

***[Spine]***

**27.**

**E. J. BUNTING**

**(CABINET NOTES, 25/9/51 to 28/5/52)**

**PERSONAL (No.1)**

***[Cover of notebook]***

**E. J. Bunting**

*[Note: Pages 1-54 of this notebook concern Cabinet meetings that took place in 1951. They were released in 2002.]*

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***[5-6 February 1952]***

5/2/52. 8pm.

Sugar.

P.M. mentions Qld. sugar growers application for increased price.

Time fixed - Thursday 2.15pm.

Nicholas Report.

Holt puts a suggestion that release be made, ahead of presentation<sup>1</sup> to of summary of Part I of report.

(I left room for this discussion)

Submission 68A.

McEwen introduces submission - mentions recn. for Cab. Ctee to deal with partic. propn. & says no need for decisions in detail at moment - asks for endorsemnt. in principle.

Points made by McEwen

- (1) Establisht. of import credits
- (2) Assistce. to sterlg. area dollar posn.
- (3) Within 5-15 years, we will be running into deficits in various products for own needs.
- (4) Defence needs - US. & UK. both lookg. to us in war
- (5) International relations significance - eg. grain to India.

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<sup>1</sup> 'to Parlt.' is inserted above the line.

- (6) Labour shortage (improvent. already noticed & attributable amongst other things to govt. econc. policy.)
- (7) Light & ~~hea~~ medium tractors - supply all right
- (8) Heavy tractors - ~~short~~ wheel & crawler - both short
- (9) Various other shortages - machinery, fencg, fertilisers etc.
- (10) N.S.R.B. general findings of expansion both from ~~pers~~<sup>2</sup> & war

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McEwen then puts main issues

- (a) price ~~incentives~~<sup>3</sup> - esp. wheat & dairying.
- (b) superphosphate producn. - pyrites programme - should shorten conversion period from 5 yrs. to 2 or 3 yrs.
- (c) assistce. in pdn. or impt of equipt & materials - diversion of materials & especially labour
- (d) access to U.S. equipment - amount of dollars, procurement in US., priority by Dollar Ctee. to agric. machy & tractors. Agric. shld. be given equal priority with coal.
- (e) financial aspects of farmers operations - includg. selective relaxn. of credit policy, tax concessions for developtl. expenditure, ~~re~~ consideration of provisional tax arrangts,
  - [Woolgrower with £4000 in 1947 will have this yr. £10,700 & tax assessmt. of £13,600 - next year, <sup>4</sup> no tax liability but entitled to refund of £654. Even with 40% off under McGovern's formula, his liability this year would just about equal his gross income. This is impossible to explain to the fellow concerned, notwithstandg. any justificn. we see here]
  - distribution of J.O. profits, refund of further year's wheat tax.
- (f) labour on farms, plus accommodation.
- (g) transport (tho' not pressg. this as an issue likely to be dealt with quickly)
- (h) for long term - programme of new farms.
- (i) farming techniques - though this is for the States mainly
- (j) irrigation & other works - co-opern. with States.

We m. find where we stand on these, & on as many as poss., we

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shld. decide by Friday week's Agricultural Council meeting.

Hasluck : Would like to state case for Territories - except fertiliser qu., all issues mentioned by McEwen are relevt. to Territories & are under examn. - Territories analogous to States - interested as producer & consumer - case for Territories to be associated with Cabt. Ctee. (if formed) & at conferences with States &

McEwen : Agree straight away re Agric. Council mtg. - less clear re Cabt. Ctee. membership, as Territories posn. as analogous to States, may not

<sup>2</sup> 'civil' is inserted above the line.

<sup>3</sup> 'policies' is written above the line.

<sup>4</sup> 'assuming normal year' is inserted above the line.

warrant membership of policy ctee. But McEwen quite happy to accept. Agreed that head of Territ. shld. be on Standg. Ctee. of Agric Council.

McEwen then resumed & read recommendations, but added Min. for Natl. Developt. to Ctee.

P.M. Not impressed by startg. with appeal to step up production (as industry wld. only raise the issues mentioned above & ask for assistance). Also not good move to say Cabt. Ctee. apptd. But great thought to be given to what is said to Agric. Ctee. & a Cabt. Ctee. is necessary. But somethgs. cld. be decided by Cabinet now & others left for investign. espec. where finance implicns. involved.  
Cabinet to meet for an hour tomorrow morning at which McEwen will present 3 categories of issues  
(a) to be decided by Cabinet  
(b) " " " " Ctee before Feb 15  
(c) not able to be decided by 15 Feb.  
Agreed.

P.M. - One thing affectg. ability of farmers to buy machy. is

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special ~~app~~ initial deprecn. allowce - useful modifn. just announced - but if we are to help food producn, maybe (tho' I don't know the answer) we shld. make food an identifiable indy warrantg S.I.D. concessions. Rural housg. also vital. We shld. direct efforts to the production level rather than the consumer price level.

11 pm. Adjourn till 10 a.m.

6/2/52

### Agricultural Policy

#### McEwen

First question is to determine a priority rating for agriculture.

P.M. suggests that food and coal are matters of defence prepn. and therefore are both high in priority - Agreed & some ~~sta~~ recognition of this in the decision.

Next - speed up of conversion of sulphuric acid plant to 2 yrs or 3 at the most - instead of 5.

Discussion as to feasibility.

Particular matters alleged by McEwen to be holdg. the companies back -

(a) tax concessions

(b) assurce. abt. cost of sulphuric pyrites in relation to cost of sulphur - ie. assurance about protection

(c) Mt. Morgan <sup>5</sup> by produsg. pyrites on lge. scale will turn Mt. Morgan out of the class of gold-producer for tax purposes.  
Agreed adopt 2 yrs. as target for conversion.

Next Max. pdn. of A/n. agric. equipt., includg. by posn. of migrants hostels. Holt says already top priority

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as far as labour concerned.

4. Assistance in gettg. allocns. of steel & other materials up to Govt. to request BHP. to direct steel as necy. for agric. machy. pdn
5. Max. ~~grant~~ aid in procurement from U.S, w/in limits of avail. dollars
6. Examine need beyond present \$ resources. - this means findg. out need as part of the basis for a new loan.
7. Ensure that credit policies operated w. suffict. flexibility. Produce a paragraph settg. out what the position is & give Govt's blessg.
8. 40% S.I.D - cannot be decided here. - desirable objective, but do not know whether financially feasible - matter for Ctee.[circled] with pwr. to act. Decided to strike out 40% - make the proposal "Special<sup>6</sup> Depreciation" Allowance.
9. Farm housing ~~con~~ taxation concessions - for the Ctee.[circled]
10. Extension of improvemt. works qualifyg. for 100% tax deducn. - to the Ctee[circled]
11. Provide fodder reserves not as to be taxable income unless sold - Ctee[circled]
12. J.O. matters - Full Cabt. McEwen willing to abandon bond scheme. Will deal with this w/in next week.
13. Labour - migrants. Principle approved.  
Holt suggests migrants be used as a ~~migrant~~ labour force for contractors or special purpose - easier than to house them with farmers. McEwen to allot a man to confer with Bland & Heyes.
14. Recognise the priority of the "servicers" of farm equipt. in country towns - eg. Keep tractors running. Holt says still serious shortage of tradesmen.

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<sup>5</sup> '& perhaps others (eg. Norseman)' is inserted above the line.

<sup>6</sup> 'Initial' is inserted above the line.

