—

"The ammunition to be used in the Owen sub-machine gun will be of 9 millimetre calibre. Until production in Australia starts, the ammunition will be imported in ample quantities."

(For earlier references, please see No. 7, pages 6-7.)

## COAL-MINING INDUSTRY.

### STRIKE ARBITRATOR.

On 24th November, 1941, the Minister for Labour (Mr. Ward) said—

“Unfortunately, the chairman of the Central Reference Board (Judge Drake-Brockman) has been unable to act because of severe illness, and another member of the Arbitration Court, who, he suggested, might replace him during his temporary absence, was unable to act this week. In these circumstances, I decided to appoint a special Conciliation Commissioner to hear and determine the matters in dispute expeditiously, and I have asked the Attorney-General, Dr. Evatt, to make the services of the Deputy-Registrar of the Federal Arbitration Court (Mr. D. Morrison) available. Mr. Morrison has had great experience in industrial matters. I have asked that the hearing be begun forthwith.”

(For earlier references, please see No. 6, page 9; No. 7, page 15.)

### PRIME MINISTER'S APPEAL.

On 25th November, 1941, the Prime Minister (Mr. Curtin) said—

“I have to-day sent the following urgent telegram to the General President, Central Council, Australian Coal and Shale Employees' Federation, Sydney:—

“I am obliged, having regard to the total national problem, to request in the most positive terms, the co-operation of your Council on behalf of the Federation in ensuring the maximum production of coal which is indispensable, as things stand, to the prosecution of the war.

For the information of your Council, I can say that the priority of requests we have from our Allies for supplies cannot be met unless coal is available in greater quantities of munitions and related production than has been the case.

The policy of the Government is to ensure the speediest impartial decision in respect of industrial grievances. Any such grievances which you represent to me will have my immediate attention followed by action.

On your part I request that your influence be exerted fully in ensuring that no stoppage of production occurs anywhere. My information is that last fortnight approximately 90,000 tons more coal would have been produced but for stoppages which were avoidable and in my view should not have happened.

Two things are paramount with the Labour Government, namely justice for the workers and victory in the war. The first, even if we get it now, would only be temporary if the second were not accomplished. These two things are inseparably associated.

I sincerely hope that these vital considerations will appeal to the members of the Federation all over Australia.

JOHN CURTIN, Prime Minister.”

Later that day, Mr. Curtin said—

“I have to-day received, in answer to my telegram, the following reply from the general president (Mr. C. Nelson) and the general secretary (Mr. G. W. S. Grant) of the Coal Employees' Federation:—

“Acknowledge receipt your telegram relative to importance of continuous coal production and other observations contained in your telegram. Central Executive definitely assures you their fullest co-operation and are taking all steps to see that your telegram reaches every rank and file member throughout the Commonwealth of Australia.”

### WALLARAH STRIKE SETTLED.

*In Parliament.*—On 25th November, 1941, Mr. Ward said—

“I am pleased to announce that the men are no longer underground (at Wallarah Colliery). As the result of negotiations with the representatives of the men they decided to leave the mine at 11.30 o'clock to-day. There is now no stoppage of production on the coal-fields.”

(For earlier references, please see No. 7, page 15.)

### HEALTH AND YOUTH WELFARE.

#### DEPUTATION TO MINISTER.

On 24th November, 1941, the Minister for Health (Mr. Holloway) met representatives of 75 refugee doctors who had adopted Australia as their permanent home. They asked for recognition, and for permission to practice in Australia. Mr. Holloway told the deputation that their request would be given serious consideration. He would seek advice of State health authorities and of the Commonwealth Attorney-General on the possibility of using the services of, at least, some of the applicants, with proper safeguards. It would be necessary to ensure that if refugee doctors were admitted to practice in Australia, they must stay in the district in which they were required, and that their practice would not worsen the conditions of Service medical men when they returned to private practice.

(For earlier references, please see No. 7, page 10.)

### SOCIAL SECURITY.

#### GOVERNMENT'S PLANS FOR FUTURE.

On 24th November, 1941, the Minister for Social Services (Mr. Holloway) said—

“It is hoped to extend the Invalid and Old-age Pensions Act to cover Australian aborigines living under civilized conditions, and to exempt from income the amount invalid and old-age pensioners receive by way of war pensions. So far as child endowment is concerned, it is hoped to introduce amendments providing for cases where parents are separated and their children are living under divided control, and also to provide child endowment for all children under sixteen years of age of a widowed mother. It is the Government's intention to introduce a scheme of pensions for widows, unemployment insurance, and a housing planning authority as soon as possible after Parliament meets in the New Year.”

