

Legislative Council

Thursday, 11 November, 1976

Question without Notice—Energy Authority Bill (second reading)—Conveyancing (Amendment) Bill (first reading)—Special Adjournment.

The President took the chair at 2.28 p.m.

The Prayer was read.

QUESTION WITHOUT NOTICE

SYDNEY CHURCH OF ENGLAND GIRLS GRAMMAR SCHOOL

The Hon. F. M. MacDIARMID: My question without notice is directed to the Vice-President of the Executive Council and Minister for Planning and Environment. Is the Minister aware that one of the State's private schools, Sydney Church of England Girls Grammar School at Darlinghurst, is in dire financial difficulties? Is it a fact that the school has a fine academic record and that therefore it would be a tragedy if it were to close? Will the Government give consideration to a course of action whereby it will guarantee a loan raised by the school, as distinct from a direct financial contribution? Is it a fact also that the Government from time to time has provided loans for leagues clubs and other institutions to enable them to continue to remain viable? If that is a fact, would it not be in the interests of the community for such a great school to survive?

The Hon. D. P. LANDA: I have heard of the threatened closure of SCEGGS at Darlinghurst. The matter was raised last night by the Hon. H. J. A. Sullivan in the debate on the Appropriation Bill. I know that the Minister for Education is looking into the matter at the present time. It would be wrong for me at this stage to pre-empt any decision that the Minister for Education might make. I shall take up with him the suggestion by the Hon. F. M. MacDiarmid of a loan of the type mentioned and I shall advise the honourable member of the Minister's reaction.

ENERGY AUTHORITY BILL

Suspension of Standing Orders

Suspension of certain standing orders agreed to on motion by the Hon. D. P. Landa.

Second Reading

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [2.34]: I move:

That this bill be now read a second time.

The measure constitutes the Energy Authority of New South Wales. The energy developments over the past few years have made it essential that there be available to the Government comprehensive advice on all aspects of energy. These matters have, for the past seven years, been within the study of the energy advisory committee of the Department of Mines. That committee comprises six members representing that department, the Department of Decentralisation and Development, the Treasury, the Electricity Commission and the Electricity Authority. Its function has been to advise the Government on new fuels and on changing patterns in the supply and use of existing ones. It has no statutory powers or functions and is inadequate to provide comprehensive advice and carry out the investigations and works which the State requires. No common approach exists between the States on energy matters.

The Australian Government has indicated for some time that it is considering setting up a national energy body to look at the requirements of Australia. At present it has not done so. Other Australian States have taken, in varying degrees, action to meet the energy problems that confront them. Western Australia by the Fuel, Energy and Power Resources Act, 1970–1975, set up that State's Energy Commission. That Act contains provisions for the conservation and use of present and future sources and supplies of fuels, energy and power to that State. In South Australia an *ad hoc* committee operates. In Victoria the Fuel and Power Act, 1965, established the Ministry of Fuel and Power. Queensland has the Energy Resource Council whose function is to advise the Minister for Mines on energy matters. In Tasmania there have been no moves for energy co-operation, because of the dominance of hydro-electricity.

Those States, like ourselves, must ensure adequate sources of energy for community needs. For this we need a specialized body that can investigate our energy resources, their location, development and distribution. It must be able to give professional advice, of the highest calibre, to the Government to support its planning programmes. As I have mentioned, in this State we only have a committee with no statutory powers or functions to do so.

For three years the previous State Government tinkered with the idea of setting up an authority. As a preliminary it set up a formal inquiry to look into the question. Although that inquiry did a tremendous amount of work, its terms of reference were not properly worked out. It was sidetracked on to the issue of electricity amalgamation and rationalization of tariffs—something that should be considered after, not before, an authority was set up. Nothing came of its work as the Government shelved the matter.

We only have to look at some of the statistics that the Minister for Mines and Minister for Energy has set out in another place to realize we have on our hands a problem that no government can responsibly ignore. The Minister drew on statistics furnished by the Joint Coal Board in its report of 1975–76. The board said that the consumption of New South Wales coal within Australia is expected to total 20 900 000 tonnes in 1975–76. By 1979–80 consumption is expected to rise to 26 200 000 tonnes. Coal provides 33 per cent of energy used in New South Wales; petroleum 39.1 per cent; electricity 9.5 per cent and gas 1.4 per cent.

The Minister said that the Electricity Commission will need to be generating approximately 6 660 megawatts by 1979. The figure is expected to rise to 7 900 megawatts by 1986. The figures are symptomatic of the huge energy requirements this

State will face in future. Out of interest I mention some statistics for Australia. Australia's main use in energy is oil, which occupies 50 per cent of the market. This is followed by coal which occupies 40 per cent, natural gas 5 per cent, bagasse 2 per cent, hydro-electricity a little less than 2 per cent and wood a little more than 1 per cent.

The advantages over other States that this State's enormous coal resources have given it in the past are diminishing. In the past decade New South Wales has shared only marginally in the discovery of additional Australian primary energy sources. On present evidence it does not appear to have a significant prospect of finding oil or natural gas in major quantities. It has nevertheless the highest energy use per *capita* among the major Australian States. It has a compelling need to ensure that its energy resources are properly managed and its energy needs are effectively met. The Government is setting up the Energy Authority to do so.

The authority will have six part-time members. Its chairman will be the chairman of the Electricity Commission of New South Wales. The chairman of the Electricity Authority and the under secretary of the Department of Mines will also be members. These are the statutory members of the authority and they do not need any formal appointment. Three other members, who are called the appointed members, will be nominated by the Minister and appointed by the Governor. Two of these persons will require, respectively, a special knowledge of the oil industry and a special knowledge of the gaseous fuel industry. The sixth member of the authority will be appointed from the Labour Council of New South Wales.

In outlining the composition of the board, the Minister indicated that in the initial stages the Energy Authority would be drawing on the expertise of the Electricity Commission. He said the wide use and extensive distribution of electricity throughout the State made it desirable for him to have as members of the authority the chairman of the Electricity Commission and the chairman of the Electricity Authority. The Under Secretary of Mines has been chosen as a member because he represents that department's recognized experience in mining matters ranging over coal and metal-liferous minerals. He has the support of a technical staff comprising geologists, geophysicists, chemists, mining engineers and inspectors associated with energy fuels. The Department of Mines also has a bank of knowledge on the occurrence of minerals available within the State. These valuable contributions to the workings of the authority are all available through the under secretary of the Department of Mines. In its selection of members the Government has been anxious to secure expert advice on the principal forms of energy now in use in this State. This has been achieved by drawing upon persons with a knowledge of electricity, oil, gas and coal and other minerals.

The remaining member of the authority is from the Labor Council of New South Wales. That council is the State equivalent of the Australian Council of Trade Unions and is the spokesman for a strong and responsible trade-union body. The work force, as represented by the Labor Council of New South Wales, is the major industrial factor in industry. The Government considers therefore that the council should be represented on the Energy Authority.

I move on now to some general comments on the internal workings of the authority. Appointed members will hold office for a term of up to four years and will be eligible for re-appointment. They will not be public servants. Where an appointed member is absent the Minister may appoint a substitute to act for him. The authority will have a deputy chairman and, in the absence of the chairman, he will take over as chairman of the authority. The day-to-day activities of the authority

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will be catered for by a full-time executive officer and such other employees as may be necessary to enable it to perform its functions efficiently. These other persons will be employed under the Public Service Act.

The authority, which will be a body representing the Crown, will be entitled to use the employees and facilities of other departments. It will be entitled to employ persons or bodies capable of providing service and advice. It will make use, where appropriate, of specialized energy consultants. It will be necessary for such a body to establish close connections with private enterprise and acquire a pool of integrated energy data to support government planning.

The functions and powers of the authority are contained in clause 12 and 13. I shall run through the principal ones. The authority will carry out investigations and plan the location, development, extraction, provision, transportation, distribution, conservation and utilization of energy and energy resources. It will assist and advise the Government on energy matters. It will be able to acquire and dispose of energy and energy resources or operations connected with locating, developing, extracting and distributing energy. It will carry out tests, surveys and exploration for the purposes of its functions. The authority will undertake the evaluation of the future demands for energy and energy resources within the State and the capacity of the State to meet those demands, whether from internal resources or otherwise. It will be co-operating in major studies being undertaken into such matters as solar energy as an alternative power source.

Some experts have predicted that solar energy could, by the end of the century, be an important asset in Australia's primary energy reserves if it is given adequate support early enough. There has been considerable speculation also about the possibility of manufacturing oil products from coal. The process makes heavy oil from the coal and then "lightens" the heavy oil into marketable oil products by chemically adding hydrogen in various proportions. This latter process is called hydrogenation.

The Department of Mines has established a coal project committee to study the possibility of a coal-to-oil plant. Also, the Joint Coal Board, in association with the Queensland Coal Board, is conducting a survey of Australian black coals which have potential for conversion to liquid or gaseous hydrocarbons. The authority would consider these and other energy possibilities. It would obtain a lot of data from bodies such as the Electricity Commission of New South Wales, the Atomic Energy Commission, the Joint Coal Board, the Commonwealth Scientific and Industrial Research Organization and other organizations. It would be co-operating and associating with Commonwealth authorities in the planning and co-ordination of policies related to energy and energy resources.

Energy is a national subject. New South Wales cannot work out its energy requirements in isolation. The Minister for Mines and Minister for Energy has, in another place, given details of the Government's proposal for a substantial energy exchange of gas and electricity between New South Wales and Victoria. The Minister has mentioned that the Government is looking into the question of the feasibility of constructing a pipeline, by means of the energy authority, from Albury to Wagga Wagga. The initial estimate the Government has of its cost is \$10 million. Its feasibility is being considered. Such a scheme would, of course, require the concurrence of the Victorian Government and the Gas and Fuel Corporation of that State, as it would involve tapping Wagga Wagga into the gasfields of Bass Strait. This scheme, if it could be realized, would mean that natural gas from Bass Strait would have the potential of being made available in New South Wales as an alternative, or possibly as complementary, to gas from Moomba to Sydney.

For its part, New South Wales would be considering assisting Victoria with additional electricity supplies. Because of delays to the Victorian peak load power station at Newport, there is expected to be a power shortage in Victoria commencing in about 1979. The Minister for Mines and Minister for Energy has announced that he recently approved a further electrical interconnection between the two States. The New South Wales Electricity Commission will build a 330 000-volt line from Wagga Wagga to a new substation at Jindera, near Albury, and will extend the 330 000-volt system to the Victorian border. This additional interconnection is scheduled to be completed by 1979 and will increase the peak load transmission capacity to Victoria by something like 200 megawatts—to a total of about 350 megawatts. It will provide New South Wales with an opportunity to give some measure of additional help.

The development of the Snowy Mountains scheme gave rise to the electrical interconnection of New South Wales and Victoria at 330 000 volts. This interconnected electrical system extends 800 miles from the major power station in Liddell to the brown coalfields and power stations at Hazelwood and Yallourn in Victoria. It is unusual even by world standards, and is a tremendous example of co-operation. The existence of the interconnection has permitted limited exchanges of energy between the systems of the two States, particularly at off-peak times. The Minister has said that he will be relying on the Energy Authority to formulate the means by which this State's great coal resources and power generating capacity can come together, in a method of common assistance, with the natural gas supply from Victoria.

The Government has been compelled to look at the construction of a pipeline from Albury because of the failure by the Australian Gas Light Company to honour its obligations to bring natural gas to country areas. The Minister has outlined the long and detailed history of this matter which I do not intend to canvass, except in its essential aspects, as I think the House should be made aware of the principal difficulties standing in the way of supplying country areas with natural gas.