15. Procurement of labour.
16. Examine accom. aspects of labour & see whether \* there is role wh. C/w. can play.  
\* See McEwen.
17. Approach States to facilitate transport etc.  
No objection, but not much faith in outcome.
18. Offer States the technical services - Approved.
19. Encourage extension services - Yes. - but "encourage" may be interpreted financially - say support State service, particly for extension services.  
Refer the finance side of the services to the Ctee.[circled]
20. Recognise that adeqt. increase of food in longer term<sup>7</sup> involve establisht. of new farms & co-operate with States to this end.  
Anthony says there is an earlier step - to increase production on existg. dairy farms - agreed
21. Organism. of lime supplies - for the Ctee.[circled]  
No conflict with McEwen.  
Agreed on need & agreed to ~~tal~~ discuss with States but only after charter is precise. Agreed that McEwen's words suitable & involve no commitment.
22. Work to a similar policy in Territories - Yes.
23. Works priorities - Yes.
24. Question of provisional tax - has liquidity & psycho. impliance - ~~no~~ not for Ctee. & to wait until Treasurer returns.
25. Refund of wheat tax - McE. suggests another repayment - McE. to bring up a paper.

Brief for agric. council to be looked at by P.M. & McEwen. Draft expressg. decisions today to be prepared by McE. & to be discussed with P.M.

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#### Hasluck

Betting in N.T. - L.C. has passed ordinance authorising off the course betting - provide a Betting Control Board to regulate - point of principle here which Cabinet should consider. Ordinance to be disallowed.

Tuesday ?

*[on page opposite Page 61]*

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<sup>7</sup> needed &' is inserted above the line.

**[5 May 1952]**

5/5/52

Discussion in my absence :-

(a) Senanayake ) No adjournment of the House. P.M. will make an appropriate Padovani ) statement. (There was no adjournment for Liaquat Ali Khan)

(b) Governor General

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Cabinet 5/5/52

2.45.

262 Balance of Payments. - Noted.

264. Commonwealth Orders - submission read.

Harrison - continuity of supply needs to be assured - e.g. for Sabre project - this seems to be covered. On the understanding that it is, it suits me.

[Consideration deferred - P.M. absent temporarily].

267. Drought Relief

Hasluck - read submission

Explains that large pastoralists & companies should & will take care of their own reqts. in sinking bores, but there are some new independent settlers who have put in all their assets & not in position to assist himself any further. We shld. take over respblty. of financg. him for a couple of bores<sup>8</sup> & for normal<sup>9</sup> expenses, - after investign. by Administrator - o/wise, he has to sell cattle & we lose him.

Fadden. - Try. assumes practical aspects of bores tested out. If so, no Try. oppon. other than 20 yrs. long period & 3% shld. be subject to review. Shld. be some ceilg. to total advances, & protection against advances to people who don't need or don't use them.

Treasy. suggests approve in principle - details to be worked out between Ty. & Territories.

Hasluck - agrees - would not in any case provide publicity

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for the decision.

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<sup>8</sup> 'on unused parts of his property' is inserted above the line.

<sup>9</sup> 'workg.' is inserted above the line.

264. Resumed

P.M. : In favour of recommendns.

But an allied point arises - U.K. will raise in London with me the severity of the import cuts - Suppose by some means, another £100m. came avail. for impts - this would have to be spent non-discrimy - even if we said we will buy £xm. additional cotton textile - we could not confine to UK. This is ∴ of GATT, & because the Americans are greatly in favour of it - a shibboleth with them - it came out in Melville's IMF discussion - probably relevant to IBRD. This very awkward - wouldn't be very comfortable in askg. U.K. for accomdn. & spending it somewhere else. One thing which PM. should do in going through U.S. is to get down to brass tacks on this & say that non-discrimn. is a particular immed. problem to us which may be capable of some sensible re-adjustmt.

On questiong. the P.M. said that the sort of thing which we might have in mind in London is that we say that we cannot let our o/seas. balances fall below £x. w/o limitg. our imports, particly. from UK. You can't afford to lose these exports any more than we want to lose them. Therefore, if you can back us w. the U Bank, we can take more of your goods. You would keep our o/seas reserve at £x.

Fadden : This qu. of accommodn. by U.K. was discussed between officials in Jany. U.K. officials gave flat No & I did not then (on the advice of my officers that aggravation would ensue) pursue it.

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P.M. I know & understand that. Now that UK. has felt the blast, even if they thought they knew about it in Jany they may have a different view on accommodn.

Spooner - It may be that the main categories of gds. in which we want to give relief are predominantly UK - therefore we might substantially dodge discrimn. by relaxg. on particular items.

This view noted - thought to be worth pursuing.

Anthony - Accm. in U.K adds to our indebtedness - buildg up commitmnts.

P.M. That would only arise if ~~we~~ our exports sag - o/wise we might ~~be~~ not need to draw on UK. But if we did draw, we would obviously make the best repaymt. terms we could by ~~bargaining~~ negotiation.

Anthony - Our 30 June figure may be only £250m. Should we, in that position, borrow to buy piecegoods?

P.M. - Not really a borrowg - it's a future which we may or may not call on.

McBride - UK. will be keener on the arrangt. if ~~we~~ it will aid their affected industry.

P.M. Yes - on one argument, we have enough textiles here. It only adds to the bankg. problem here. Yet, the sense of it is that some industries in UK. would need some aid & would expect to get aid under an arrangt. like this.

Page. Would you have to bring this Loan under Loan Council notice & get approval.

P.M. Don't know, ~~but~~ but if so, would expect to get approval.

McMahon - Suggest the negotn. in U.S & U.K. be left to P.M.

General agreemnt. that P.M. should undertake discussion on non-discrim. & accomdn. at own discretion.

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224. Flax

McEwen - read submission.

Added that flax indy. set up at request of U.K. When Europe lost in wartime, Chifley Govt. was trying to get out after the war - unsuccessful - we also wanted to get out - but Defence took on new emphasis & we agreed that we wld. maintain the industry.

P.M. What is defence view now.

McB. Still urgent - need it for webbing - can't get it anywhere else & v. expensive to import anyway.

Anthony - Where is flax grown.

McE - Vic, S&A., WA. (Boyup - Brook - privately owned) Weigall runs the show - good man - fed up - talkg. of getting out.

KH. Why doesn't industry take ~~it's~~ the responsibility.

McB. No continuity guarantee of purchasing.

McE. Convinced that it's hopeless to persevere w. Deptl. control. Need a Commission to get clear of regulations.

McB. What is the price & plantg. posn. Now is the plantg. season.

McE. The price is all right<sup>10</sup>- plantg. is going ahead - The flax spinners are hanging back - no buying continuity beyond service reqts. Flax less attractive than wheat to grower.

McB. There is evidence that a continuing reqt. of 30,000 acres.,

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<sup>10</sup> 'to the grower' is inserted above the line.



Holt - suggests that Kinnears would surely come in if we offered attractive terms.

McE - I have tried them - can't get them in 'no-how.'

Harrison - suggest Army explore alternative fibre to flax for gaiters etc. -<sup>11</sup>some N.T. fibre (Kenit?) looks likely - perhaps cotton but we'd have to import that.

Beale - It would take a year or more to get substitutes examined.

P.M. - Minister has explored all the means of gettg. the Govt. out & Kinnears or somebody else in. Therefore, alternatives are to get out, or run the present control better. Defence advise that the indy. is essential - **?.** we must improve our administration - Commission approved.

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A couple of other points :-

- (a) Minister for Works to note the cost comparisons in which his Dept figures (KH. will look into this)
- (b) Costs of Commission are vaguely estimated - shld. be more precision & may be some compression for budget purposes - C&A, Flax people & Ty. to confer on this aspect & settle. McEwen agrees.

245. Transport of C/w. Explosives

McLeay reads the submission.

Spicer - the Draft Bill is in no way cleared with AGs, therefore if approved, bill to come under AG. Scrutiny.

P.M. - Does this mean empire buildg. in S&T. Dept.

Holt - What about Def. Prep. Act.

Spicer - may be, but would still be temporary.