(For earlier references, please see No. 2, page 15.)

### TASMANIAN WAR INDUSTRIES.

#### COMMITTEE TO BE APPOINTED.

*In Parliament.*—On 25th November, 1941, the Prime Minister (Mr. Curtin) said—

“The Commonwealth Government has approved of a request by the Premier of Tasmania that an investigation on lines similar to that recently conducted in Western Australia should be made into the

economic position of Tasmania as affected by conditions arising from the war. A committee will be appointed to make a survey of the economic position of Tasmania as affected by, and in relation to, Australia's war problems and war effort and will report thereon to the Commonwealth Government with such general recommendations as its survey suggests. Details regarding the composition of the committee will be the subject of consultations between the Commonwealth and Tasmanian Governments."

(For earlier references, please see No. 7, page 14.)

### BRITISH EMPIRE MEDALS.

On 25th November, 1941, the Prime Minister (Mr. Curtin) said that His Excellency the Governor-General had communicated to him the text of an announcement which His Majesty the King had approved shall be promulgated. The announcement is—

"His Majesty the King has approved a recommendation that any person to whom British Empire Medals has been or may be awarded may on all occasions when use of such letters is customary place after his or her name the letters 'B.E.M.'. This includes recipients of Medal of Order of British Empire awarded prior to December 29, 1922, as well as those who received Medal of Order of British Empire for Meritorious Service after that date."

### WHEAT STABILIZATION SCHEME.

#### BREACHES OF REGULATIONS.

*In Parliament.*—On 25th November, 1941, the Minister for Commerce (Mr. Scully) said—

"Representations have been made concerning the position of a number of wheat-growers who have planted excess areas and are unable to secure sufficient labour to prevent this excess from maturing to grain. As those growers had broken the regulations they were instructed to cut the excess areas for hay or to prevent it maturing, but rural labour was not available. In the circumstances provision is being made for growers to harvest the excess wheat. This is intended to apply only to those who find it impossible to dispose of their surplus. Growers who can deal with their surplus wheat must do so. Provision is being made to protect the interests of growers who have observed the regulations. Excess wheat harvested will be delivered to the Wheat Board, but the first advance paid to growers for wheat acquired will not be paid on the excess. The payment for it will be determined later, and will not be sufficient to show a profit to those who have evaded the regulations."

(For earlier references, please see No. 5, pages 8-15.)

### ROYAL AUSTRALIAN AIR FORCE.

#### AWARDS FOR GALLANTRY.

On 25th November, 1941, the Minister for Air (Mr. Drakeford) said—

"Since the war began 71 Australians serving in the Air Forces of the British Empire have been awarded decorations for gallantry. These decorations include a Victoria Cross, 63 Distinguished Flying Crosses and seven Distinguished Flying Medals."

### TOBRUK ACTION.

On 26th November, 1941, Mr. Drakeford said—

“An Australian squadron has been in action against enemy forces over Tobruk. Many other Royal Australian Air Force airmen, trained under the Empire air scheme, are also participating in the Battle of Libya as members of Royal Air Force squadrons.”

### CHRISTMAS LEAVE.

On 27th November, 1941, Mr. Drakeford said that Royal Australian Air Force Christmas leave would amount to nine days in some cases. Christmas Day, Boxing Day and New Year's Day would be observed as holidays for all Royal Australian Air Force personnel and wherever practicable, the week-end following Christmas Day would be regarded as the monthly long week-end period. Personnel whose normal quarterly leave credits fell due over this period would also be given Christmas Day, Boxing Day and New Year's Day. Trainees at Schools of Technical Training would be granted leave from 21st December to 29th December, inclusive. The Empire air training scheme involved the maintenance of numerous courses with a scheduled intake and output. An extended period of leave could not be granted to the whole Royal Australian Air Force without a dislocation of training, the effects of which would be felt for some months afterwards.

(For earlier references, please see No. 5, page 18.)