In May, 1971, the Australian Gas Light Company reached an agreement with Delhi-Santos and various associated companies to take in South Australia specified quantities of gas over a period of thirty years. It contracted with those producers to construct a pipeline from South Australia to Sydney for the conveyance of gas purchased by it for sale or distribution in the Sydney region. In that same year the New South Wales Liberal Government told AGL it would be an express condition of any pipeline licence issued to it, under the State Pipelines Act, 1967, that the company would have to construct certain country lateral pipelines at the same time as the main trunk route. These laterals, which the Government specified in writing, were from Mittagong to Wollongong and Port Kembla; from Sydney to Newcastle; from Young to Cootamundra, Wagga Wagga and Albury-Wodonga; from Young to Cowra, Bathurst and Orange; and from Yass to Canberra and Queanbeyan. AGL gave a verbal undertaking to the State Government that it would build laterals to Wagga Wagga, Cootamundra, Cowra, Bathurst, Orange, Lithgow and Newcastle in conjunction with the main pipeline.

In 1973, before any operations were authorized under the State Act, the Australian Government constituted the Pipeline Authority. On 17th May, 1974, the Pipeline Authority entered into an agreement with AGL whereby it stood in the shoes of the company for the purpose of constructing the natural gas pipeline from Moomba, in South Australia, to Wilton near Bowral, in New South Wales. Under that agreement the Pipeline Authority undertook to construct the laterals "as soon as practicable". Clause 26 of the agreement expressly states that the Pipeline Authority will do so for the purpose of enabling AGL to fulfil the obligations, which prior to

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the agreement the Government of New South Wales had imposed upon it, to supply natural gas to the cities and towns of Orange, Bathurst, Lithgow, Cootamundra, Cowra and Wagga Wagga.

The critical feature in this whole debacle is that this State cannot enforce the agreement. It cannot do so because the **State** Liberal Government did not make itself a party to it. The Minister for Mines and Minister for Energy has indicated that this matter, which is of so much importance to the nation, has reached a stalemate. He **wrote** some months ago to the Minister for National Resources for assistance but received a reply on only the 2nd of this month. The Acting Minister for National Resources told him that **the** Pipeline Authority would not be starting work on the laterals until the Australian Gas Light **Company** gave an assurance regarding repayment of the cost of the laterals. AGL has **not** given that assurance. In that letter the Acting Minister said the problem was one for the State Government and AGL to resolve; in other words, it has off-loaded this national issue to the State. This is why the Government has, through the Energy Authority, been given the means by which gas may be brought to areas of the State where it is needed.

The Premier, in the rural policy statement he gave as Leader of the Opposition in **April**, 1976, gave an undertaking that this Government would act to protect the interests of the city and country people of this State by securing to them a supply of natural gas. The Government, in forming this energy body, is taking the initiative to fulfil the commission given to it by the electors of this State.

I shall now move to other aspects of the measure. Clause 38 vests in the authority the power of entry onto land and property, other than dwelling houses, for the purpose of enabling the authority to exercise and perform its functions. To enable it to carry out investigations into the State's energy resources, the authority must be given appropriate power to make inspections, tests, investigations, surveys and exploration as may be appropriate. The authority is a government body, and these powers will be exercised reasonably and appropriately. It is **required** to give notice to the owner or occupier of land of its intention to exercise its powers of entry. It must fully compensate any person who suffers damage in the course of the exercise of that power. The authority is being given power to obtain information by way of inquiries, investigations or more informally by notices directed to persons who may be in a position to furnish the information it needs.

The activities of the authority will be financed from moneys appropriated by Parliament and as may be supplemented by any trading activity it may undertake. The authority will be governed by the normal requirements relating to the keeping of proper books of account and records in relation to its operation. The Minister will be required to lay the statement of accounts before each House of Parliament as soon as practicable after its receipt by him. The accounts of the authority will be audited by the Auditor-General, and the Audit Act, 1902, will apply to the members and officers and employees of the authority.

The authority may invest moneys held by it in various securities, including **securities** of the Commonwealth or of the State of New South Wales. It may, with the concurrence of the Treasurer, borrow money for the purpose of its functions. Schedule 3 contains detailed provisions relating to loans. These loan provisions are standard and they cover reserves for repayments, the issue of debentures, loans, inscribed stock, payments of debentures and the raising of loans.

Under clause 14 of the bill the authority may, for the purposes of the bill, acquire land by lease, purchase **or** exchange or by resumption or appropriation. This right is essential to it if it is **effectively** to maintain and operate **undertakings** and

promote and co-ordinate the location, development, extraction and conservation of our energy resources. Resumption or appropriation would be carried out under the Public Works Act, 1912. A resumption or appropriation is deemed to be an authorized work under that Act, and the authority is deemed to be the constructing authority. In schedule 2 are set out the standard modifications to the Public Works Act.

The remaining items I now wish to consider in some detail are the provisions that govern the exercise, by the Governor and Minister, of the emergency powers contained in part VI of the bill. This part binds the Crown. It does so to ensure that all persons and instrumentalities, regardless of their nature, know that they must comply with emergency arrangements. The Government, in formulating the emergency powers, has taken the opportunity to bring together in one Act a legislative scheme to govern, in emergencies, the sale, supply, use and consumption of all forms of energy or energy resources. I wish to stress, as the Minister for Mines and Minister for Energy has done in another place, that the provisions of the bill in no way affect the powers exercisable under the State Emergency Service and Civil Defence Act, 1972. That Act is concerned with the separate question of emergencies arising from natural disasters such as floods, fires and cyclones.

The emergency powers under the bill follow the basic formula that has worked satisfactorily under the Gas and Electricity Act, 1935. Where the Governor considers that a shortage is developing of a particular energy resource and that it is becoming insufficient for the needs of the community, he can by proclamation, in regard to that resource, make exercisable the emergency power to make regulations set out in clause 32. These regulations can specifically control or restrict, in regard to the particular energy resource in short supply, its sale, supply, use or consumption. They can be made generally or for a specified purpose. If necessary the regulations can authorize the Energy Authority, or a person specified in them, to exercise such functions as appear to the Governor to be expedient. These functions can extend to the control, direction, restriction or prohibition of the sale, supply, use or consumption of the energy resource. Under those regulations the authority, or the specified person, can be given power to issue directions to persons holding the resource. These directions can govern the manner in which that person extracts, provides, transports or distributes the energy resource.

These regulations may be made so as to operate throughout the whole State or any specified part of it. They may authorize a person to enter any land, building or structure or to take possession of property used in connection with the extraction, provision, transportation or distribution of energy. Any order or direction issued under a regulation would be published in the *Gazette* if it had general operation, or would be served on the relevant party if it had limited operation. A regulation and any order or direction issued under it would remain in force until the proclamation was revoked. The Government would ensure that any emergency scheme had wide publicity.

The Minister for Mines and Minister for Energy has indicated that experience has shown that this type of scheme is particularly suited to resources such as gas and electricity, the supplies of which in an emergency take some time to run low. He has indicated however, that for other fuels such as petrol and oil, interim emergency powers must be available pending the drawing up of suitable regulations under clause 32. This interim emergency scheme is contained in clause 33, and it applies to energy resources other than gas or electricity. In essential respects it is a truncated version of the scheme I have outlined, only in this case the powers are exercisable directly by the Minister following the issue of an emergency order by the Governor. Should the Governor consider that the available supply of a form of energy resource is becoming insufficient for the reasonable requirements of the community and that an emergency situation exists, or

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is likely to exist, he may by order in writing declare that a state of emergency exists. This declaration may apply either to the whole State or to a specified part of it. Such an order takes effect from the making of it or from a later date specified in the order. The order can only remain in effect for seven days, though additional orders can be made.

Where such an order is operating the Minister may, by notice in writing, give directions relating to the control, restriction or prohibition of the sale, supply, use or consumption of the energy resource in short supply. He may direct a person who extracts, provides, transports or distributes it, to do so in a specified manner. These directions, like the regulations to which I have previously referred, may apply throughout the State or a specified part of it. They may be of general operation or limited to times, places or circumstances.

The Minister, in an emergency situation, may authorize persons to enter land, buildings or structures used in connection with the extraction, provision, transportation or distribution of the energy resources. Persons who fail to comply with directions issued by him are liable to a penalty of \$1,000 and their supply of the resource may be discontinued. These emergency provisions supersede the existing provisions of the gas and electricity Act and the Electricity Commission Act.

The Government is satisfied that these emergency provisions will act equitably in the interests of the community. It also regards the overall legislative proposal to set up an authority as one that must be endorsed if **the community is** to have a **chance** of meeting its future energy needs. I commend this bill for the complete support of honourable members.

The Hon. S. L. M. ESKELL [2.58]: I thank the Minister for giving to the House a detailed exposition and explanation of the bill, which is probably one of the most important pieces of legislation considered by this Chamber for some time. The subject-matter of the bill involves the lifeblood of any country, economy or civilization that has any pretence of being developed, civilized, industrialized, and designed for the welfare of its people, especially if its people are less organized and equipped to cope with the problems of life, particularly in the third world.

The Minister, in his haste to get this important matter before this Chamber, has had little time to expound on this aspect of the Energy Authority and how this measure will affect that facet of the authority's powers. Although there might be some urgency associated with the passage of this measure, having in mind its emergency powers, I do not believe that this House should go so fast that it will not properly consider the meaning of the legislation and what it is proposed to do. Indeed, it is important for honourable members and the people now and in the future to **realize** what this particular legislation means.

I for one believe that energy, and what it represents to the little man in this community, is beyond any doubt more important than the conditions and operations **within** a union, and particularly the conditions and operations affecting the underprivileged **sections** of the community. I say that because energy is the lifeblood of the **world**.

It so happens that Australia is in an unusual position. It is the largest island continent in the **world**. It is one of the driest pieces of land in the world. We believe **that** we have large coal **deposits** and other energy resources. Known coal deposits in Australia represent only 2.4 per cent of the world's known coal resources. The Hon. Sir Edward Warren, who has been associated with one of the great energy undertakings in this country, a man **internationally** acclaimed for his contribution to coal and energy

development, knows that, although Australia has thousands of millions of tonnes of **coal**, compared with **Russia**, America and other countries our **resources** are infinitesimal.

We must study the world's energy needs and do more than merely push through legislation such as this. This **bill** is one of the most **important** measures affecting the future of the working people of this country that has ever come before this Parliament. I only wish that the federal Government would adopt the same attitude towards energy as is displayed by both sides of this House in support of this legislation, which is designed for the welfare and betterment of future Australians. The federal Government has not properly grasped the problem of energy and the future. I refer not just to the present Australian Government but to the **Labor** Government before it and the Liberal-Country party coalition governments before that. None of those governments comprehended the real problem of energy or the crisis that is confronting the world. Despite what we hear to the contrary there is a crisis. That crisis will probably confront us and certainly will confront our children.

All over the world energy sources are running out. I have heard people say that that is nonsense. They suggest that solar energy is just round the corner and that once that is bridled the whole problem will be solved, **particularly** in Australia where there is so much **sunshine**. They say that soon nuclear energy, **geothermal** energy, tidal energy, hydro energy and coal energy will not be needed. That is not the true position, particularly in those parts of the world where energy resources are few or even non-existent. God has been unkind to many countries. Everywhere that white man lives and in every country where English-speaking people live there are adequate reserves of energy.

Where is all the coal? Certainly it is not in Asia and it is not in the **black**-populated parts of South Africa. Coal is found only in those areas where people seem to have most of everything. The principal deposits of coal are in Russia, Germany, Canada, the United States of America, Australia and the white-populated parts of South Africa. That is unfair; nevertheless it is the way it is. Where are the principal uranium deposits? They are found in Canada, the United States of America, Russia, Australia, South Africa and perhaps in Chile and Brazil, though commercial deposits have not yet been confirmed there. But, where people need energy to sustain life even at the terribly low level that they now suffer, there are no known resources.

In considering this measure we must look at some of the clauses that have been included as administrative requirements. Do we need six part-time **commissioners** and, if so, do we need A, B, and C and so on? It has all been worked out that we must have someone who has a knowledge of electricity, someone from the **Labor** Council of New South Wales, and so on. I should want representatives from industry and the **Labor** Council represented on the proposed authority but I cannot agree that the suggested make-up will achieve the basic aim for which this bill should strive. When we look to the future of Australia and New South Wales we must do **so** thoughtfully and determine what should be looked at and who should be looked for. The composition of such an important authority needs careful consideration.