McL. Suggest approved, subject to examn by AG. of the draft bill.

P.M. Yes & subject also to no increase in staff.

Loan Council - Brief discussion on course of negotiations - outlined by P.M. & Treasurer for confirmn.

Adjourned 6.05. Resume 8.30.

8.45. Brief discussion on Holt, KH., McB. committee report on Nicholas report - "privileges" - air travel, secretg. etc. KH. to talk to Dr. Evatt.

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<sup>11</sup> 'McB. says' is inserted above the line.

257. Patents

Sen Spicer introduced the submission – recommends adopt the recn. of expert ctee. & legisln this session – not political – highly technical.  
Agreed – to be pushed on this session.

132A. South Clifton

Sen. Spooner introduced the submission – read JCB. letter of 25 March.

Earle Page – how do we get pwr. to buy & run a coal mine.

Spicer – The Board would buy this under the pwrs. of NSW. It is instrument of both Govts. & acts under the pwrs. of both Govt. I am not clear about which Govt. would be presumed to be the buyer.

Holt – I thought Mechan extracn. wld. be much earlier than end of yr.

Spooner – Yes – submission out of date on that aspect – negotns. with mining union are much further advanced.

Anthony – We are chasing our money if we go into this.

Spooner. The sad tale here belongs to the past. Sellars now in charge (since 18 mos. ago) & efficient – making profits. Yet other mining Coys. won't buy it, probably on a/c. of not knowg. what is beyond the faults.

Holt. What industrial consequences wld. follow closure.

Spooner. JCB. worried about the reactions to closing down – some legend (no record) of Jack (former member) having guaranteed JCB. £<sup>12</sup> keep it going.

Holt. We might buy trouble by closing it down.

McB. But we can't buy industrial peace by buyg. coalmines.

Harrison – We've got to be fair to the owners in this – they have

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reason to expect not to get it back – staff & organisn. gone.

McB. They were never efficient – not greatly concerned with them.

Spooner They would challenge us in Court if we just walked out & left them with it.  
AG's Dept. view is that owners would fail.

Spicer – confirms that view.

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<sup>12</sup> 'wld.' is written above the line.

Spooner – does not firmly recommend, but on balance & in view of investmnt. & commitmt. to owners, best thing to do to take it over. Industrial conseqces. of closing down also relevant. Its output should be ~~900~~<sup>13</sup>,000 tons a year approx. –

P.M. – We should know who, if the recn. is app'd, owns the mine & what the position is on re-sale.

Spicer – That point worries me. This is an acquisn. of shares & I don't see that the JCB. has power to buy shares. There is authority to acquire land <sup>14</sup> under the NSW Act, but not shares as far as I can see. There is pwr. to assume ownership or acquire & operate ~~the~~<sup>15</sup> mine – but these don't mean buying shares. The consent of P.M. & the Premier is required where land is to<sup>16</sup> acquired by appropn. or resumpn. It may be that there is pwr. by implication to buy shares, but I would think that when we buy the mine, it belongs to the NSW Govt., because it is under their Act that the mine wld. be bought.

P.M. We should be advised on :-

- (1) if Board acquires this mine, can it sell later on
- (2) in respect of properties acquired by JCB, & presumably now the ppty. of JCB, where does ownership lie in the event of liquidation of JCB.
- (3) pwr. of JCB. to buy shares.

Holt. agree that we need this advice, but why not make decisions now on assumption no problem under (1) (2) (3).

Treasy. – should wait for decision on mechanical extractn. in any case, but even if that comes off, on balance should get out.

General discussion re industrial aspects, cost, profit prospects, desirability of keepg. out of mining (espec. if a disaster) & need to refer to party meeting.

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P.M. Minister's proposal is that, subject to the 3 pts, the JCB. be told to go ahead with purchase.

Determined in favour of recommendn., subject to 3 pts.

244. Statuary.

Submission read by Sen OSullivan.

Spicer – doesn't understand the submission – proposal is to implent. recommendns. ~~until~~<sup>17</sup> such time as Australia enters into agmt. But enterg. into agmt. means free entry of these things.

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<sup>13</sup> '100' is inserted above the line.

<sup>14</sup> 'by appropn. or resumption' is inserted above the line.

<sup>15</sup> 'a' is written above the line.

<sup>16</sup> 'be' is inserted above the line.

<sup>17</sup> 'at' is written above the line.

Agreed to adopt recommendn., but w/o the qualification about defermt. of implemtn. until Australia becomes contractg. party to UNESCO agreent.

[UNESCO is an organisation for bogus intellectuals and botts and for the study of the influence of sex at high altitudes].

240. Post CRTS - War Caused Disabled Members & War Widows

Sen Cooper reads submission

P.M. - this is recrudescence of CRTS on behalf of war-caused disabled & war widows - comparatively low cost - I would agree that scheme desirable except perhaps that university course provision unnecy.

Cooper - case for some going to University - properly tested in each instance.

Recommendations approved.

11pm. No date for next meetg.

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***[13 May 1952]***

13/5/52.

~~Curt~~

Aviation Spirit - Spooner mentions letters from U.K & U.S. suggestg. reduction of use for civil aviation .• of current U.S. strike.

We get 75% of 100 Octane from US. (large a/c.)

" " most " 90 " " Singapore

Since Abadan, we have had only a 6 mil. gallon stock - (Anthony says this is about 2 months supply). Proposes that Cab. authorise 30% reduc. in case of all aviation spirit, provided that Ctee. feel that necy to do that after consuln. w. petrol companies & airline operators. Ctee to be Anthony, McMahon, Spooner.

Harrison - why 30%

Spoooner - that is the US & UK. cut

Holt - we don't necessarily follow suit - longer distances, not so good as US. with railways ~~at~~ etc. - .?. we could make case for smaller cut.

Anthony - there is v. strong pressure from U.S. & we are dependent on them for 100 octane. Canada & Air France have cut comparably.

If decision is made, announcet. must be clear that it is aviation spirit only.

We can only do this by co-opern. of airline coys - no legal pwr, but shld.<sup>18</sup>  
make arrangt. with them.

Harrison - supports Spooner, but only on the basis of 30% ceiling - if Spooner can  
(through the influence of the oil coys) get a lower cut than 30% acceptable.

Holt - opposed to any decision which does not bring out officially the special  
transport conditions in A/a.

McBride - we may have to accept 30% cut, but we ought to put our case that there  
are reasons why we should not lose 30%.

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Spooner - The negotn. will not be Govt-to-Govt. - we have to talk to the petrol  
companies & probably we will have to cut our schedules accdng. to their  
stocks & forward supply posn. - they might want >30%.

Anthony - we have 2½ months in stock - we ~~can~~<sup>can</sup><sup>19</sup> hold out if strike short-lived, but  
the pressure from US. means we must cut. We could say 25% & negotiate  
about the rest.

Spooner - we go to companies & discuss posn. with them & ask them what they  
suggest - they won't suggest more than they have to.

McEwen - companies will help to arm us, but we m. in the end take the qu. up with  
U.S. Govt.

Fadden/Holt Will we take up with U.S. - we are immediately institutg a 20%., but  
here are our views - transpt. system cannot take up the slack, our needs  
microscopic.

Spooner - Suggest no Govt to Govt. until talks with oil coys.

Fadden - Ctee to talk urgently with oil coys - McBride added.

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Beale - the Alumn. Indy. Act. is before the House for amendt. re £4 ¼ m. - been in  
touch with Cosgrove & AGs.

One point arises

Orig. Act gives pwr. to Comn. to do everything necy to produce alumn. ingot.  
New words give pwr. to produce alumn. in ingot form & otherwise

Some Ministers concerned. - reason is that Crane & Aust. Alumn. Co.  
requested that provision be made to produce some shapes. The main words  
are "manufacture of aluminm." are the governing words.