### AIR TRAINING SCHEME INVESTIGATION.

On 28th November, 1941, Mr. Drakeford said—

“To secure information on overseas air training methods, the Royal Australian Air Force Director of Training (Air-Commodore G. Jones) will shortly undertake a comprehensive tour of Empire air scheme schools in Canada. Air-Commodore Jones was expected to bring back to Australia information which would be of value in the perfection of our own training methods. Progress in the training of Australian airmen in Canada and the general welfare of Australian trainees there will also be investigated.”

(For earlier references, please see No. 7, page 3.)

### INCOME TAX.

#### REPORT OF PARLIAMENTARY COMMITTEE.

*In Parliament.*—On 25th November, 1941, the Treasurer (Mr. Chifley) said—

“I table the report of the committee which was appointed to inquire into certain income tax proposals contained in the amending income tax legislation at present before this House. The report relates solely to deductions allowable under the Income Tax Assessment Act in respect of calls paid to mining companies.

“The recommendation of the committee is to the effect that, in lieu of the provision in the existing law for the deduction of the amount paid



as calls to mining companies, oil companies, and afforestation companies, the act should make provision for a rebate, calculated at one-third of the rate of income tax imposed for the financial year on the amount of calls paid. The recommendation was made unanimously by the members of the committee, and the Government proposes to bring forward during the committee stages of the bill the necessary amendment to implement it.

"The Government has decided that the committee shall continue to function for the purpose of examining, in the New Year, the position in regard to the taxation of dividends received from ex-Australian mining companies. It will also survey the incidence of taxation on private companies, and investigate any anomalies, submitted to it in writing, which experience of the new legislation may bring to light."

[The members of the committee were Messrs: Chifley, Scullin, Menzies, Fadden, Coles and Spooner, M's.P.]

## PETROL SUPPLIES.

### LAKES ENTRANCE FIELD.

On 25th November, 1941, the Minister for Supply and Development (Mr. Beasley) said:—

"The Commonwealth Government has decided to make available a sum of £33,333 to the Austral Oil Drilling Syndicate (Lakes Entrance, Victoria). In addition to this sum, the Victorian Government will make available £16,667. In each case the money advanced will be by way of loan to the company. Approval has been given for the company to raise £150,000. The Government has also approved of effect being given to the Ranney-Fairbanks report on the Lakes Entrance oil-field. The report claims that oil can be recovered on a commercial basis and can be used for rough lubrication purposes as it comes from the well and, if filtered, would be suitable for finer lubrication; but probably not for continuous use in motor cars unless refined. The oil is in demand for flux required in the making of bitumen roads and also has distinct possibilities as a fuel oil. The Commonwealth Geological Adviser (Dr. Raggatt) estimates that the time required to reach production will be about eighteen months."

(For earlier references, please see No. 6, page 20.)

## WAR CONTRACTS.

### PAYMENT OF ROYALTIES.

*In Parliament.*—On 25th November, 1941, the Attorney-General (Dr. Evatt) said:—

"The investigation which I have caused to be made up to the present is preliminary. I am giving close consideration to the present legal and administrative position to prevent the Commonwealth from being burdened with expenditure in relation to real or alleged monopoly rights, and, what is equally important, extravagant legal claims which are often put forward in connexion therewith for so-called 'manufacturing rights' and 'proprietary processes' or the like.

"I am invoking the valuable assistance of the Auditor-General and his officers to assist me in seeing—

- (1) that no payments for royalties or right akin thereto are made by the Commonwealth unless they are fully justified by the law and the facts; and
- (2) that so far as possible payments which have been made without sound legal foundation are disgorged.

"After I have had an opportunity of making a more complete investigation I shall be in a position of throwing further light."

(For earlier references, please see No. 4, page 15.)

## AUSTRALIAN MILITARY FORCES.

### TEMPERANCE DEPUTATION.

On 25th November, 1941, a deputation representing the Australian Temperance Council waited upon the Minister for the Army (Mr. Forde) and urged that the Government should reconsider the policy of having wet canteens in military camps; extend facilities for the use and sale of fruit juices for troops at Darwin and abroad; increase hostel accommodation and recreation facilities for troops, and have military control of hotels near military camps; prohibit the sale of intoxicating liquor to soldiers and women in uniform; prohibit, for liquor advertising purposes, pictures showing soldiers, sailors, airmen and women in uniform. Mr. Forde said the matters were of major policy and would be submitted to Cabinet.