Some of the greatest dreams of men have occurred in Australia, particularly among men of government. I should say that one of the great dreams of my time was that of the Hon. E. G. Whitlam who, when he made his move to be Prime Minister of Australia, put forward a wonderful prognosis and gained a mandate for it. I thought his speech at that time was one of the most stirring and best-sounding addresses I had ever heard. He sought to create a new concept and succeeded in doing so. I do not say that I agreed with his concept but it was put forward and presented to the people in a way that caught their imagination. It was his dream and the people elected him to

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a position to go ahead with his vision splendid. However, when he was called upon to allocate portfolios to various Ministers, he gave the energy portfolio to the Hon. Rex Francis Xavier Connor.

The Hon. R. F. X. Connor became responsible for the administration of mining, minerals and energy. In turn, he had his dream about that administration and formed the Petroleum Minerals Authority. That was a concept which in many ways bore similarity to the legislation now under consideration. It is my belief that Rex Connor did more for the coal mining industry than most other Ministers had done during the previous thirty years, in terms of forcing the price of that commodity up by taking a stand at the right time and fighting for what he saw was right for the coal industry and for Australia. I believe that members from both sides of the House would know what I am talking about and many of them would agree with me. The Hon. R. F. X. Connor is and was a great protectionist of Australian resources. He said that the stuff in the ground in Australia belonged to the people of Australia.

The Hon. D. P. Landa: His view was a bit different from that of the Rt Hon. J. D. Anthony.

The Hon. S. L. M. ESKELL: Different, yes, but I ask the Minister to listen to the way I shall deal with that difference. I shall come to the Rt Hon. J. D. Anthony in due course. The concept held by the Hon. R. F. X. Connor was good. A friend of mine was a company commander in the United States army. He was instructed to take prisoner a Japanese soldier. It was hard to take Japanese as prisoners because of their attitude to war and to being captured. However, he did capture a Japanese and he put the prisoner in charge of a soldier who was told to sit the prisoner down and keep him quiet. This soldier was of Indian descent and came from the State of Washington where there are many pure-blood American Indians. He did what he was told and sat the prisoner down and kept him quiet—in the way an Indian would have done it. When my friend the company commander next saw the prisoner he was sitting down but his throat had been slit. That is the sort of thing the Hon. R. F. X. Connor did. He was one of the Labor Prime Minister's Indians. This sort of thing sometimes happens. The Hon. R. F. X. Connor had a great concept and did a lot for the coal industry and the iron ore industry. However, he tried to go one step further, to oust foreign ownership from holding interests in Australian mineral deposits.

His concept was a good one but merely by stating it he caused foreign money to cease coming into Australia. Whether honourable members like it or not, the fact is that about 42 per cent of manufactured materials in the world end up in the United States. Of all the energy used in the world today 40 per cent is used in the United States of America. For all manufacturing in Australia the basic scheme, method and skill for it comes from the United States of America, England, Germany, France, Sweden, Finland and other places. If Australia can use technology from all over the world and buy the skills necessary to make Australia an industrialized country with skilled workers in Australia getting jobs to make Australia better and bigger and to make the standard of living higher and our civilization better, God bless it. Honourable members should not expect to get all those skills, technology and money by Australia saying to those concerned that she wants their skills and money but, when a certain point is reached, slams the door on their fingers and says it does not need them any more.

That grand scheme was spoilt by the Hon. R. F. X. Connor when he slammed the door on the fingers of people overseas. From that point in time the dream went down the drain. I do not want that to happen with this measure. It is a great concept

and it will be supported by every honourable member but we can make a mistake by so gearing the legislation that it slams the door on the fingers of the Australian Gas Light Company, oil companies and others. Do not think that I am a spokesman for the Australian Gas Light Company or the oil companies. I do not know them. I do not want to know them. They have nothing to do with me or I with them.

The Hon. D. P. Landa: If you talk like that you soon will.

The Hon. S. L. M. ESKELL: They might even give me some gas. Honourable members may not like what the Australian Gas Light Company has done. I certainly do not like it. Honourable members may not like the Australian Gas Light Company for saying that it would proceed along a certain line and then decided that it would not. I do not like that but if the door is slammed on the company and an effort is made to make the bill punitive or acquisitive—in effect to act like the Indian I mentioned earlier who used his knife for a certain purpose—that will frighten off the Australian Gas Light Company and others who want to invest money in this great State. All honourable members know what will make the State **greater**—

The Hon. D. P. Landa: Standard Oil?

The Hon. S. L. M. ESKELL: Maybe, but I want German, French and English people and their ideas. More industry will be created in that way and more unionists will be employed. The things that create jobs are money, ideas and people **from** overseas. Surely we should not slam the **door** on their fingers by putting acquisitive clauses in this bill. In concept the bill is grand so let us not mess it up. I have the greatest regard for the Hon. P. D. Hills. I heard **him** in **the** other place some nights ago and I could see that he was filled with **honesty** and sincerity. The amendments that we will suggest in Committee should be helpful to the State and the Government. I do not want to become controversial and have it suggested that we support the Australian Gas Light Company. To hell with the gas company and the oil companies. **My** interest and that of Government members is **to** have a greater New South Wales with jobs, strength, civilized thoughts and a proper way of doing things. Do not let us frighten investment away. Let us make the State what it should be.

I shall deal now with the composition of the proposed authority. It should consist of people connected with the production of electricity, **people** who have knowledge of nuclear energy and people who are interested in **coalmining**. No representative of the coal industry is on the proposed authority. Why not? **Why not** have somebody who knows something about fossil fuels? Why can we not have on the authority someone from the coal industry who knows about the basic **fuel** that makes our electricity? God bless him for the next thirty and many more years. The oil companies supply 50 per cent of Australia's energy requirements. It has been said by the Standard Oil **Company**, New Jersey, that by the year 1995 it will not be selling **gasoline** at **petrol** stations in the United States of America. **This** is 1976. The Standard Oil Company says that gasoline will be used for other purposes such as to **extract** hydrocarbons, **not** to run **motor** cars. **It** will not be used for generating power; it will just not be available. Even if you could get it then, at what price would it be available? Triple or quadruple the present price? If the sources of 50 per cent of Australia's energy needs are to vanish in twenty years' time what will happen then? If a representative from the Electricity Commission of New South Wales were present he would say that the lead time for planning a 100-megawatt generating station is about fifteen years. Some members opposite know, as well as I do, that material has to be ordered and it takes nine years to have the order filled. Then it takes another five years to get the **finished** article. **As** in terms of a generating station one gets a lead time for planning of about **fifteen** years, Australia must be planning now for when oil runs out, in about seven years from today.

Are we going to permit the Electricity Commission of New South Wales to advise us? I want advice on nuclear energy too; and certainly I want a representative linked with the coal industry on the authority.

The Hon. D. P. Landa: What about the Department of Mines? What does the Hon. S. L. M. Eskell think that department has been looking after for generations?

The Hon. S. L. M. ESHELL: It has had nothing to do with coal in New South Wales since the establishment of the Joint Coal Board in 1946. If the Minister wants to put someone associated with coal on the authority he should get a representative from the Joint Coal Board. Members of that board know what I am talking about and they are adept at providing information on coal resources and generation of power from coal. The Department of Mines relies on the Joint Coal Board for information on coal. The board was formed by a federal Labor Government when a State Labor Government was in office here. It was a great concept and I am all for it. It is able to advise on coal in New South Wales for it knows all about coal and the generation of power from it. Its officers know about the things I am putting to the House. If they were allowed to stand at the bar of the House those officers would be able to tell the Minister everything he wanted to know about coal and power generation from coal.

Let me talk now about nuclear power. One of Australia's leading men in thought and dedication, a man I admire, is Donald Dunstan who comes from another State down south. He believes, as I do, that his State and our State should have enrichment of uranium on site. Why should it not be done in Australia? He does not have much uranium in his State and we have none in New South Wales but we have the water and the basic fuel power needed—not nuclear power—for the establishment of a nuclear enrichment plant in New South Wales. That would increase our gross State revenue in 1990—I shall try to be conservative—by about \$14,000 million a year. The Minister might tell us what our annual gross revenue is now, but it would be nowhere near ~~that~~ figure. This is what nuclear enrichment could do for New South Wales.

The Hon. D. P. Landa: How about the capital needed?

The Hon. S. L. M. ESHELL: The capital investment needed would be about \$18,000 million. If the Government gives someone the right to establish a nuclear enrichment plant under its terms and conditions, I will find the money. Let it be established here. Let us **not** worry about what the Friends of the Earth or the **Con-**servation Foundation say. **Let** us tackle the problems of nuclear waste, look after everyone, make sure it is fail-safe and that no one gets hurt. But having done that, let us not **turn** our back on nuclear energy in this country.

The Fox report has just been published. I sat up for three hours one night reading it. It is what I would expect: it is a careful, conservative document that says we should mine uranium upon certain terms and conditions. It says that we must be sure that we can sell it; that we do not bum anyone; that we do not harm anyone; that we do not harm ourselves; that we should be careful about waste; that we should be sure it does not get into the wrong hands; that Idi Amin must not get it. But it says we should mine it nevertheless. People have said that it gives the green light, the amber light, the red light—all those things—but it states that Australia possesses 25 per cent of known nuclear energy in the world. It is under the ground here in Australia now. I should have thought it was more like 50 per cent but I accept that it is 25 per cent. That is worth untold thousands of millions of dollars.

I spent last Saturday at Macquarie University listening to Professor Ehrlich. He told **us** that we should not mine uranium. He is a world expert on the environment and ecology, a professor of **Stanford** University. I had lunch with **him** and talked **with** him; I liked **him**, he has a **mind** as quick as a whip. He said: "Why mine the uranium now? Leave it in the ground. It will **still** be **there** in twenty-five years' **time** and then it will be worth ten times what it is now. Don't **mine** it now; leave it alone." He made this plea during **his** address: "America, stop going ahead with nuclear energy. You have fifty-two nuclear power stations now. You want a further 109 in the next five years. Stop now. Make sure that you don't kill **people**; make sure how you dispose of your waste; make sure that you do **not allow** terrorists or **saboteurs** to get it. Until you can convince me of these **things**, leave it alone." That was the professor's theme. I put it to him that Japan is a highly industrialized nation with no oil, no nuclear energy of its own, no uranium and is **running** out of **coal**. The Japanese coal has a high sulphur content, **and** it makes sulphur dioxide and nitrous solids, which are killing about 700 people a year. I suggested that Japan might stop using that coal and use something else. He said: "If that is the situation, Australia should mine sufficient uranium to let countries like Japan have it so that their standard of living will not fall." He believed that we should keep the level of production to a minimum until we are certain that there are no problems.

Nuclear enrichment must come. Nuclear energy is coming. By 1995 there will be no oil. What about the fossil fuel, coal? If we continue to use it at the rate we are using it now throughout the world there will be no coal left by about 2020 and no natural gas by 2005. What will be **the** alternative? Fusion power, which is dependent on lithium. We have some of it in Australia and it **has** no by-products that we know of. We may have solar power. I spoke to a professor over the last few days for several hours, and a most interesting man he was, about solar energy and other matters.

I have worked at this problem because I feel it is an important one; it is something that we should not allow to go by as though it were just another piece of **legislation**. It is too important for that. This is the most important piece of legislation that I can think of. I hope that union leaders **will** understand when I say how important it is for Australia and the people whom the unions represent and the people who will be going into their unions in the future.