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<sup>18</sup> 'be able to' is inserted above the line.

<sup>19</sup> 'could' is written above the line.

McBride - I accept that so far as our intentions go. But the words "or otherwise" are limitless in interpretation

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& later Govt. may use it to get into the processing field.

Spicer - main words are "manufre. alumn." - not to manufacture articles from aluminm.

Harrison - why not specify the shapes - bars, sheets,<sup>20</sup> billets etc & so on - which are to be produced.

Beale - prefer to leave in present form, because some new shape may be needed tomorrow.

Anthony - why not Beale & Spicer choose the words.

Beale - that suits me. - we have already chosen the words.

Chorus - we won't accept "or otherwise".

Spicer - we could add savg. words that power not to extend to rolling. fabricatg. etc.

Fadden - views of Cabinet.

Harrison - House Business

Only a few bills will involve a debate - need new legisln - informed by PMs that about 20 Bills on the stocks, but not ready. We will be out of business next week. - no second readings ready.

Have to give notice today about Private Members Day - Thursday. Seeing shortage of business, suggest Schwarz's notice of motion be allowed come forward - till 12.45. (Later - decided against this - keep it in reserve). Asks Ministers to look at posn., let me know when bills ready & when second readgs. ready.

~~Holt - hopes Co~~

Advised by Cameron of views on ~~agreement~~<sup>21</sup> to print a paper. He proposes to ask today how many<sup>22</sup> papers wanted & what to be done with them. Regards printing as direction to him.

Ward received telegram in terms<sup>23</sup> not to have gone through the post. & will raise this. Will also renew the David Jones.

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<sup>20</sup> 'wire' is written above the line.

<sup>21</sup> 'division' is written above the line.

<sup>22</sup> 'copies of' is inserted above the line.

<sup>23</sup> 'which ought' is inserted above the line.

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P.M. I will make a statemt. in House today to the effect that this is a renewal of an ordinary business practice which started in June 1949. I will not have Royal C.

OSullivan – is examining any leakage in Customs. No further action by the Govt. contemplated.

Means Test.

Townley – outlines recommendn. – approved.  
(Harrison to represent P.M. while away).

Fadden : Want to discuss Snowy requirement of £16½m. this year & in partic, need for some part of it now. This not usually done & to give advance implies acceptce. of Snowy requirement.

Spooner. Not in touch with all the details, though do know that £5m. needed in first 4 months of yr.

Fadden. Prepared to do that, but on understandg. that year's figure is not £5m. x 3.

Fadden & Spooner to examine.

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Fadden – refers to press report on Saturday that Graham will introduce bill to separate tradg. & central bkg. activities of C/w Bk. This not an approp. subject to ~~the~~ come in by private members – delicate issues. – appropriate only to Budget & certainly not in PM's absence – suggests P.M. & others speak in party room about this. Noted.

Hasluck

Separate territorial public service – reached personal opinion that septe. service should exist & include N.G., Norfolk Is & N.T. – should exclude Defence, P.M.G., etc. & Min. for T. shld. discuss health, customs etc. with approp. Minister.

Should be subject to closely worked out submission – existg. authorities need to be consulted fully – ~~left~~ leave till P.M. returns.

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McMahon : Middle East Squadrons

- (a) Tour of duty – 2 yrs (or 2½) or 1 yr.
- (b) Family – go if 2 yrs, not o/wise.

- (1) McM. wants 2-2½ yr. tour – could not operate a yearly turn-over while Malaya & Korea still needg. our pilots.
- (2) Further, 2-2½ yrs. tour fits in with RAF. training schedule.

- (3) New a/c. being flown also requires lengthy training to master the technical & flying problems.
- (4) This is garrison duty & not operational (latter is 9 mos. usually)
- (5) BCOF - we let the families go. Also Manus.
- (6) The M.E. policy of UK. & U.S. is to take families. RAF. will give us housing.

P.M. What is cost?

12 mos - £981,000 (with families - £900,000 w/o)

2 yrs - £964,000 (with families)

McBride. Defence Ctee. has supptd. Minister's suggestion. My personal view (which I don't pit against the Defence view) is that this is first stationing abroad in peace - what we do will set precedent - ~~no~~ consid. problems of re-housing BCOF. families on return from Japan. M.E is not really a "peace" station - there is a possible conflagration. Not too convinced about the "incentive" idea - "join the air-force & see the world". RAAF did not raise this when we dealt with this in Cabinet - they did not say either<sup>24</sup> that a 12 mos. tour of duty could not be sustained. I oppose - tho' I point out that Defence Ctee. supports.

Francis. I oppose - I suggest 18 mos. & then omit the wives question. Too difficult a ~~period~~ precedent. We would fly airmen back or wives over in difficult family circs. Housg. probs. on return insurmountable.

Harrison. Necy. to co-rotate our training with UK & others in the theatre - .?. 2-2½ yrs. necessary - housg. problem for families could be dealt with. I support McMahan.  
Approved - 2 yrs. with wives.

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270. X-Ray

Page - question of diplomatic immunity - can't compel them. Proposal is that compulsory be applied to general community - diplomatic community asked to co-operate.

Agreed.

C/w Engineering.

Treasurer - Consultants<sup>25</sup> recommends take up shares & refer disposal until favourable time.

Holt

Refers to waterfront work dispute - Healy has brought on margins dispute by alleg. that Court has delayed hearg. of claims - true that log of claims has lain since 1950 late - Kirby would have heard them but Healy went overseas - since then, Kirby hurt & again, Healy's crowd always off-side deliberately & made imposs. to hear. Further, Healy wanted a lot of general questions raised & not only this margin issued.

<sup>24</sup> 'then' is inserted above the line.

<sup>25</sup> (~~w/~~ 2 stockbrokers) is inserted above the line.



Holt had been worried •• ACTU (for first time in this Govt.) backg. a Com. union - Monk considered he had been let down by Kirby on some other issue & Monk behind this case.

Holt saw Monk & Broadby on Friday - ~~arranged~~<sup>26</sup> cnfce. but ACTU., Govt. & ?? to give considern to the difficult employt. problem which will arise from the fallg. off of shippg (tho' w/o gettg. down to specific log of claims by Healy). No doubt ACTU wld. have asked for specific log to come in. We wld. agree, but on condn. that we introduce Basten recommendns. Monk tried to sell this idea, but failed & is now in posn. of backg. the Union.

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What shld C/w. do ?

- (1) If ban had continued, C/w. shld. proceed on contempt of court against Union.
- (2) But Union has applied to High Ct. for ~~injunction~~<sup>27</sup> agst. Arbitrn. Court ~~ruling~~ injunction. If (2) not successful, C/w. can go back to plan (1).
- (3) There are other side issues running - a challenge to Galvin's ruling & challenge to a Kirby ruling on overtime.

If we can't go ahead on contempt, could we move in some disciplinary way - suspension. Perhaps, but this move for a prohibition really puts this action out for the time being. We could suspend for the stop-work mtgs. on Monday, but the stoppage was A/a wide & we wld. have to suspend A/a wide. We don't want to interfere with apple shippg. in Tas. or ~~in~~ with SA. So I tried to get the owners to hand out discipline by not makg. a call for this weekend. They won't agree (o/seas. ships won't hold up & others won't unless they do).

We may be facing general stoppage on wharf - but don't want to precipitate it - we are still a bit thin with troops to man the ports. Also, as ACTU. is backg. the union, we may find other unions (eg transport) called out. We are in the posn. of fighting the whole show, not merely the Com. union.