## BANKING CONTROL.

### WAR-TIME REGULATIONS.

On 26th November, 1941, the Prime Minister (Mr. Curtin) said—

"The National Security (War-time Banking Control) Regulations, tabled in Parliament to-day, give effect to the Government's decisions, as outlined in the recent financial statement, to bring the operations of the trading banks under effective war-time control. The Regulations implement certain recommendations of the Royal Commission on the Monetary and Banking Systems and make other provisions to meet the present conditions of war finance. Before finalizing the regulations the Government had conferences with the representatives of the trading banks and the Commonwealth Bank.

"It is generally agreed that the private banks play such an important part in our financial system that control of their activities is essential to an effective war finance policy. Experience elsewhere confirms this view and in the United Kingdom, United States of America and other countries the authorities have exercised greatly increased direction of banking and financial policy generally.

"The Regulations are planned primarily to achieve two purposes. Firstly, they ensure that the investment and loan policy of the banks should accord with the general principle laid down to govern civil investment, thus closing a major gap hitherto existing. Secondly,

they are designed to prevent the war financial policy of the Government increasing the profits of the private banks and providing the basis for an unsound expansion of credit.

"To achieve these purposes the regulations provide that the banks, in making advances and investments, shall comply with the policy laid down by the Commonwealth Bank from time to time and provide also that the trading bank shall lodge in a special account with the Commonwealth Bank, a substantial part of the increase in their total assets since August, 1939. It is intended that surplus investible funds which accrue in the future shall also be lodged with the Commonwealth Bank. These funds will remain the property of the private banks and will bear interest to be paid by the Commonwealth Bank. The rate of interest payable will be determined by the Commonwealth Bank but it may not exceed a maximum rate fixed by the Treasurer.

"The trading banks are required also to provide such information and returns as are necessary to the Commonwealth Bank and the Treasurer for the purposes of the regulations. The accounts of the banks will be investigated periodically by the Auditor-General.

"I believe that these Regulations mark a definite step forward. Not only can we be assured that the operations of the financial system will, in future, be directed wholly towards our common national purposes, but we can feel even more confident than before of the stability of that system.

"One important effect of the Regulations is that the Government and the Commonwealth Bank will now be in a position to ensure that every private bank follows a policy which will operate in the national interest and at the same time provide additional safeguards for the security of the deposits of the public with the banks. In concise terms, the Regulations provide—

1. Within three weeks of the commencement of the Regulations all private banks will be licensed by the Governor-General.

2. Private banks to be licensed will be the Ballarat Banking Co. Ltd.; the Bank of Adelaide; the Bank of Australasia; the Bank of New South Wales; the Bank of New Zealand; the Brisbane Permanent Building and Banking Co. Ltd.; the Commercial Bank of Australia Ltd.; the Commercial Banking Co. of Sydney Limited; Comptoir National d'Escompte de Paris; the English Scottish and Australian Bank Ltd.; the National Bank of Australasia Ltd.; the Queensland National Bank Ltd.; the Union Bank of Australia Ltd. and the Yokohama Specie Bank Ltd.

3. The Governor-General may withdraw a bank's licence only on a High Court judge's recommendations.

4. Private banks can make advances only in accordance with Commonwealth Bank policy.

5. Subscriptions to loans and the purchase of securities by private banks must be made only with the prior consent of the Commonwealth Bank.

6. The Commonwealth Bank, in accordance with general principles approved by the Treasurer, will determine what portion of the private banks' surplus funds available for investment are to be deposited in a special account.

7. Surplus funds available for investment mean the amount by which a bank's total assets at any time exceed the average of the total assets on the weekly balancing days in August, 1939.

8. Interest is to be paid by the Commonwealth Bank to banks on their balances in the special account at a rate not above the maximum fixed by the Treasurer and designed to ensure that the banks' profits shall not exceed the average for the three years ended August 31, 1939.

9. Private banks' balance-sheets and profit and loss accounts will be published in a form specified by the Treasurer. More detailed profit and loss accounts shall be furnished to the Treasurer through the Commonwealth Bank.

10. The Treasurer and the Commonwealth Bank shall be furnished with such statements of private banks' business as required but not details of individual customers' accounts.

11. The Auditor-General is empowered periodically, and as directed by the Treasurer, to inspect the books, accounts and transactions of the private banks and report to the Commonwealth Bank and the Treasurer.