Another world expert on this subject is Professor J. O'Mara Bockris, who is a professor of chemistry at Flinders University in Adelaide. I spent a long time listening **to** him. He has written two books on solar energy and has just written another. He has great plans for solar energy in Australia and for the ocean just off the coast of Australia. Solar heat can be used to make hydrogen, and hydrogen can be shipped anywhere. That is power. It is a great concept, not of the style of **Jules Verne** for it is possible. A pilot plant will be built in the United States of America next year. An American offshoot of the Atomic Energy **Commission** of America is spending \$US57 million this year on research into solar energy. Last year it spent \$2 million and the year before \$1 million. Solar energy must not be ignored. There are ways of doing it—laser beams, high towers, and huge windmills with mirrors on long pipes. There is a way of tapping solar energy. Every day Australia has a 600-times better chance of getting solar energy than have most European countries. The southern hemisphere is better equipped for solar energy. If we can convert it into hydrogen we can send it to Great Britain as a source of energy. This is the Professor O'Mara Bockris concept. It is a good idea and I am for it if we can reach the advanced stage that is necessary. I say let us have solar energy instead of nuclear energy, for nuclear energy has these unknown by-product problems that Professor Ehrlich has highlighted. They must be watched very carefully.

The Hon. S. L. M. Eskell

The Fox report highlights these problems. I would not wish anyone to be put to unnecessary risk. But there is no risk in nuclear enrichment. Honourable members talk about plutonium and atom and hydrogen bombs. There are enough of these bombs and plutonium in the world to blow us all to hell and back, to the moon and back, and to the sun and back. So it does not really matter whether it gets into the hands of India, Lithuania or Australia; there would then be just a few more chances of the world being blown up. There are already sufficient bombs to blow us off the face of the earth if they are used.

When the bill is in Committee I shall be suggesting strongly to the Minister that some amendments be accepted on the composition of the authority. I believe that the Minister ought to consider someone from the coal industry and someone from the nuclear energy field. This will meet the concept of the bill. I shall be delighted if the Minister discusses this point in his reply to the second-reading debate. I referred earlier to Indians and acquisitive situations. I believe that certain provisions in this bill ruin the concept of the authority. Rightly, the Government is annoyed, irritated and indignant about the Australian Gas Light Company. Some clauses in the bill say in effect: "Let us give them a kick in the stomach. Let us take them lower if we have to. We will show them. If they do not do as we tell them, we will show them." Do not ruin the concept of this authority by putting it in there. Leave it out and if we want to deal with the Australian Gas Light Company we can do it in another way. Perhaps we can persuade its representatives to sit round the conference table and discuss what can be done to get natural gas to Wagga Wagga, Orange, Cootamundra, Lithgow, Bathurst, Newcastle and Wollongong.

I have been in commerce for a long time, and I know that there are different ways of doing things. There are certainly ways other than simply holding a gun to a man's head and saying, "You have to do it." That is what the bill seeks to do. I shall explain in Committee where the bill does these things. I ask the Government to put away the gun, the knives and the Indians.

Perhaps I cannot read very well, but when I read clause 13 (2) (1) I noticed that it refers to the power to formulate proposals for compulsory acquisition. If that is not compulsory acquisition, I cannot read, write or even think. I shall discuss this in more detail in Committee, when I shall deal with the acquisitive clauses in the bill. Also, in Committee the Minister might explain if I am wrong. If I am wrong, we shall let you go, but if I am right, we shall not let you go on being silly about this particular matter.

Another aspect of compulsion dealt with by the bill relates to the giving of evidence. The bill includes a clause that says: "If we want you to give evidence, you will have to do it when we tell you to, and you will have to give it under oath. If you do not, we will fine you." That refers to evidence that is given before the authority or before any inquiry that is set up by the authority. I do not understand why this is provided, but in Committee I shall suggest to the Minister why I think it is included. Perhaps in the meantime the Minister will look at it.

I know that the Minister will contend that it is in the Mining Act, 1973, and the Coal Mining Act, 1973. He **will claim** that under those Acts a person can be forced to give evidence. Indeed, I have been forced to give evidence under that legislation. However, mining wardens are magistrates in their courts. When they sit they say: "Order! I am a mining warden, and this court is in session." Then someone reads a notice and a witness is called. The witness is sworn and gives his evidence on oath. **Mining** wardens deal with activities different from those that will occupy the Energy Authority. If someone pegs a mining lease and puts a notice in the newspapers, some

other person might decide that he wants to object. The mining warden hears what he has to say and then might state, "We shall hold a court to determine it." The court is convened and sworn evidence is taken for and against. The mining warden—the **magistrate**—having heard the evidence, judges the case and gives a ruling, or he might refer the matter to a higher authority.

That is the difference, and there is no suggestion that the Energy Authority will be dealing with parallel matters. If the Minister can explain to me that there could be parallel circumstances, we shall accept what he says with sweet reason. Even the Industries Assistance Commission, which is one of the largest, most controversial—and I certainly agree the most powerful—bodies in Australia does not order people before it to give evidence. They say "we request" or "we invite". They say, "We request you to attend, or we invite you to attend the hearing."

At the Fraser Island inquiry Murphys and Dillingham, the people who were working it, were requested and invited to give evidence, but they said, "To hell with **you**"—or words to that effect. In any case, they did not turn up at the inquiry and therefore did not give evidence. It may not be because of that, but the federal Government said that there will be no more mining on Fraser Island. I say, "Good show." But they were silly not to come and give evidence. At the same time, they were not forced to come. I like that aspect of it.

The **Industries Assistance Commission** **has** no compulsion in **connection** with the giving of evidence to it. The Energy Authority is a somewhat similar body, for it will be dealing with an industry and will be hearing submissions on whether, say, a power station should be built here or there. Surely that does not require compulsion to give evidence.

I ask the Minister to see the Minister for Mines and Minister for Energy and to explain to him the submissions I am making. I know that the Minister in another place contended that this would be a satisfactory provision because it is a provision **that** is included in the Mining Act, 1973, **and** the Coal Mining Act, 1973. However, I contend that the circumstances are different. Indeed, I am certain that honourable members in this Chamber understand completely what I am putting when I explain that this is not a parallel case. This measure should not be thrashed through to the point of saying, as it is in one piece of legislation, it should be in this legislation. The legislation with which it is being compared does not involve similar circumstances. This authority should act with thoughtfulness, calm and analysis. It will not be a court, but a body that is interested in getting facts. Compulsion does not give facts; it gives annoyance. The Government does not want people facing up to the Energy Authority that is saying to them: "I demand that you appear and give evidence on oath; if you do not, I will fine you." That is unnecessary in these circumstances, and is not in keeping with the spirit and meaning of this authority.

I shall deal now with the clauses in the bill that deal with emergencies. I do not quite understand why emergency provisions are included in this measure. I should have preferred them to be in an Act covering emergencies in electricity undertakings, transport and so on, as a separate entity. I believe that would have been better framing, for such things are not part and parcel with the great concept for this authority. It has been made an appendage—a haernhorroidal attachment—which is not needed and is unnecessary. Nevertheless, it is there, and will enable any government to act in circumstances of industrial problems and national disasters. At the same time, we shall **seek** to make a small amendment—small in words but strong in effect—which will deal with a precautionary matter. In the concept of emergency provisions, we expect that the House will support it, the same as we support the concept and spirit of the measure.

The Hon. S. L. M. Eskill

We applaud the Government for bringing this bill before the House. The Opposition, if it had continued in office, would have brought forward a bill such as this, and it is pleased to see the incoming Government putting a priority on this authority. I hope that our views will **influence** the Government to see the merit of our suggestions, which will make the legislation broad in base and strong in principle. We are not looking for political gain and we are not supporting vested interests like gas companies or oil companies. We are supporting Australia—New South Wales in **particular**—the workers, and the prosperity and good of this country.

The Hon. H. J. **McPHERSON** [3.38]: Contrary to **expectations** I am heartened by the fact that much of what I intended to say has already been said by the Hon. S. L. M. Eskell. Perhaps I have been misled by some of the public **statements** made in the local newspapers by the honourable member for Wagga Wagga. From time to time he has referred to this legislation and the **inability** of the present Government to honour its promises to bring natural gas to Wagga Wagga. **That** is why I was happy to hear the Hon. S. L. M. **Eskell** say that honourable members opposite agree with the concept and intention of the bill.

Like the Hon. S. L. M. Eskell, I hope my remarks will not be taken to be biased. I should like to refer specifically to one section of the bill. The by-election for the seat of Wagga Wagga and the subsequent State election brought to a head the necessity for an energy authority. During the debate on this measure the Leader of the Opposition in another place said that had his government been returned to office it would have established some sort of authority along the lines envisaged in this bill. Previously the Labor Opposition had made the same prognosis. The situation that has arisen in relation to the supply of natural gas to country towns in New South Wales has brought to a head the need for such an authority.

The Hon. S. L. M. Eskell said he did not have a brief for any gas company or electricity company. I am in agreement with him that the blame for the situation now existing does not rest with the Australian Gas Light Company. However it does rest squarely upon the shoulders of the previous Government of New South Wales. Going back to 1970, and perhaps even before that, the former Minister for Mines was investigating the merits or demerits of supplying natural gas to metropolitan and country areas of New South Wales. Ultimately, the Minister and his government decided that it would be a better proposition to bring natural gas from Moomba, in South Australia than to get it from Bass Strait. I accept that decision. It has been made and carried out in good faith. The Minister at the time announced that the distribution rights of natural gas, when it came to New South Wales, would be left entirely in the hands of **the** Australian Gas Light Company.

In 1971 planning for natural gas had reached a stage where the Minister told the Australian Gas Light Company it could have the rights on condition that the company agreed to construct laterals to service country towns. At an early date in the negotiations the Minister stipulated that point but ultimately when the agreement was signed it did not include that stipulation. Eventually that stipulation became the subject of a verbal agreement between the Australian Gas Light Company and the New South Wales Government. The Minister in another place, when delivering his second-reading address on this bill, said he had the document that had been signed on behalf of the State Government by the former Minister. He said it contained no stipulation that the lateral to Cootamundra, Wagga Wagga and Albury from Young and that the lateral to Bathurst and Lithgow should be constructed by the company.

Much has been said by those attempting to defend the existing situation. They have suggested that following interference by the former federal Minister, the Hon. R. F. X. Connor, the construction of the laterals did not eventuate. I label that **statement**

as a direct lie. I have here a file of correspondence. Should any honourable member like me to check the accuracy of any statement I might make, I shall be quite happy to do so. Rather than quote verbatim the various letters I shall generalize. **The** correspondence I have **comprises** copies of letters between the State Minister, the federal Minister, myself, the former member for Wagga Wagga and the Wagga Wagga city council relating to the bringing of natural gas to the city of Wagga Wagga. I can vouch for anything I say on this subject and I have the evidence here in black **and white**.

As a result of representations that I made to the Hon. Rex **Connor** on behalf of the Wagga Wagga city council, the federal Minister wrote to the council gasworks engineer and manager and said he agreed entirely with the principle that the line from Young to Albury should be of at least 10 inches in diameter and that construction of that line should be commenced when the main pipeline reached Young. But, he was powerless to intervene. He was obliged by the Commonwealth Pipelines Act to honour the agreement that existed between the Australian Gas Light Company and the New South Wales Government. Anybody who says or infers, as has happened many times, that the Hon. R. F. X. Connor had any adverse influence over the extension of natural gas to country towns in New South Wales is, if I may be quite blunt about it, a liar.

The Hon. T. R. Erskine: He did wreck the economic concept, did he not?

The Hon. H. J. **McPHERSON**: No, I do not think that is right. So far as wrecking the economic concept is concerned, had the Hon. R. F. X. Connor, as Minister, not intervened with his concept of a national pipeline grid the Government of this State would in all probability have had to pay for the construction of the pipeline from Moomba to Sydney.

The Hon. T. R. Erskine: Do you say that he did not wreck the viability of the Redcliff petrochemical works?

The Hon. H. J. **McPHERSON**: I know that petrochemical interests may have had some minute influence on the economics of this proposition. Before I go further I shall bring in another aspect that had a much greater influence on the economics of these lateral pipelines. The Hon. T. R. Erskine is indulging in what I say is a complete untruth in relation to the Hon. Rex Connor, even if he is doing so only by inference. The federal Minister was obliged to honour the agreement made between the Australian Gas Light Company and the Government of New South Wales. I have here a letter written to the council of the city of Wagga Wagga. The federal Minister, to the best of his ability, proceeded to construct the main pipeline. In the result it is now reasonably close to Sydney, reasonably close to the place that it was supposed to be brought to and reasonably close to the target date, when one allows for the causes of delay that occur in a construction project of this magnitude.