Not much we can do, but once High Court (startg. today) delivers on Kirby overtime rulg., ACTU may be inclined (& we could work on them) ~~may be~~ not to continue backg. union & we get back then to fightg the Union on its own. We are today takg. out notice of motion which will enable the contempt proceedgs. to come on once the prohibition action in the High Court is disposed of (assumg. it disposed of in favour of Arbitn. Ct.)

Holt's report noted.

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<sup>26</sup> 'proposed' is written above the line.

<sup>27</sup> 'prohibition' is written above the line.

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Harrison

Business

Wants to know what Bills he can get this week. Individual bills status checked with Ministers concerned. Length of session :- two weeks minimum (countg. this week)  
3 " maximum ( " " " )

Followg. bills considered essential for this session

- (a) Fadden's bills
- (b) Holt's bills - industrial
- (c) One of Hasluck's - Bulolo
- (d) OSullivan's - Customs validation
- (e) McLeay - maritime Indy. Commission?
- (f) Spicer - Patents (not urgent, but desirable)

232A

McEwen

Substantive issues decided - amt. of consumer subsidy left for discussion between P.M. Treasurer & Minister.

Reads submission.

Treasurer draws attention to the fact that £16.8m for 1951/52 has gone up to £17.8 (due to freight payments from Victoria to NSW & Q. etc.)

Anthony: We are committed to a guarantee for 5 yrs - why do we ~~not~~ say that we are going to determine from year to year the amt. we will contribute.

McEwen: We do that .∴ we can fix the price year by year & .? control the amt. of subsidy.

Fadden - our job now is to determine the quantum of consumer subsidy - but we can't lose sight of the 20% export subsidy - ie another £4mil.

McEwen - Well, yes, we are up for the export subsidy (whatever it turns out to be) in any case. We can subtract it from the £16.8 & increase the retail price accdgly, or we can add the export liability on to the £16.8.

Holt - We can't send the price of butter up & up, w/o seeing that

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more margarine is available.

Discussed, but considered that margarine just as dear, & States have control of the quota of margarine. And less butter used means more export & we get caught on that side.

Page - question really is what is best policy from internal econc. viewpt.

- Fadden - It's a budget question - it's only by expenditure economy that we can hope to manage the budget.
- Holt - What is the time-table for deciding this - why not wait till next basic wage adjust. - that may give us lead.
- McEwen - need decision this week •• Govt. promised it - States won't give us pwr. to control price till we tell them the amt. of consumer subsidy we will pay.
- Fadden - Treasy. wld. prefer subsidy reduced, but prepared to agree to £16.8, supplemented by the Stabilisn. Fund for use towards export. (£2.5 is Stab. Fund credit - this is growers own money).
- Holt - What would this mean on the price of butter.
- McEwen - The £16.8m. will mean increase of 7½<sup>d</sup> (factory cost) in any case. On a guess, another 2<sup>d</sup> would be added if only £2.5 added for export. This would mean about 10<sup>d</sup> retail.  
We don't know what the export subsidy is till the end of the year, & we must determine a selling price of butter right away. Therefore, it looks as if I should draw up some tables which will show various selling prices, make some estimates of export subsidy reqt. & submit the tables to Cabinet or Ctee.
- Fadden - This is what I propose - £16.8 less diffce. between ~~£2.5~~<sup>28</sup> Fund & export subsidy demand (£4-£2.5) (£4 is an estimate)
- |                                       |             |
|---------------------------------------|-------------|
|                                       | <u>1.5</u>  |
| This available for domestic subsidy : | <u>15.3</u> |

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- McEwen - I would need to check the £4m. estimate of cost of export subsidy - subject to that, I could probably accept. But I should point out that we are short of our policy speech recommendns. a long way - in partic. they may not be satisfied with 20% expt. guarantee on cheese. They may well want the use of their own money (or some of it) to ease out the cheese troubles - therefore, all the £2.5m. may not be available. Therefore, I may be forced to bring this question back on this aspect. I accept the £15.3m. but with room to manoeuvre on the cheese issue - therefore can I take £15.3 as an objective for consumer subsidy.

ABC.

- Anthony - Boyer & Dawes apptmt. expires 30<sup>th</sup> June. Anderson's position has to be filled soon.

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<sup>28</sup> 'Stabisn.' is written above the line.

Recommends Stewart - ex-postal man (Deputy Director, Qld) - in place of Anderson. Stewart is non-political.  
Suggests Boyer & Dawes re-apptd.  
Boyer & Dawes agreed to - Stewart left open for short time (a few days) ~~until~~ for other Ministers to suggest alternative names.

Rice - McEwen - Short rice crop likely - we have commitments to<sup>29</sup> islands, Chinese etc<sup>30</sup>. as first obligation - only about 6000 tons beyond that - not nearly enough for local - would go under the counter. Propose send to Am. & Br. oil coys. in M.E.<sup>31</sup> & some to Malaya. These export permits will mean no general availability on local market. Casey stresses need to send some to Malaya - will discuss with McEwen.  
Noted.

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### Wheat Freights

McEwen - Wheat arrangt. provides that all wheat sold locally in Aust. at cost of pdn. price - wheat growers voted for this, altho' in fact they were votg. for stabilisn. or not. Necy. to determine cost of production each yr. - we decided that we wld. fix 16/1, subject to State Govt's increasg. price, & subject to Wheat Bd. paying freight, whereupon we would pay 4/1 subsidy. This was agreed. But no pwr. to compel the Wht Bd. to pay interstate freight - States (by agreemt. ) with us) provided that 2/- would drop off the price of wheat if Wheat Bd. does not pay freight. Wht Bd. has decided not to pay freight to Q. - Q. has dropped the price - we have stopped subsidy (everywhere for constitutnl. reasons). This costs wheat growers £3mil. My view is that we ought not to do anything this yr. (growers are getting good treatmt.) - but this cost should not permanently be borne by wheatgrowers. I want authority to say

- (a) C/w. will not pay i/state freight
- (b) Wheat indy (ie the Board) should not pay the freight
- (c) Wheat Bd. should <sup>32</sup> pay freight for rest of this yr.

Before end of this wheat year, McE. will discuss the question with States.

### Flight to Sth Africa

Anthony - inaugural flight soon

- (a) take Ministers or Members - agreed - Members for preference
- (b) bring back party of S.A. journalists - agreed with approp. entertaint. - costs.

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<sup>29</sup> 'pearling fleet' is inserted above the line.

<sup>30</sup> '& medical' is inserted above the line.

<sup>31</sup> 'for dollars' is inserted above the line.

<sup>32</sup> 'be requested to' is inserted above the line.

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[27-28 May 1952]

Cabinet 27/5/52 10.45

O'Sullivan. Excise on liquor - <sup>33</sup> is on proof gallon.  
Customs " " is on gallon  
GATT. requires uniformity. France has raised the question - proposed to make uniform by making customs duty on proof gallon basis - slight loss of revenue.

Cloth & garment pressing machine : 25% I.T. duty but admitted under by-law - T. Board report recommends

Chain pulley blocks - substantive 25% but not operative - by-law operatg - Tariff Bd. report recommends

Three amending proposals approved.

P.M.'s Washington Report :-

Actg P.M. read P.M.'s ~~report~~ cable - Noted.

#### Under-Secretaries

Actg P.M. invites A.G. to comment on speaker's ruling. Reads paper - sets out Speaker's 4 points - in A.G.'s view, Speaker's opinions erroneous at all 4 points. Ag P/M. refers to next step - question as to statemt. in Parlt. - Some views that detailed statement be read to House - others that a short statemt. (w/o. reasons) that there is no foundation for Speaker's opinions. On a separate issue, suggested useful to make statemt. on functions of under-secretaries. Question also arises as to reply if any to Speaker. Should there be a rebuff for his action (Decided No on this). Also

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should the issue of recognising ~~them~~ the under-secretaries (eg. as to accommodation in Parlt. House) be brought to a head with the Speaker - decided that better to let this issue rest - they have accomdn. now & some grounds for thinking that the accomdn. will not be withdrawn. Decided to leave to AG. the drawing up of some 1/2 way statement for discussion with A/g P.M. for presentation to Parlt.