12. Exemptions from the Regulations may be made by the Treasurer.

"An exemption from the Regulations is being granted for two months to all institutions (other than the private banks referred to) which are, or appear to be, carrying on in Australia the business of banking. This exemption will cover the Launceston and Hobart Savings Banks, also pastoral companies and other institutions which carry on some banking functions. This temporary exemption will give time for inquiry and consideration as to whether any of these institutions should be brought within the Regulations.

"It will be seen that the Treasurer will work in close collaboration with the Commonwealth Bank in administering the Regulations. Broadly, the powers the Regulations confer are divided almost evenly between the Treasurer and the Commonwealth Bank with joint powers in some instances.

"The Regulations mean that banking will be subject to the same kind of control as are all other phases of our national life that are vital to the war effort.

"In future a person or corporation (other than a bank of the Commonwealth or of any State) shall not carry on the business of banking except under licence from the Governor-General."

(For earlier references, please see No. 1, page 24; No. 3, page 22; No. 5, page 20.)

## NEW GUINEA.

### ENTRY INTO UNCONTROLLED AREAS.

On 26th November, 1941, the Minister for External Territories (Senator Fraser) said he was unable to vary the decision that applications could not be granted at present to enter uncontrolled areas of New Guinea to prospect for petroleum. A system had been established to protect the natives as well as prospectors and others. Owing to the enlistment of many administration officers in the fighting services the Administration was unable to take measures to extend its influence to the more remote areas of the Territory. The areas which had been the subject of representations by companies anxious to prospect for petroleum were deep within uncontrolled areas.

### RECRUITING FOR SERVICES.

#### SIR THOMAS BLAMEY'S REPORT.

On 26th November, 1941, the Minister for the Army (Mr. Fordé) said—

"General Sir Thomas Blamey's report on recruiting has not been before me yet, but when it arrives it will be fully considered."

## AUSTRALIAN MILITARY FORCES.

### EAST-WEST STRATEGIC ROAD.

On 26th November, 1941, the Minister for the Army (Mr. Forde) said that the reconstruction of the east-west strategic road, linking Adelaide and Perth, was rapidly nearing completion. When rebuilt the road would be able to carry traffic in any kind of weather.

### RECREATION HUTS AT DARWIN.

On 29th November, 1941, the Minister for the Army (Mr. Forde) said he had approved the construction of fourteen huts for recreation and educational facilities for troops in the Northern Territory. The huts would be in various camps and some would be near Darwin. The total cost of the huts, furnishings and fittings would be £8,540.

## 1941-42 BUDGET.

### EXCISE ON BREWERY PRODUCTS.

*In Parliament.*—On 26th November, 1941, the Minister for Supply (Mr. Beasley) said—

“Mr. Clark, M.P., asked me whether breweries were permitted to issue invoices stamped with the condition ‘Subject to alteration in price owing to increase in excise’. The Minister for Customs (Senator Keane) referred the matter to the Prices Commissioner, who stated that under the present order fixing the price of beer, breweries are not permitted to make sales on such conditional terms. If Mr. Clark, M.P., will supply to the Prices Commissioner information as to any transaction of that kind, suitable action will be taken.”

### SUPPLEMENTARY STATEMENT.

*In Parliament.*—On 27th November, 1941, the Treasurer (Mr. Chifley) said—

“In my financial statement of the 29th October, 1941, I set out the financial proposals of the Government. Certain amendments to the proposals relating to taxation have been made by Parliament. I shall briefly summarize these amendments, and show their effect on the budget for 1941-42.

“It was proposed that the taxable incomes of husbands and wives should be aggregated in order to determine the rate of tax to be paid by both husband and wife on their taxable incomes. This proposal was considerably modified, and the new principle of aggregation for rating purposes will operate only in respect of income from assets transferred after the 29th October, 1941, by a husband to his wife if the taxable income of the wife exceeds £200.

“The Government had proposed to remove the present exemption so as to provide that dividends received by Australian residents from companies, the profits of which are derived wholly or partly from outside Australia, should be taxable in the hands of the recipients. By an amendment dividends from this source which were received prior to the 29th October, 1941, will not be subject to tax.

"It was proposed to discontinue the practice of allowing as deductions in arriving at taxable income calls paid on shares in mining companies. The law has been amended by Parliament. This means that the value of the tax concession on mining calls will be approximately the same as the concession which was enjoyed before the war.