The only part that the Australian Gas Light Company was responsible for construction of was from **Wilton** to connect with the metropolitan gas supply distribution system. The State Government of the day permitted the signing of an agreement with AGL without any further stipulation about construction of the lateral. I said to the Hon. T. R. Erskine that I would mention a matter that seriously affected the economic viability of the project. The proposal that the former State Government had, and that of the **Whitlam** federal Government through the Hon. R. F. X. **Connor**, was to establish a lateral pipeline from Young, through Cootamundra and Wagga Wagga to Albury.

Honourable members would appreciate that the taking of the lateral to **Albury**, coupled with the proposed development there as part of the Albury-Wodonga growth centre, would have a big economic bearing on the viability of the lateral. What happened? Early in **1973** the former State Government rushed through legislation which, to a large extent, tied the hands of the federal Minister in relation to the distribution of gas in New South Wales. Not long after, I think towards the end of **1974**, the Minister for Mines permitted the sale of shares in the Albury Gas Company to the Victorian Gas and Fuel Corporation. That permitted the Victorian Gas and Fuel Corporation to agree to supply Albury with **natural** gas from the Victorian side. In other words it had to extend only from Victoria across the **Murray** to Albury.

The Hon. T. R. Erskine: It was cheaper gas.

The Hon. H. J. **McPHERSON**: The Hon. T. R. Erskine is again commenting on the economics of the matter. When the shares of the Albury Gas Company were permitted to be sold to the Victorian Gas and Fuel Corporation that reduced the economic viability of the lateral from Young to Albury. Soon after that—I would hesitate to say that it was coincidental or accidental, but I say quite deliberately it was because of the action of the State **Minister** at the time—the Australian Gas Light Company sought from the Government of New South Wales, and was granted, a release from the verbal contract to construct the lateral from Young to Wagga Wagga. It had become clear that there was no point in taking the lateral further south than Wagga Wagga. That would have been uneconomic.

The Hon. T. R. Erskine has mentioned the availability of cheaper gas from Victoria. I said in my earlier remarks that I agreed with the attempts by the Hon. W. C. Fife when he was Minister for Mines to investigate and inquire into the whole aspect of natural gas for Wagga Wagga, for which electorate he was the local member. He and his Government ultimately decided, and I agreed with it, that on a long-range basis it would be much more economic and permanent to get natural gas from **Moomba** rather than from Bass Strait. The Hon. T. R. Erskine said that Albury is getting cheaper gas from Victoria. I feel that is a major reason why Wagga Wagga is not getting natural gas at the moment. That lends great strength to the proposition put forward by the present Minister for Mines and Minister for Energy about investigating the possibility of getting natural gas from Bass Strait. The Hon. T. R. Erskine foreshadowed a comment I intended to make a little later.

Ever since the honourable member for Wagga Wagga, in another place was elected to the Parliament he has been making statements that have been mainly directed to the fact that the Labor Government could not keep a promise about providing natural gas for Wagga Wagga. He has said that it is completely ridiculous even to consider the supply of natural gas from Victoria or to consider a possible exchange of electricity from the New South Wales State electricity grid to the Victorian equivalent. I do not blame the Australian Gas Light Company for the situation that now exists in New South Wales. I blame the former Government first and foremost for not doing, seven, eight or nine years ago, what both Victoria and South Australia did in setting up a pipeline corporation. Those States set up corporations to investigate, control and distribute the energy requirements of the State.

That is why I wholeheartedly support the legislation being considered today. Had the former Government done this sort of thing seven or eight years ago the position would have been different. It did establish a body to report on matters but never got around to adopting the report or taking action on it. The Australian Gas Light Company is a commercial enterprise. Naturally it is concerned with the economic viability of a project. The company is not to be blamed for making the

decision it made about eighteen months ago. The Government is to be blamed for entering into an agreement of such economic magnitude not only from the point of view of New South Wales but also from the point of view of the national interest.

The Hon. S. L. M. Eskell has mentioned the dire necessity for this State to harness its energy resources. In that regard I say that the neglect of the previous Government to take action towards this end was criminal. I am not having a hate campaign against the honourable member for Wagga Wagga in another place, but I resent anyone who makes a statement misconstruing the issue to the public of Wagga Wagga. I have stated that I supported entirely the original action taken by the former member for Wagga Wagga when he was Minister for Mines. I regret that he permitted the sale of the shares in the **Albury Gas** Company, but that has little bearing on the situation that we are in today.

I have great pleasure in supporting this bill and I am heartened by the stand taken by the Hon. S. L. M. Eskell when he pointed out that the Opposition supports this legislation in principle and in concept, as it will benefit the whole of the State.

The Hon. J. W. KENNEDY [4.2]: The purpose of the Energy Authority is to co-ordinate the activities of those engaged in the energy field. As such, the measure is welcomed by the Opposition. In some clauses it goes much further than co-ordinating those activities and those matters will be dealt with in Committee. The supply and distribution of energy to our State is of vital importance to the welfare and well-being of its residents. It is essential that the supply of this vital commodity is consistently made available to industry, commerce and the population generally. The position must never be allowed to occur that the people are held to ransom by those responsible for the supply and distribution of energy. My mind goes back to the situation that developed during the past three years when key workers in certain power stations refused to carry out essential maintenance and repair work. As a result, the whole State was held to ransom, citizens were inconvenienced, industry disrupted and employment jeopardized.

It is the duty of this or any government to ensure that that type of disruption does not happen. At this moment disputes in the oil industry have reached a serious stage. Machinery is available to determine through normal processes terms and conditions of employment in industry and in agreements with the suppliers of products. A situation where individuals or groups of people can dictate the terms for the supply and distribution of energy cannot be allowed to develop. Although the bill is designed to cover many forms of energy, natural gas is one of the newer forms that is of great interest and importance to this State. The supply is brought from the **Moomba** field in the Cooper Basin by Santos, an Australian company, in conjunction with Delhi International Oil Corporation. Development began in **1954** and to date **151** wells have been drilled in that field. Of these, **71** were dry, unsuccessful holes, and have been plugged; **80** are producible wells. Search and development is continuing. The depth of wells ranges from **600** feet to **1000** feet. Australia is indeed fortunate to have discovered this valuable source of natural energy, which is regarded as one of the cleanest that is available for use by man. Proven reserves are confidently expected to meet demand up to the year **2000**. The value of the Cooper Basin natural gas reserves is estimated to be more than **\$1,000** million.

It is interesting to note that Santos, which was responsible for finding the gas and developing the field, has not paid a dividend to its shareholders for ten years. That the investors in that company who made it possible for Australia to develop this field have not received a dividend is a serious matter. Hopefully, they may get some return in a year or two. Of the city market price of the gas, the producer gets approximately 25 per cent. The remaining 75 per cent is taken up in distribution and selling

costs. Part of the reason for this is the great distances that the oil fields are from populated areas. The distance from Moomba to Sydney is 13 000 kilometres; from Moomba to Adelaide, 790 kilometres and from Moomba to Alice Springs, 810 kilometres. Moomba is virtually in the centre of Australia.

The 34-inch pipeline that brings the gas to Sydney is capable of moving 3.1 million cubic metres a day through the gas line on natural pressure. However, it is planned to instal seven compressor stations in the line at various places and their purpose will be to boost the supply to more than 20 million cubic metres a day. The Hon. H. J. McPherson gave considerable detail about the proposal to take spur lines to Wagga Wagga, Cootamundra, Orange, Lithgow and Bathurst. It is my firm conviction that, if economically feasible, the pipeline from Moomba to Sydney, should be connected to the Victorian system with pipes of sufficient capacity to serve that State in time of emergency. That will require a good deal of planning, and planning into the future. If pipes are to be laid—the cost to be subsidized by the federal Government if necessary—from Wagga Wagga to Albury or from Albury to Wagga Wagga they should be of sufficient diameter to enable gas to be shared with that State in times of catastrophe.

The pipeline is an extremely long one and passes through the earthquake region of Australia. There are many hazards. A catastrophe could occur at the wellhead or in this city. Having geared itself for natural gas Sydney would not be able to get any until repairs were made to the pipeline. It would not be beyond the bounds of goodwill for us to make sure that an alternative supply is available in times of difficulty. Similarly, Victoria, by some unfortunate accident, could be deprived of its gas. If it were connected to a national grid pipeline it would be able to use gas from that line in cases of emergency. The Hon. H. J. McPherson stated that the Minister for Industrial Relations, Minister for Mines and Minister for Energy has put forward a proposal to supply Wagga Wagga from the Victorian field. Members will be interested in this extract from the Albury *Border Mail* of 5th November, 1976:

Albury is the limit for the sale of Victorian natural gas to NSW on the known Bass Strait reserves.

That was the reaction of the Victorian Gas and Fuel Corporation yesterday to an offer by N W to supply electricity in exchange for a **gasline** extension to Wagga.

The corporation chairman, Mr Neil Smith, said in Melbourne Victoria did not have a surplus of Bass Strait **gas**.

The Mines and Energy Minister, Mr Hills, said on Wednesday the electricity would help alleviate an expected shortage in Victoria.

Perhaps a little problem exists there, but I do not think that would rule out the possibility of two States having an inter-connected system for use in times of emergency. I pay tribute to the people who are engaged in the industry, especially the men who work out on the Moomba field in most difficult circumstances. It is a lonely atmosphere out there. In company with the honourable member for Pittwater, the honourable member for Wagga Wagga and the honourable member for Bathurst I flew out to Moomba and inspected the field. One has to see the area in order to realize the conditions under which people live and work there. It is about 800 kilometres from Adelaide, the nearest town. The men work eighteen days on and nine days off, and the company flies them to Adelaide after their eighteen days stint. No women are allowed on the field; I do not know whether that has anything to do with women's liberation.

Partly due to delay, many problems arose. Unfortunately, when the pipeline was being built, especially at the Moomba end, they had the wettest season in living memory, and some of the areas over which the pipeline was being built were covered

by 10 feet of water. This held up the contractors, and the delays were very costly. **This** has been a mammoth project. Unfortunately some man-made delays occurred in early planning and **construction**. **These** caused costs almost to double. I compliment the Hon. S. L. M. Eskell on the contribution he made to **this** debate and the **fine** exposition he made of **the** bill; indeed, he delivered one of the **finest** speeches I have heard in this Chamber for a long **time**.

The **Cooper** Basin underlies a great artesian basin, with Cooper's Creek roughly as its access point. **An** area of nearly **10** million hectares or 40 000 square miles was **defined** by the Bureau of Mineral Resources aerial magnetic surveys in **1963–64**. Hydrocarbon bearing sediments were deposited there about 300 million years ago. I have here a piece of sandstone that is 300 million years old. Down below the surface of the ground the gas is trapped by this type of sandstone. These things make one realize the value of this supply of energy. The experts are not certain how long this resource will last once it is properly tapped, but the company has made surveys that guarantee the people of this State and the people in Adelaide **with** a supply until the year 2000.

On this field the gas occurs between 6 300 and **10 300** feet below the subsurface. The reserves in Bass Strait are **three** and a half times those of the known reserves in the Cooper Basin. Besides natural gas the field also produces annually 270 000 tonnes of ethane, 360 000 tonnes of liquefied petroleum gas, propane and butane; and 540 000 tonnes of pentanes and crude oil. One of the problems is that another pipeline is required to carry these products to coastal ports for export. No market exists for them in this country at the moment. They are valuable and quite a quantity is virtually going to waste. That is another project for the future. I commend the bill, and I compliment everyone who has been responsible for what is being done in relation to the supply of natural gas as an energy source. I hope that a successful conclusion can be reached.

The Hon. KATHLEEN ANDERSON [4.17]: I am a little sorry because of the prevailing circumstances that this **bill** had to be brought on this afternoon. I had gone to a lot of trouble to get a lot of information together concerning the need for an energy authority in this State. Indeed, honourable members will recall that when I spoke during the Address-in-Reply debate, I said that the new Government, in its policy speech and in the speech delivery by His Excellency, had announced an intention to introduce an energy authority in this State.