[On page opposite Page 81]

Stevedoring Indy Act ) two bills which Holt says he may have to put  
Coal Industry Act ) through this session - may suit tactically to  
leave it  
lie after 2<sup>nd</sup> redg. speech - but can't be sure at

<sup>33</sup> 'Brandy, Whisky, gin, rum' is written above the line.

moment what best tactics are.

[Page 81 continues]

### Parliamentary Timetable

Suggestions that House rise Thursday 5<sup>th</sup>. – prepared to ~~rise~~ sit till 6<sup>th</sup>. if necessary. Harrison raises questions of gag to get through by 5<sup>th</sup>.

Will discuss with Party.

Hasluck raises Bulolo bill – believes that Party committee will report in favour of the bill, mainly on grounds that time for going back is past, but partly on grounds of merit – some (especially in Senate) may want to remain unconvinced & independent in Parl.

KentH. raises report that a legal opinion (based on U.N. Trustee arrangements.) on which Cabinet made its final decision is now believed to be not correct. Therefore, is it too late to reconsider decision.

Discussion as to part the legal opinion played in the decision – Attorney says that the only legal opinion (not from the A-Gs) was in Spender's ~~decision~~<sup>34</sup> that to call public tenders might invite trouble in the U.N. – Article 76 of Charter, ~~we~~ which means that Trustee system involves principle of equal treatment for U.N. members in business etc. in trust territories. There ~~are~~ is possible escape under Art 80. – but hard to say. Some opinions (Hasluck, Anthony) say that no doubt that Bulolo by far best equipped to use the forest. Anthony says he opposed Bulolo earlier, but he has since seen it, & now agrees.

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This view not questioned, but there is still the question of letting someone buy the C/w. interest to work in with Bulolo.

General conclusion is that present decision should stand.

KentH. also raises question of cost of construction of road (& ~~river~~<sup>35</sup> over Markham River) – ~~the~~ road is for timber only & should be toll road instead of ~~Go~~ Govt. road at taxpayers expense.

Hasluck : Road is not for timber only – bridge is on W & H. recommendn – Talked out – no decision, but by implication, no change.

KentH. – accept Cabinet view ~~should~~<sup>36</sup> prevail, but express own view that C/w. partnership in Bulolo not justifiable & in his opinion based (wrongly) on legal opinion.. Harrison, McLeay, McMahon concur.

[Four names written on opposite page:] KentH. Harrison McLeay McMahon

### Maritime Industry Commission

<sup>34</sup> 'opinion' is written above the line.

<sup>35</sup> 'bridge' is written above the line.

<sup>36</sup> 'must' is written above the line.

Holt - refers to statemt. in Age on attributed to McLeay suggestg. failure of Maritime Industries Commission. Chairman (Edwards) has sent in letter of resignation as result - meetg. of Commissn. this week<sup>37</sup> & will<sup>38</sup> resign as body - especially in the absence of any clarifying statemt. by Govt. Commission consists of

- Chairman (apptd. by Gov Gen)
- 5 union reps.
- 4 shipowner ..reps.
- 1 Govt. ..reps.

True that Commissn. now has no responsibility for industrial disputes, ~~or a~~ but has responsibilities for conditions & various other things<sup>39</sup> Holt & McLeay workg. together on submission as to future of M.I.C., but question will now ~~be~~ have to be examined immedly - Commission has done good work, especially in cleaning undesirables out of seamen's union, - most desirable to re-assure Commission - Edwards may withdraw resignation.

Also raises question of general industrial policy of Govt. -

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Some press & other references to holdg. back by Cabinet & by implication, by me. I would like it clarified in here that I am interpretg. Cabinet policy as required. It is to be noted that ship-owners, & employers generally, are often sharply divided as<sup>40</sup>

McLeay : Refers to submission already prepared on revision of Navigation Act, includg. abolition of M.I.C. - M.I.C. contains communist membership (Elliott is one) & its record on clearing stopping shippg. hold-ups<sup>41</sup> is no good. My statemt. was a cut at Elliott. Edwards is the only owner's representative who is backg. the M.I.C. I think M.I.C. is menace to industry (see eg. shippg. hold-up record) and we must have policy or "get-tough" with Communists.

Holt - Room for diffe. of opinion as to continuance of M.I.C. - but place to ~~do~~<sup>42</sup> it is in Cabinet. But position now is

- (a) that I ~~may~~<sup>43</sup> have to offend or encourage the Commissn. tomorrow, & whatever ~~it~~ I do, it can hardly be now on the basis of a Cabinet discussion. I must encourage, but that will embarrass if later we<sup>44</sup>
- (b) Recent ~~dispute~~<sup>45</sup> history not unsatisfactory - Edwards has satisfactory record & wholesome influence against Elliott - Elliott usually in minority of 1.

<sup>37</sup> '(Wednesday)' is inserted above the line.

<sup>38</sup> 'possibly' is inserted above the line.

<sup>39</sup> 'including discipline.' is inserted above the line.

<sup>40</sup> 'to how the Govt. should act.' is inserted above the line.

<sup>41</sup> '(due to seamen)' is inserted above the line.

<sup>42</sup> 'decide' is written above the line.

<sup>43</sup> 'will' is written above the line.

<sup>44</sup> 'decide to abolish.' is inserted above the line.

<sup>45</sup> 'discipline' is written above the line.

Holt suggests he say that McL. had sought not to criticise them in their individual capacity, ~~an~~ but that the division of responsibilities is not conducive to best working of industry. Whole question is before Cabinet, and we will be discussg. the situation. Ask them to carry on for present.

Agreed.

Actg. P.M. : We assure Holt that he has backg. of Cabinet on general industrial policy.

Agreed.

*[Page 84]*

*[On page opposite Page 84:]*

McLeay - C.H.E.P.

Beale : Puttg. to Cabinet next week proposal for the rapid developpt. of Rum Jungle by leading mining company.

*[Page 84 continues:]*

274. Wool Tax.

Submission read by ~~McEwen~~ McBride

Treasurer says necy. to ~~bring~~ amend Wool Sales<sup>46</sup> Promotion Act. so that C/w. contribution is fixed at 2/- & not matching any amt. which the industry puts up.

This covered by para. 8. - to be mentioned in 2<sup>nd</sup> Readg Speech that this decision does not commit govt. to equal contribn. w. indy for wool use promotion. Legislation on this will follow.

Approved.

272. Atomic Weapon Test - Security

McBride reads submission - explains that reference to "other operations" in para. 6 is safeguard only - no other operations envisaged at moment.

Approved.

243. Mining on Aboriginal Reserves

Hasluck introduces - refers to possibility of mineral deposits on abo. reserves - can't be located unless fossick for them - some reserves probably extensive & important - we should have access to them. But we have formal & moral commitmts. to abos. &<sup>47</sup> we cannot, w/o political embarrasst, reduce size of reserves. Hence my recommendations - rejects the view that natives shld. be allowed to work mines on their reserves - they couldn't do it.

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<sup>46</sup> 'Use' is written above the line.

<sup>47</sup> 'also' is inserted above the line.



Submits recommendations - amends (b) to read "accompanied by" instead of "supported by".

Suggests that extent of royalties be left for discussion between approp. Ministers.

Extent of economic gain to be weighed carefully against injury to natives.

271. Process Act

*[Page 85]*

270. Process Act -  
Introduced by Spicer - approved.

Double Tax - A/g P.M. referred to cable from P.M. on double tax & notified intention to circulate confidential document later this week for discussion next Cabinet.