The Government had proposed that the war-time company tax should be amended to provide for a statutory percentage of 4 per cent., and that the commencing rate of tax should be 6 per cent. until a maximum rate of 78 per cent. is reached on the taxable profit in excess of 16 per cent. on capital employed. The Government accepted an amendment and the commencing rate of tax will now be 5 per cent., progressing by 6 per cent. steps for every 1 per cent. on capital employed by which profits are in excess of the statutory percentage of 5 per cent. on capital employed until a maximum rate of 78 per cent. is reached on the taxable profit in excess of 17 per cent. on capital employed.

The effect of these alterations is to reduce the estimated revenue for 1941-42 by £1,800,000, viz.:-

	Estimate of 29th October, 1941.	Reduction.	Revised Estimate.
	£	£	£
Income Tax .. .. .	56,950,000	1,000,000	55,950,000
War-time (Company) Tax and Super Tax ..	8,000,000	800,000	7,200,000
Other Revenue items (unaltered) ..	120,677,000	..	120,677,000
	185,627,000	1,800,000	183,827,000

"As a result, the amount which it is estimated will be available from the revenue budget for war expenditure, is reduced from £82,147,000 to £80,347,000. The revised budget summary will therefore be—

	£	£
Estimated total revenue .. .. .		183,827,000.
Estimated expenditure—		
Services other than War Services as shown in the Financial Statements of 29th October, 1941 .. .. .	103,480,000.	
Proportion of cost of War Services to be charged to the budget .. .. .	80,347,000	
		<u>183,827,000</u>

"There will be a consequential increase of £1,800,000 in the amount of war expenditure to be met from loan fund. The estimated total war expenditure of £221,485,000 for the year will, therefore, be financed as follows:—

	1941-42 (Estimated).
	£
Loan cash balances at beginning of year .. .. .	2,229,000
Revenue .. .. .	80,347,000
Loans .. .. .	138,909,000
	<u>221,485,000</u>

"The estimated total loan expenditure for 1941-42 will now be increased to £143,738,000, of which £2,600,000 is for civil works, and the balance for war purposes."

(For earlier references, please see No. 3, page 3; No. 4, page 19; No. 6, page 6.)

## DEPARTMENTS AT CANBERRA.

## GOVERNMENT'S ACTIVITIES.

*In Parliament.*—On 26th November, 1941, the Minister for the Interior (Senator Collings) said—

“Shortly after the assumption of office, this Government transferred to Canberra the central office staffs of the Pensions Branch and the Department of Home Security. The provision of accommodation for the transfer of additional departments depends upon the funds that can be made available by the Treasurer. Funds for the successful prosecution of the war must have first call on the money available to the Treasury. Tenders are now being called for the completion of Melbourne Buildings at Civic Centre. The buildings, when completed, will be used for office accommodation. The staffs to be transferred to the new buildings will be decided upon when the work is nearing completion in about nine months' time. The buildings will accommodate about 350 officers. This year there will be a re-vote of £87,000 and an additional sum of £200,000 for housing under the Department of the Interior. It has been stated publicly that it is the intention of the Government to transfer to Canberra as many of the government departments as possible, with the exception of the Service departments, which must remain in Melbourne during the war. The Government will do everything within its power to bring to Canberra the central staffs of as many departments as possible, subject to funds being available for the purpose.”

(For earlier references, please see No. 1, page 13; No. 5, page 20.)

## ROYAL AUSTRALIAN NAVY.

## AWARDS FOR GOOD SERVICE.

On 26th November, 1941, the Minister for the Navy (Mr. Makin) said—

“The King has approved the following awards to Australian personnel for good service in the Mediterranean:—

Distinguished Service Order—Commander A. S. Rosenthal,  
R.A.N.

Distinguished Service Cross—Sub-Lieutenant P. S. Colclough,  
R.A.N.V.R.

Distinguished Service Medal—Acting Leading Seaman R. J.  
Anderson, R.A.N.”

(For earlier references, please see No. 7, page 10.)

## FLINDERS NAVAL DEPOT LEAVE.

On 27th November, 1941, Mr. Makin said that men at Flinders Naval Depot would receive 21 days at Christmas instead of the customary fourteen days. This would compensate for the loss of long week-end leave from Friday to Monday which the demands of war had made it necessary to withdraw. Long week-end leave would be allowed to all ratings not directly concerned with training routine.