For a number of years it has been apparent that New South Wales has needed some sort of an authority for the development of a comprehensive, integrated energy policy not only for the benefit of New South Wales but for Australia as a whole. Energy in all its forms has been available to and used by the community, which now depends on this energy as a means for maintaining the standard of living. If **we** are to maintain this standard of living, we must look to the future. Any failure to provide the energy required to manufacture the goods that are needed to maintain health and recreation standards, to provide transport and the other important aspects of our daily lives, needs to be examined. It has been clear for a long while that an organization such as an energy authority is needed. The new Government has lost no time in drafting legislation to set up such an authority.

The Energy Authority will be presided over by the chairman for the time being of the Electricity Commission of New South Wales. The oil industry, the gas industry and the industrial side will also be represented on the proposed authority. For the information of the Hon. S. L. M. Eskell, who was concerned about the mining industry, I point out to him that it will be represented by the under-secretary of the Department

of Mines. Surely that person would be perfectly **competent** to supply the **information** necessary and would ensure that a degree of concern and interest would be maintained in the coal mining industry.

Surely the main issue in this bill is the guaranteed development of the State's current and potential energy resources. To my knowledge, for eleven years **Liberal**-Country party governments in New South Wales chopped and changed in their attitudes towards the generation and distribution of electricity in this State. I suppose it is time to remind the House that a **Labor** government established the Electricity **Commission** of New South Wales, and **Labor** governments extended the responsibility of the Sydney County Council and the other distributing authorities for the generation and distribution levels. In this State they were virtually in a state of collapse at that time.

I am sure all members remember the **backyard** fires and various forms of canned heat that were used to cook meals. We would all recall that housewives ironed only the collars and cuffs of shirts and hoped that the remainder would be adequately concealed. In another place Opposition members suggested that this bill was nothing but the application of socialism. It would seem that members opposite always use this standard answer to legislation they do not understand or when they are lost for a real argument. I extend my congratulations **to the** honourable member for Young for his honest approach to the bill and his statements about the Australian Gas Light Company. The honourable member said that the Australian Gas Light Company does not deserve the protection of the New South Wales Parliament.

The Hon. S. L. M. Eskell suggested that the Government should sit around the conference table with AGL and it is much better to conciliate and come to a **con**-sensus than to attack the company. Negotiations with the Australian Gas Light Company have gone beyond that stage. It has had all the conciliation and consideration **to** which it is entitled. Some years **ago** it embarked upon a programme of promoting natural gas. Citizens of New South Wales were told that natural gas would introduce a new era and that it would be cheaper, cleaner and better and the whole **community** would benefit. The company conducted an emotional advertising campaign. Technical people maintained that it was presented in an improper fashion and in fact it **was** quite wrong. They said that the Australian Gas Light Company would not be able to deliver gas to people in the manner promised. Not only did the company embark upon an emotional promotion campaign but also it set out to acquire town gas supply undertakings from the local government authorities.

The Hon. H. J. McPherson told us of problems in Wagga Wagga. In another place promises relating to Wagga Wagga, Cootamundra and Albury have been discussed. The Australian Gas Light Company made promises to industries, too. For example, a company known as Albaware went to Lithgow conditional upon the Australian Gas Light Company providing natural gas necessary for production of the commodity that company was manufacturing.

I regret that the Hon. L. A. Solomons is not here as I wish now to refer to the city of Tamworth. I want to tell honourable members what could have been done but unfortunately was not done by the previous Government. Indeed, in my view this matter was manipulated by the Australian Gas Light Company. A few years ago when proposals for natural gas were put to the Peel-Cunningham County Council, it signified its interest. That county council is a viable and efficient organization with an annual turnover of approximately \$11 million. It decided to endeavour to acquire the gas undertaking owned by the Tamworth city council. That gas undertaking was old and its plant and equipment in bad condition. In fact, it could not be compared with the county council's efficient and well run electricity undertaking.

When the Peel-Cunningham County Council embarked upon this project its technical and administrative people conducted a number of feasibility studies to ensure that what the authority had in mind was viable and possible. Their studies revealed that the county council could take over the gasworks and run it as a viable and successful proposition. The annual turnover of the Tamworth city council gas authority was approximately \$300,000, compared with the \$11 million turnover of the Peel-Cunningham County Council. The county council envisaged a total energy concept for the Tamworth area. It would supply gas and electricity to customers in an efficient and economic way. When the county council entered into the negotiations it discovered that the going price to the county council was the full book value. Under the Local Government Act it was not possible for the Tamworth city council to do any thing else but that. However, to the Australian Gas Light Company the going price was considerably less. My information is that the Australian Gas Light Company acquired the Tamworth city gas undertaking for about two-thirds the book value.

Some members apposite have referred to socialism. There is no doubt that in this instance the Australian Gas Light Company was given preferential treatment. This sort of thing applies to other undertakings in the country, too. The Minister for Local Government should have authorized the Peel-Cunningham Council Council to set up a total energy concept for the Tamworth area. No electricity undertaking or local government authority would be allowed to get away with what the Australian Gas Light Company gets away with. Certainly the Sydney County Council could not get away with it. That authority is subject to audit by the Auditor-General. The Australian Gas Light Company subsequently said it would supply natural gas to country areas—but it is at a price that country people could not afford to pay.

The Australian Gas Light Company enjoys a unique position. It operates under the Gas and Electricity Act, as does the Sydney County Council. Its accounts are audited and it is responsible to the Auditor-General. Nevertheless, it enjoys the best of two worlds. However, it is not required to produce in its annual report details that are required of other organizations under the provisions of the Companies Act. I have here four annual reports. The first is that of the Australian Gas Light Company and it reveals the barest **minimum** detail of information. It is like comparing *Encyclopaedia Britannica* with the Sunday newspaper comics when one compares this report with those of other organizations.

I have also the annual report of Dunlop Australia Limited which reveals full information of its activities and those of its subsidiaries. Of course, the Australian Gas Light Company does not have to do that. I have also the latest annual report of the Electricity Commission of New South Wales. It, too, provides a mass of detail. The annual report of the Sydney County Council also includes a lot of detail. Those members who shed crocodile tears for the Australian Gas Light Company and say it is entitled to a better deal are merely extending further preferential treatment to that company.

Some years ago the Sydney County Council introduced what is known as the housepower plus plan. Apart from being a bonanza for electrical contractors it was designed to encourage people to use more electricity, but principally it was embarked upon as a **community** project. Standards were recommended to ensure that householders' future electricity needs could be met at minimum cost and without the need for **structural** change.

Municipal councils in the Sydney County Council district were bombarded by representatives and written propaganda of the Sydney County Council, encouraging the local councils to make the housepower plus plan part of the requirements for

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approving developments including buildings. A lot of councils adopted the representations and made the housepower plus plan a requirement of approving the construction of a home. The 1974 annual conference of the Local Government Association and the Local Government Electricity Association adopted the plan and recommended it to their member councils. They requested that each council acquaint builders and developers with the merits of the scheme.

On 12th April, 1976, the Local Government Appeals Tribunal heard and upheld an appeal by Mr W. E. Manns, a builder, concerning premises at 87–89 Gerard Street, Cremorne. The builder appealed against the decision of the North Sydney council that the building approval be subject to meeting the conditions of the housepower plus plan. My information is that the appeal was prompted by pressure from the Australian Gas Light Company. Gas stoves and hot water systems were to be installed. The appeal had to be upheld as the Local Government Act or building codes did not require this type of plan. The decision has militated against the efforts of the Sydney County Council to provide a community service to its customers.

I return to the point I was making earlier, that the Australian Gas Light Company is not entitled to the protection of this Parliament. I hasten to add that I have the best of relations with that company. In a ecumenical spirit the chairman of the Sydney County Council is a senior officer of the Australian Gas Light Company. If that is not a conflict of interest, I do not know what is. Further, I have no malice towards the people involved with that company but it is not entitled to the sympathy that is being meted out to it in the distribution of natural gas in New South Wales. One way that one can ensure the co-ordination of all energy sources in New South Wales and that they are preserved for the betterment of the people of New South Wales is to support the Energy Authority Bill, which I do.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [4.33], in reply: Although I am a person who is not surprised easily, given the company I keep and the life I lead, I am really surprised at the huffing and puffing that started in another place, but somehow died **with** the more intelligent approach that I have come to expect in this Chamber. However, there are still vestiges of inconsistency and, **with** the utmost respect, of the hypocrisy indulged in in the other Chamber that did not lose its way with the transmission of the bill to this Chamber. The Opposition's attitude to the bill both in and out of the Parliament has ranged from concern and hysteria to little bits of nit-picking in an effort to truncate its practical application to the problem at hand in New South Wales. So as not to keep honourable members from their important duties outside the Chamber I shall deal with this nit-picking and the endeavours to truncate the bill in a practical way more fully at the Committee stage.

It was a good day when the Fox committee recommended that there should be the widest possible debate on the question of mining and processing of nuclear materials and on nuclear energy in Australia. In my view it was a black day when it gave tacit approval, notwithstanding the voluminous reservations as to how it should be done, to mining in the interim. The proper course is to have a full public debate and I hope that this Chamber will make time available for such a debate should the matter assume the importance that I believe it will to the people of New South Wales.

I do not for one moment consider that the Hon. S. L. M. Eskill is a person who would be swayed by any particular interest of his own or of someone else. If the arguments that he raises with all sincerity and integrity are correct, this country will get some money. If the arguments of Professor Erlich and those who show caution by wishing to hold the line until science catches up with the potential dangers

of nuclear products are wrong, this country **will** lose some money. If the Hon. S. L. M. Eskell is wrong and the conservationists are right in their claim that these products are dangerous, that every man woman and child in Australia faces one of the most serious perils to their health, safety and welfare that has yet to be known by modern man, and if his lack of caution is wrong and misplaced, he and others so minded shall have to bear responsibility for their stand.

The responsibility that supporters of the conservation movement have to bear is that they may deprive this country of some money for a few short years, in terms of the extensive length of history. If one weighs the safety and **welfare** of the people of Australia and other nations at this infant stage of the science of handling nuclear wastes in this universe against the capacity to make money, then unashamedly I adopt with pride the position of the conservationists. Neither supporters of conservation, Professor Erlich from Stanford University nor I do that out of fear of technology or of progress. It exhibits the reasonable caution that one expects of all persons of high intellect when they are dealing with a substance with such an inherent capacity for damage as nuclear wastes.

On the one hand we are considering money and progress—in its generally accepted sense—and on the other hand, safety, enlightened movement and caution. It really is a hasty decision if anyone of this generation adopts nuclear energy and mining for nuclear materials. They will see these materials mined and the money spent but they will not have to live with the wastes. Our children and our children's children for hundreds of years will have to live with and learn to handle them. If we are wrong in our being convinced that the technology of today is sufficient to handle them with safety long after we are dead, we will not have to pay the penalty; generations after ours will pay it.

The Hon. F. J. Darling: The Minister will never know. He will be dead by then.

The Hon. D. P. LANDA: That was the voice of the complete opportunist. That is what is really in the bosom of the Opposition—"We do not give a **damn**"—with the greatest respect to the House—"We will not be alive; we will be dead. It is only someone else". That was the first interjection by the Hon. F. J. Darling. If all his interjections are to be like that, I hope it is his last. As legislators, it is our responsibility always to ensure that our actions look after not only the present generation but also future **generations**. I am sure that when the Hon. F. J. Darling reflects somewhat less hastily on the matter he will agree with me that to hasten slowly is the wisest of courses.