Next meetg : Tuesday 10.30.

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28.5.52. 8.30 pm.

269. Privileges & Immunities

Casey introduces - says that recent spotlight on Haroon gives point to this, but the Haroon incident suggests that no action shld. be taken to put through House this session lest it be interpreted as designed to protect Haroon.  
Approved.

264. Works & Housing

Approved on oral explanation by Kent Hughes.

24A. Accommodation

Short-term projects approved. Other matters not raised.

275. Excise Act.

Approved.

268 Canned Fruits

McBride reads submission.

Anthony raises question of who, other than C.O.D., is pressing for this - have others been consulted - may be move by C.O.D. to get control of growers who are now independent.

Deferred till McEwen available.

264. Assistance for Pensioners Homes

Townley introduces – considers this would benefit bulk of the most necessitous cases, & would blunt good deal of the criticism – not a net cost, ∴ Townley prepared to dock 1/- from the next pension rise on cost of living basis.

Anthony – think £1m. could be spent on increasg. produc.

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e.g. on maintaining postal services in areas where production will fall if services not maintained – ie people will leave. General view that proposal is worthy & humane – but likely to benefit only very small percentage of pensioners.

Fadden : Budget will be very difficult – this is an expenditure matter – should be dealt with other budget proposals.

Harrison – We cannot afford to misjudge temper of public when budget prepared.

Holt – ~~Th~~ supports Treasurer, tho' points out that not rejection of proposal, which is<sup>48</sup> sound, but only defermt. for considern. at budget time with other matters.

McBride – thinks it will only touch<sup>49</sup> minority of pensioners and will not stop havg. to raise pension rate later to pensioners generally.

Casey – Could we put it on a basis of less than £ for £.

Townley – maybe – my proposal is constructive & in a sense, a trial.

McBride – once we go into this, we are<sup>50</sup> into housing for pensioners & we invite pensioners to rely on us for houses – totally opposed to enterg. this field & widening our responsibility to pensioners.

Townley – recognises considerable validity of McBride's argument, but says that State Govts. are already subsidising hostels, homes etc. & getting the credit for it – C/w. could do this, w/o extensive liability & make constructive contribution to the most deservg. pensioners.

McBride – we will be reckoned to have a responsibility & we will be known, not for what we give, but for what we refuse. Our contribution will have to go up & go up.

Fadden proposal agreed.

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<sup>48</sup> 'constructive & very likely' is inserted above the line.

<sup>49</sup> 'tiny' is inserted above the line.

<sup>50</sup> 'however indirectly' is inserted above the line.

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233. Rabaul.

Hasluck introduces - position is that danger of living in Rabaul can be avoided & a good evacuation plan wld. probably take care of the posn, but there is unrest in Rabaul (& among relatives here) and Govt. shld. not risk even small no. of casualties for want of providg an alternative community in which to live - especially for the native population.

Discussion as to suitability of Nonga-Tavui, Kokopo - Rapopo and other areas, including Jacquinet Bay.

KentH - ~~oppe~~ agree partially with submission, but not with the proposal that Govt contribute to cost of constructg. new town or rebuildg. Rabaul other than building wharf & escape roads. Govt. should not take responsibility otherwise except provision of residential sites at Kokopo - Rapopo (which is more suitable than Nonga-Tavui ∴ further from danger area) & put administrative centre at Kokopo-Rapopo.

Treasy - sees the ~~moves of~~ proposal as move to remove the project from ordinary budget & works scrutiny programme - recommends that Item 5 be ~~den~~ rejected & whole be dealt with on<sup>51</sup> works procedure & budgety. procedure.

Hasluck - decision on this basis would be meaningless - Territory just cannot pay works out of grant-in-aid - has not been able to do any real rehabilitation.

Fadden - ~~does~~<sup>52</sup> comment does not mean no extra finance - it just brings the project under the regular scrutiny procedures.

Hasluck - need for decision about Rabaul stressed - prevarication over 6 years - uneasiness in Rabaul - criticism if eruption & no alternative living area provided.

Harrison - what would we use for money.

Hasluck - Can we treat that as part 2 of the question.

McBride - The technical reports indicate that no catastrophe likely -

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true that somethg. may happen, & we must therefore have exit roads. But last time, dust was the main trouble - may be no worse than dust in the future - huge expense of shifting - other places stay (Tokyo, San Fr.) - why need to shift the town at all & even the expense of running civil servts. in & out of Rabaul. I think we should decide no shift.

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<sup>51</sup> 'ordinary' is inserted above the line.

<sup>52</sup> 'Treasy' is written above the line.

Anthony - two things (a) a decision one way or other is needed, ∴ Rabaul is at standstill waiting to see what is to happen  
(b) we must consider public opinion there & here - bit each way on this (sending civil servants into danger area etc.) but Rabaul people would probably be against shift & port & commercial area wld. have to stay.

Hasluck - old inhabitants would be prepared to stay. Mt Lamington disaster left bad psycho. impression. Our duty ends by providg. alternative residential area.

Kent H. - we must decide  
(a) leave Rabaul as port & commercial centre  
(b) provide another area (Rapopo etc) for township for civil servants & others who want to ~~sta~~ go  
(c) no Govt. responsibility for those who elect to stay in Rabaul

Hasluck - oppose Rapopo idea - Nongo-Tavui to closer, cheaper & more practicable.

KH - let's get ahead with the wharf

Hasluck - no good unless some accompanyg. decision on residences

McB - let's say  
(a) Rabaul to stay  
(b) Port to go ahead  
(c) Existg. ~~buildgs. to be~~<sup>53</sup> rehabilitation plans to go ahead.

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(d) No decision on residences.

Hasluck - well this decision would mean we take responsibility for any casualties.  
Adjourned for a later consideration.  
10.30 pm.

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<sup>53</sup> 'private & public' is written above the line.

## Persons mentioned

Name	Full Name and Position
Anderson	ANDERSON, ABC Board member
Anthony	Hubert L ANTHONY, Postmaster-General and Minister for Civil Aviation
Basten	Henry B BASTEN, wrote report on 'Turnaround of ships in Australian ports'
Beale	Oliver H BEALE, Minister for Supply
Bland	Henry A BLAND, Secretary, Department of Labour and National Service
Boyer	Sir Richard BOYER, Chairman of the ABC
Broadby	Reginald BROADBY, Secretary Australian Council of Trade Unions
Cameron	Archie Galbraith CAMERON, Speaker, House of Representatives
Casey	Richard G CASEY, Minister for External Affairs
Chifley	Joseph B CHIFLEY, former Prime Minister
Cooper	Walter J COOPER, Minister for Repatriation
Cosgrove	Robert COSGROVE, Premier of Tasmania
Dawes	DAWES, ABC Board member
Edwards	Stanley T EDWARDS, Chairman Maritime Industries Commission
Elliott	E V ELLIOTT, National Secretary Seaman's Union
Evatt	Dr Herbert V EVATT, Leader of the Opposition
Fadden	Sir Arthur W FADDEN, Treasurer
Francis	Josiah FRANCIS, Minister for the Army
Galvin	John M GALVIN, Commonwealth Conciliation Commissioner
Graham	Bruce W GRAHAM. Liberal member for St George NSW
Harrison	Eric J HARRISON, Vice-President of the Executive Council, Minister for Defence Production
Hasluck	Paul M HASLUCK, Minister for Territories
Healy	James HEALY, General Secretary Waterside Workers Federation
Heyes	Sir Tasman H HEYES, Secretary Department of Immigration
Holt	Harold E HOLT, Minister for Labour and National Service, and Minister for Immigration
Kent Hughes	Wilfred S KENT-HUGHES, Minister for the Interior and Minister for Works and Housing
Kirby	Richard C KIRBY, Judge Commonwealth Arbitration Court
Khan	Liquat Ali KHAN, Prime Minister of Pakistan
McBride	Philip A McBRIDE, Minister for Defence
McEwen	John McEWEN, Minister for Commerce and Agriculture
McGovern	Patrick S McGOVERN, Commissioner of Taxation
McLeay	George McLEAY, Minister for Shipping and Transport
McMahon	William McMAHON, Minister for the Navy and Minister for Air
Melville	Sir Leslie G MELVILLE, Assistant Governor Commonwealth Bank