The hour is late. I am grateful to the Opposition for its indulgence in allowing the debate to depart somewhat from the normal time that the House sits. In this reply I shall not deal with matters that I should deal with properly in Committee. The Australian Gas Light Company has been dealt with fulsomely and properly by the Hon. H. J. McPherson and the Hon. Kathleen Anderson as well as by members of the opposing parties in the Chamber and in the other place. It is ironical: as a new member of the Chamber I remember that I raised the spectre of the Australian Gas Light Company, and that caused a shock. I was subjected to derision when I attempted to reveal the kind of chicanery that the company was up to. The Hon. F. M. Hewitt thought that I had even stepped outside the standing orders. Now people have seen the light of day about the double-dealing of **that** company **and** everyone is **joining** the **bandwagon** and saying that they have no brief for the Australian Gas Light Company, that what it did to Wagga Wagga was disgraceful and that they would not have anything to do with it for the way it dishonoured the agreement.

Let us see where inconsistency and hypocrisy had its genesis in the debate. It goes back even to former debates in this Chamber. The Hon. S. L. M. Eskell ably led for the Opposition. We have come to know him in the Chamber for his erudition, and the research and scholarship that he puts into matters in which he believes. Occasionally during his speech I thought he was adopting what is fast becoming the internationally accepted way of handling of energy by governments. It is that governments do not shirk responsibility for the lifeblood of the nation, as the Hon. S. L. M. Eskell so neatly put it. That lifeblood is not held in the grasp of a few private companies. I do not wish to indulge in xenophobia about multinationalism or foreign companies but the Government should retain control over the lifeblood of people engaged in industry and who require energy in the home.

I thought for a moment that the Hon. S. L. M. Eskell was about to support the Government on that matter. I thought that he was about to follow the lead taken in other countries with fuel and energy resources. The United Kingdom, Italy and, more and more, France are entering the field. It is realized in those countries, as this country will realize, as sure as night follows day, that, as energy resources become of increasing international significance, Australia will form part of the international political energy community. Once a nation enters that community the proper place for debate, barter and exchange or sale is under the eye of Parliament and not in the backrooms of board rooms or by way of telex between private companies, of whatever nationality.

The House is dealing with the essence of the means of allowing the industrialized sector of our nation to function and to feed, clothe and house the people in the community. The Government adopts that position notwithstanding people like the Rt Hon. J. D. Anthony and people in another place who think Australians must accept a humble and demeaning stature when it comes to energy resources, that we could never handle them and that Standard Oil could do it better. Those people think that the great French, English and Dutch companies could do it better—putting Broken Hill Proprietary Company Limited to one side. They submit that minerals and all energy resources could be handled better by others than by Australians. Those people suggest that we should not stop the foreigners coming in. They say not to frighten them away, whatever we do. The said fact is——

The Hon. L. A. Solomons: Mr Anthony received from Mr Connor the accolade of continuing his policy, so it is a bit hard to criticize him.

The Hon. D. P. LANDA: The Hon. L. A. Solomons wants to have it both ways. He wants to criticize the Hon. R. F. X. Connor and also to accept his actions.

The Hon. L. A. Solomons: You are talking about double standards, not me.

The Hon. D. P. LANDA: The accolade that the Hon. L. A. Solomons says that Mr Connor gave to Mr Anthony was in my view premature. Honourable members have yet to see what Mr Anthony delivers. What he will deliver is higher fuel and petrol prices for this country. He has made no secret about that. As the Hon. L. A. Solomons is a country member, he should know what that will mean when the existing oil agreements come to completion.

The Hon. L. A. Solomons: The Minister ought to ask the oil unions in New South Wales more about that rather than talk about Mr Anthony.

The Hon. D. P. LANDA: The honourable member is displaying his ignorance.

The Hon. W. R. **Scott**: One cannot buy petrol.

The Hon. D. P. LANDA: If the Hon. W. R. **Scott** supported me in an **interjection** and I were the Hon. L. A. Solomons, I would be worried. The Hon. L. A. Solomons does not know what he is **talking** about. In the recent dispute **the** New South Wales unions voted for a **return** to work.

The Hon. L. A. Solomons: What about ACTU-Solo?

The Hon. D. P. LANDA: The question most in the minds of people in the State is the present crisis. I suppose on some future occasion the Hon. L. A. Solomons will tell honourable members what a terrible thing it is when trade unions enter into business. There will be more hypocrisy about double standards when that matter is debated in the House. It is a sad day when I allow the Hon. L. A. Solomons and the Hon. W. R. Scott to sidetrack me in my consideration of this measure. Needless to say, in Committee the Hon. S. L. M. Eskell will address remarks to the numerous amendments that the Opposition intends to move. As we go through the amendments and drag out of the archives the bills that the Opposition passed, we shall probably hear the Hon. S. M. L. Eskell disown the powers given in those bills.

The Hon. S. L. M. Eskell: I **will** not.

The Hon. D. P. LANDA: He **will** not disown them now that his party is in opposition. Where was he when his party was in government? That is when the Hon. S. L. M. Eskell should have disowned them. He is saying that it is terrible that people should be forced to come along and give evidence under threat of a penalty before an authority that is not even a court. He should have tapped the Hon. Sir John Fuller on the shoulder and said: "I am sorry, I shall have to go for a walk over to the other side of the Chamber and vote against this measure".

In this business, as the Hon. S. L. M. Eskell knows, there are no prizes for second place. It is a little late in the day for the honourable member to say that, although this provision is in other Acts, it should not be in this legislation. I should excuse him for saying that if they were old Acts, but they are quite recent ones. I was not a member of this Chamber then, but the Hon. S. L. M. Eskell must have supported those pieces of legislation and voted for them. I have not been so cruel as to go through those debates to find the fulsome praise that the Hon. S. L. M. Eskell, with his customary eloquence, no doubt heaped upon former coalition governments. We know that when a bill is under attack the Opposition pulls out its top speakers. The Hon. S. L. M. Eskell is one of the best debaters of those who sit on the Opposition benches. I know that when he puts up amendments such as these, it means only one thing: basically, he knows that it is a good bill. He said so, and so did the Hon. J. W. Kennedy. I applaud them for their honesty. Because of what has happened in the less informed sections of the Opposition, and in public debate on this measure, the Hon. S. L. M. Eskell had to find something critical to say about it. He went too far. By the amendments that he intends to move, he is now seeking to draw the teeth from the bill that he supported. He is a proponent of this kind of government.

The Australian Gas Light Company supplies gas to the people of New South Wales for use in their everyday lives. That is an important role, but Opposition members do not wish to deal with such matters in Parliament. They would prefer to ring up representatives of the AGL and invite them to talk about it in the back room. They take the view that the AGL has the special protection of Parliament and its affairs should not be dealt with in Parliament. If they were in government they would

be saying, in effect, to the AGL, "Come on boys, come round and talk about it." As a democrat I say unashamedly that the proper way to deal with this matter is in Parliament. It is plain that agreement cannot be reached with the Australian Gas Light Company. It is plain also that the AGL is attempting to bluff the Government. Whether established agreements will be honoured or dishonoured in the face of the company-to-government negotiations, it is time that a government showed it is willing to act in the interests of the people of New South Wales and Australia. We do not apologize for that.

If the Hon. S. M. L. Eskell is seeking a way to excuse the Australian Gas Light Company, to let it out, and to allow a little more time to elapse—I know the Hon. J. W. Kennedy is not—the people of Wagga Wagga and other places on the proposed lateral links to this pipeline will be the sufferers. Apparently, according to the Hon. F. J. Darling and others, they are a long way away, but they are not dead yet. The Hon. S. L. M. Eskell has said, in effect, that if he is wrong again, if the backroom tactics do not work, the Government must come back with another piece of legislation. That is a perverse way of governing a State. It has been accepted by all political parties that the AGL has been discredited in its dealings with the citizens of the State.

I hope the Hon. S. L. M. Eskell will consider each of these amendments in the light of my remarks on behalf of the Government as to their efficacy on the one hand and their necessity on the other. We of the Government have taken a certain view of them. We have adopted a realistic approach. Are these amendments to be steamrollered through the Chamber by force of numbers, in spite of the Premier's electoral comment that an energy commission would be established? By that undertaking, the Premier did not mean that the Government would establish an energy commission that lacked powers to resume that exist under the Public Works Act, or one that was powerless to compel witnesses to answer questions put to it; he meant a commission that would work. To work, it will require certain powers. When the bill is being considered in Committee, it will be seen that these powers are identical with powers reposed in less important bodies by the former Government. The Government will be opposing the majority of these amendments. If they are agreed to in this place, it will be in defiance of the commitment made by the Premier and in defiance of the tradition that a body of such importance as this authority must be allowed to operate effectively. Any amendments made to the bill will, of course, be the subject of debate in another place.

The Hon. Kathleen Anderson gave the House the benefit of her great experience with one of the major energy producing authorities in Australia. Honourable members saw the difference between the expert and the amateur. The honourable member is in the business of providing energy for thousands and thousands of people. She knows that this bill will be of great benefit to the people of New South Wales.

The fear of socialism, the fear of frightening off foreign investment, the fear of shutting the door on the fingers of big companies, the fear of taking over vast conglomerates of oil and petro-chemical refineries are all, as Franklin Delano Roosevelt said, just fear of fear itself, and nothing more. In the twentieth century Australia must accept that in the future it will be one of the great energy producing countries in the world. In the light of this, this Parliament has a responsibility to set up an energy commission of which the people will be proud. I commend the bill to the House.

Motion agreed to.

Bill read a second time.

In Committee

The TEMPORARY CHAIRMAN (The Hon. R. K. Evans): As this bill has forty-nine clauses and three schedules, if there is no objection I propose to put the bill to the Committee by parts. Are there any objections? There being none, I shall proceed accordingly.

Part II

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7. (1) The Authority shall consist of 6 part-time members of whom—

- (a) one shall be the person for the time being holding the office of **Chairman** of the Electricity **Commis-**
sion, who shall be the chairman of the Authority;
- (b) one shall be the person for the time being holding, or acting in, the office of chairman of the Electricity Authority;
- (c) one shall be the person for the time being holding, or acting in, the office of Under Secretary of the Department of Mines; and
- (d) 3 shall be appointed by the Governor.

(2) Each appointed member shall be nominated by the Minister and the appointed members shall be—

- (a) a person who has, in the opinion of the Minister, special knowledge of the oil industry;
- (b) a person who has, in the opinion of the Minister, special knowledge of the gaseous fuel industry; and
- (c) a person who is a member of the **Labor** Council of New South Wales.

The Hon. S. L. M. ESHELL [4.59]: The Opposition has a series of amendments to clause 7. They are all related to each other. The first, at page 5, line 1, proposes to omit the figure 6 and insert the figure 7; the second, at page 5, line 12, proposes to omit the figure 3 and insert the figure 4; the **third**, at page 5, line 18, proposes to omit the word "industry" and insert the words "and coal industry"; the fourth, at page 5, line 20, to omit the word "Wales" and insert the words "Wales; and (d) a person who has, in the opinion of the Minister, special knowledge of the nuclear energy industry". I move:

That at page 5, line 1, the figure "6" be omitted and there be inserted in lieu thereof the figure "7".

I shall be moving them individually in order but I should like the Committee to look at them all at once because they are related. They refer to clause 7 which deals with the composition of the authority. As I foreshadowed during the second-reading debate, I believe that the authority should be broadened. That is the intention of these amendments. They will meet the needs of all sources of energy, in keeping with the aspirations and aims of the authority.

I listened with interest when the Minister summarized his views on nuclear energy, and particularly when he agreed with my thoughts on the way in which the subject of energy should be approached and studied on a broader basis than it is at present. The bill starts that process. The Minister seemed to say that in federal and other spheres we are selling our energy on a boardroom-to-boardroom basis, or on a **telex-to-telex** basis. He is not quite correct. One thing that Mr Connor has left us is this, that I am not permitted to sell any minerals to anyone outside Australia without the authority of the Australian Ministry.

The Hon. D. P. Landa: That is, outside Australia.

The Hon. S. L. M. ESKELL: That is correct. Inside Australia I can sell coal—not uranium; that is still controlled—and any other metal or underground material. Outside Australia, which is the position to which the Minister was referring, there is strict control over what can be sold, to whom and at what price. I agree with the Minister entirely and I believe the whole House will agree also. We are moving closer together on matters of energy and our resources. If someone in Thailand owns an Australian company and sells our minerals for \$1 a tonne, we are being robbed of our energy heritage. Everyone agrees with that.