Menzies	Robert G MENZIES, Prime Minister
Monk	Albert E MONK, Permanent President, Australian Council of Trade Unions
Nicholas	H S NICHOLAS, wrote report on Remuneration of Parliamentarians
O'Sullivan	Neil O'SULLIVAN, Minister for Trade and Customs, Leader of the Government in the Senate
Page	Earle C PAGE, Minister for Health
Schwarz	Sir Reginald W SCHWARZ, Liberal member for Darling Downs Queensland
Sellars	SELLARS, Manager South Clifton coal mine
Senanayake	D SENANAYAKE, Prime Minister of Sri Lanka
Spender	Sir Percy C SPENDER, Ambassador to the USA
Spicer	John A SPICER, Attorney-General and Senator
Spooner	William H SPOONER, Minister for National Development
Stewart	STEWART, proposed ABC Board member
Townley	Athol G TOWNLEY, Minister for Social Services
Ward	Edward J WARD, ALP member for East Sydney
Weigall	WEIGALL, Manager flax plantation

## Abbreviations and symbols

Abbreviation/symbol	Interpretation
%	per cent
&	and
►	yes, ok
∴	therefore
>	greater than
?	unable to transcribe
[...]	crossed out text unintelligible
£	pound
A/a	Australia
a/c	account or aircraft
A/n/s	Australian/s
abo	aboriginal
abt.	about
accdgly	accordingly
acceptce	acceptance
accomdn, accommodn, accm or accom	accommodation
accompanyg	accompanying
acquisn	acquisition
actg	acting
ACTU	Australian Council of Trade Unions
adeqt	adequate
adjournt	adjournment
adjust	adjustment
affectg	affecting
AG/s	Attorney General/s
agmt or agreemt	agreement
agric	agricultural or agriculture
alleg	alleging
allocns	allocations
altho'	although
alumn	aluminium
Am	American
amt	amount
announcet	announcement
ANZAM	Australia, New Zealand and Malaysia
app'd	approved

appro	appropriate
approprn	appropriation
apptd	appointed
arbitrn or arbitn	arbitration
arrangt/s	arrangement/s
Art	article
askg	asking
assistce	assistance
assumg	assuming
Aust	Australia
avail	available
backg	backing
bankg or bkg	banking
BCOF	British Commonwealth Occupation Force
bd	board
BHP	Broken Hill Proprietary
bk	bank
blessg	blessing
borrowg	borrowing
Br	British
budgety	budgetary
buildg	building
buyg	buying
C	commission
C&A	Dept. of Commerce and Agriculture
c/w or c/wealth	commonwealth
cabt or cab	cabinet
Cba	Canberra
ceilg	ceiling
cfce	conference
circs	circumstances
cld	could
Co/s or coy/s	company/s
Com	Communist
commitment/s or commitmt/s	commitment/s
Comn	Commonwealth
condn	condition
conseqcs	consequences
consid	consider



considern	consideration
constitnl	constitutional
constructg	constructing
consultn	consultation
contractg	contracting
contribn	contribution
co-opern	co-operation
council	council
countg	counting
CRTS	Commonwealth Reconstruction Training Scheme
ctee	committee
d	penny or pence
deducn	deduction
def prep	defence preparation
defermt	deferment
deprecn	depreciation
dept	department
deptl	departmental
deservg	deserving
developl	developmental
developt	development
diffce	difference
discrimn	discrimination
discrimy	discriminatory
discussg	discussing
divn/s or divis	division/s
econc	economic
embarrasst	embarrassment
endorsemnt	endorsement
enterg	entering
entertaint	entertainment
equipt	equipment
esp or espec	especially
espec.	especially
establisht	establishment
examn	examination
existg	existing
expressg	expressing
expt	export
extracn or extractn	extraction

fabricatg	fabricating
fallg	falling
fencg	fencing
fightg	fighting
financg	financing
findg	finding
GATT	General Agreement on Tariffs and Trade
gds	goods
gettg	getting
Gov Gen	Governor General
govt.	government
havg	having
hearg	hearing
holdg	holding
housg	housing
i/state	interstate
IBRD	International Bank for Reconstruction and Development
ie.	that is
IMF	International Monetary Fund
immed	immediate
immedly	immediately
implemtn	implementation
implent	implement
implicns	implications
imposs	impossible
impt/s	import/s or importation/s
includg	including
increasg	increasing
indy	industry
institutg	instituting
interpretg	interpreting
investign	investigation
investmnt	investment
Is	island
Jany	January
JCB	Joint Coal Board
justificn	justification
keepg	keeping
KH	Kent Hughes
knowg	knowing

legisl	legislation
lge	large
limitg	limiting
lookg	looking
m	must
m. or mil	million
M.E. or M. East	Middle East
machy	machinery
makg	making
manufre	manufacture
max	maximum
McB	McBride
McE	McEwen
McL	McLeay
McM	McMahon
meetg	meeting
Melb.	Melbourne
min	minister
modifn	modification
mtg/s	meeting/s
Mth/s.or mos	month/s
N	north
N.S.W	New South Wales
natl	national
necy	necessary
needg	needing
negotn/s	negotiation/s
NG	New Guinea
NSRB	National Security Resources Board
NT	Northern Territory
o/seas	overseas
o/wise	otherwise
opposn.	opposition
organism	organisation
orig	original
P.M.	Prime Minister
para	paragraph
parlt	parliament
partic	particular
particly	particularly

Pdcn, prod, produc or pdn.	production
plantg	planting
PMG	post master general
posn	position
poss	possible
ppty	property
prepn	preparation
pressg	pressing
probs	problems
proceedgs	proceedings
produsg	producing
propn	proposition
providg	providing
psycho	psychological
pt/s	point/s
pwr/s	power/s
Qld, Q'land or Q	Queensland
qu	question
qualifyg	qualifying
questiong	questioning
RAAF	Royal Australian Air Force
RAF	Royal Air Force
readg/s	reading/s
rebuildg	rebuilding
recn/s or recommendn/s	recommendation/s
reducn	reduction
relaxg	relaxing
relaxn	relaxation
relevt	relevant
repaymt	repayment
reps	representatives
reqt	requirement or request?? check
reqt/s	request/s
respsblty	responsibility
resumpn	resumption
rulg	ruling
S&T	Dept. of Shipping and Transport
SA	South Australia

savg	saving
secretg	?check page 10
septe	separate
servt/s	servant/s
settg	setting
shd or shld	should
shippg	shipping
somethg/s	something/s
stabilisn or stab	stabilisation
standg	standing
startg	starting
statemt	statement
sth	south
suffict	sufficient
suggestg	suggesting
supptd	supported
T	Territories
takg	taking
talkg	talking
Tas	Tasmania
Territ	Territories
tho or tho'	though
Thur.	Thursday
tradg	trading
transpt	transport
treasy or Ty	Treasury
treatmt	treatment
UK.	United Kingdom
UN	United Nations
understandg	understanding
UNESCO	United Nations Educational Scientific and Cultural Organisation
US.	United States of America
v	very
Vic or Vict	Victoria
votg	voting
w	with
W&H	Dept. Of Works and Housing
WA	Western Australia
w/in	within
w/o or with/o	without

warrantg	warranting
wht	wheat
wld.	would
workg	working
yr or yrs	year/s