The Leader of the Country Party in Canberra has enunciated this policy, as did his predecessor, Mr Connor. This is what the Hon. L. A. Solomons was referring to when he said Mr Connor was doing exactly the same as he would do in regard to the price of these goods. That is the context in which the Hon. L. A. Solomons was referring to the matter. The Hon. J. D. Anthony has continued the policy that was introduced by Mr Connor and I hope it will continue forever. We do not want our resources sold at less than a fair price.

The Leader of the Government said that he would prefer to leave uranium in the ground: he does not want to put anyone's life at risk. If he is absolutely sure that that is what he means, the Government should order that the two machines at Lucas Heights be closed down forthwith and removed from the State.

The Hon. D. P. Landa: You are clutching at straws.

The Hon. S. L. M. ESKELL: You said you did not want any nuclear accident to occur. You violently opposed the entry of nuclear warships into Sydney Harbour, yet the people of Sutherland have been living out there for 15½ years alongside two nuclear reactors. There is no proof of any more cancer in Sutherland than at Killara. There is no suggestion that this nuclear plant will give you hiccoughs or me any more hair on my head.

The Hon. D. P. Landa: Only fifteen years. It is a long time to go before the wastes have gone.

The Hon. S. L. M. ESKELL: I agree there is a lot of research to be done on nuclear waste. What is to be done with it? I have heard five different suggestions from all over the world and no one has determined what should be done with it. I concede that we should not rush into nuclear energy in Australia, but I should not like to see Australia deny the right of a country like Japan, without any alternative but nuclear energy, to have energy. We cannot say: "You go down and down in your profitability and your social level."

The Hon. D. P. Landa: If it were not for the oil crisis there would be no debate on it.

The Hon. S. L. M. ESKELL: I agree. But facts are facts and life is life; there are Arabs who are selling oil at four times what they were selling it for three years ago. They will soon have no oil to sell. I could quote from documents stating that no

more oil will be sold at service stations in America after 1995. The Arabs would **like** to **find** another 300 billion gallons a day to keep the situation going. Good luck to them if they could—that is their affair—but I do not believe, nor does any energy authority in the world believe, that there will be gasoline for sale after 1995. We are faced with the proposal not to have any more energy development in Australia: just leave the atomic energy plant out there at Lucas Heights for learning and teaching techniques in case we want nuclear energy at some time in the future. But do not deny that we want to sell nuclear energy to people who must have it. Do not deny that in this State we should have a nuclear enrichment plant to make sure that we use all the nuclear energy that we have, to enrich it and make the price not \$X but fifty-five times \$X. The Minister says, "Do not let us worry about money—let us think about life and conservation and standards."

The Hon. D. P. Landa: For a while.

The Hon. S. L. M. ESKELL: I agree with him that quality of life is most important—so long as everyone is eating, sleeping in a house and living the life that he wants, looking after this heritage, supporting his symphony orchestra and other cultural activities. All this costs money. I do not mind if we look after the cultural aspects of our life so long as we can afford it.

The Hon. D. P. Landa: You are making a second-reading speech.

The Hon. S. L. M. ESKELL: I will come to the **point**. These amendments will make sure that nuclear energy is not forgotten and that the coal industry has a voice on the Energy Authority. The Minister for Industrial Relations, Minister for Mines and Minister for Energy knows that the Under-secretary of Mines is not an expert on coal mining. It was never intended that he should be: he has the Joint Coal Board to tell him about coal; he has Sir Edward Warren and people like him to advise him on coal.

The Hon. D. P. Landa: I think you are selling him short.

The Hon. S. L. M. ESKELL: I am not. I know the gentleman in question. I see him from time to time. I have a great respect for him and his knowledge, but he would be the first to admit that **his** knowledge of the coal industry is about the same **as mine**.

The Hon. D. P. Landa: Are we to accept your suggestion about the coal industry?

The Hon. S. L. M. ESKELL: I am suggesting that the Government should get on to the authority a person who knows the coal industry, such as somebody from the Joint Coal Board, or from the industry itself. That is my reason for moving an amendment to increase the part-time membership of the board from six to seven.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [5.11]: The Government opposes the amendment. The matter was dealt with in the second-reading debate. Possible sources of energy are nuclear energy, solar energy, wind energy, and tidal energy. Each of them, according to the argument put forward by the Hon. S. L. M. ESKELL, should be represented on the Energy Authority. The Government is attempting to strike a reasonable balance. We have a Department of Mines, which is receiving all the latest information on the coal industry. We have an under-secretary, a permanent public servant, to whom, as head of the department, **all** such information is channelled. In taking a balanced view the Government believes that he is the man who can adequately advise the Energy Authority on the diverse matters on which it **will** require to be advised, one of which is the coal industry.

The same applies to nuclear power. Nuclear power is handled by the Australian Atomic Energy Commission. It has representatives and technical staff in each State. The nuclear power industry is in its infancy in New South Wales. As yet we have no plans to use it here. We are still debating whether we should take uranium, the source of atomic energy, out of the ground. There has been no commitment, and there is no likely commitment, of funds for an enrichment plant. For the Hon. S. L. M. Eskell to pluck this one form of energy out of the air as an alternative energy source, is nitpicking and a bit of grandstanding on his part in the vogue nuclear debate.

I do not for a moment think that the so-called nuclear energy expert, who may or may not be on the Energy Authority, will contribute one jot more of significant advice on the likelihood of the use of nuclear energy in the State than the authority could get from the attendance of a representative of the Australian Atomic Energy Commission. It would be an absurd waste of money to require a person expert in nuclear energy to sit in on the deliberations of the Energy Authority of a State that is a coal producer and gas distributor, particularly when the authority is in its infancy and nuclear energy is not likely to be required before about the year 2000. In my view, it is an absurdity to require public funds to be committed, even in a small way, to the appointment of such a person to the authority, and the Government opposes the amendment.

Amendment agreed to.

The Hon. S. L. M. ESKELL [5.15]: 1 move:

That at page 5, line 12, the figure "3" be omitted and there be inserted in lieu thereof the figure "4".

This amendment is consequential on the previous amendment to increase the part-time members of the authority from six to seven.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [5.15]: The Government opposes the amendment for the same reason that it advanced for opposing the previous amendment.

Amendment agreed to.

The Hon. S. L. M. ESKELL [5.16]: I move:

That at page 5, line 18, the words "industry: and" be omitted and there be inserted in lieu thereof the words "and coal industry;".

This again is a consequential amendment.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [5.16]: The Government opposes the amendment for the reasons that I outlined in relation to the first of this series of amendments.

Amendment agreed to.

The Hon. S. L. M. ESKELL [5.17]: I move:

That at page 5, line 20, the word "Wales." be omitted and there be inserted in lieu thereof the words

Wales; and

- (d) a person who has, in the opinion of the Minister, special knowledge of the nuclear energy industry.

The amendment is in furtherance of my general series of amendments.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [5.18]: The Government opposes this amendment. I have stated the reasons in my reply in the second-reading debate, and in discussing the first of this series of amendments.

Amendment agreed to.

Part as amended agreed to.

Part III

Page 8

(2) Without limiting the generality of subsection (1), ~~the~~ Authority may, in addition to any other functions conferred and imposed on the Authority by or under this or any other Act—

- 5 (a) investigate the extent of the energy resources available within the State;
- (b) carry out, or commission the carrying out of, such inspections, tests, investigations, surveys, experiments, boring, drilling and exploration as it
- 10 considers necessary or desirable to enable it effectively to carry out its functions under this or any other Act;

The Hon. S. L. M. ESKELL [5.19]: I move:

That at page 8, all words after "investigations" on line 8 down to and including "considers" on line 10 be omitted and there be inserted in lieu thereof the words "and investigations as may be".

The purpose of the amendment is to assist the authority. The Minister looks surprised. If he reads the amendment, he will see that it **will** broaden the authority's base. At the moment the bill provides that the authority may carry out such investigations, surveys, inspections, tests, boring, drilling, and exploration as it considers necessary or desirable to enable it to discharge its functions. The clause does not provide that it may engage in any new exploration technique, such as is involved in geophysical and geodetic types of work. I suggest that the amendment will enable the authority to do those things. If the Government accepts the amendment, it will make the authority's task broader and easier. We shall not press the amendment, but we believe that we are trying to be helpful to the people who will be working in this area. Exploration today involves certain types of activities that are not covered in these specifics.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [5.21]: At this stage the Government opposes the amendment, but I accept that the Hon. S. L. M. ESKELL has stated in good faith that it is the intention of the Opposition to widen the scope of this provision. My own view is that the same result could be achieved by adding after the word "exploration" the words "and such other activities as it considers necessary". I have noted the honourable member's statement that the Opposition **will** not press this amendment, and I shall take his suggestion to the Minister in another place. I hope that course is acceptable to the honourable member. I believe it will be acceptable in the other place.

The Hon. S. L. M. **ESKELL** [5.22]: I accept the gracious offer by the **Leader** of the Government in this House. We shall wait to hear from **him** in due course. In the circumstances, I seek leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Page 9

- 10 (j) with the approval of the **Minister**, require a **gas** producing, extracting or transporting **undertaking** to provide, and continue to provide, a bulk supply of gas to a gas distributing undertaking;

The Hon, S. L. M. **ESKELL** [5.23]: I move:

That at page 9, all words on lines 10 to 13 inclusive be omitted and there be inserted in lieu thereof the following words

- (j) formulate proposals to assist with the provision by a gas producing, extracting or transporting undertaking, of a bulk supply of gas to a gas distributing undertaking including a scheme to enable that gas to be provided;

When the bill was first drafted it contained almost word for word the paragraph that I now wish to substitute for paragraph (j) of subclause (2) of clause 13. I believe my proposed new paragraph will better cover the activities of the authority, for it will empower it to formulate proposals, and not require an undertaking to do certain things. The amendment will remove some of the inquisitive and oppressive aspects that could mar the authority that is proposed by the Government. Indeed, the Opposition believes it will make the bill better in concept and context, and will get rid of any suggestion of oppression in years to come that could be read into the words that now appear in the bill.

The Hon. D. P. **LANDA** (Vice-President of the Executive Council and Minister for Planning and Environment) [5.24]: The Government opposes this provision because during the period when it was first drafted the Government took a different view of the stand taken by the Australian Gas Light Company. It would be idle and devious of me in any consideration of this clause not to mention the failure of the Australian Gas Light Company to honour statements that it made. If the provision were simply to say that the authority could formulate proposals, that would not wash in view of the track record of the Australian Gas Light Company. However, being an eternal optimist, I hope there will be a change.

Paragraph (j) as it appears in the bill was inserted by the Government to give, through the Energy Authority, power to require the Australian Gas Light Company to take positive initiatives in the interests of securing natural gas for these areas. We do not shy away from that. The history of the matter has been dealt with exhaustively in both Houses. The Minister for Mines and Minister for Energy on two recent occasions has sought assistance from the federal Minister for National Resources in respect of securing the supply of natural gas for country areas, and the Minister for National Resources has told him that he was not interested in directing the Pipeline Authority to construct laterals under the terms of the agreement with the Australian Gas Light Company until the company gives some assurances regarding repayment of cost of the laterals. The company has refused to give that assurance. Indeed, the honourable member for Young in another place made the statement that the Australian

Gas Light Company has forfeited the protection of this Parliament, and that has encouraged the Government to be stringent in its intention to ensure that the company honours its commitment. The amendment moved by the Hon. S. L. M. Eskell contradicts the stand that was taken by his counterparts in another place.

The provision has been framed so that the Minister, with full ministerial responsibility, may require a gas producing, extracting or transporting undertaking to provide, and continue to provide, a bulk supply of gas to a gas distributing undertaking. Although I can see some ideological repugnance on the part of the honourable S. M. L. Eskell to any Minister requiring any undertaking to do anything, we have to be realistic and understand that we are dealing with an organization that has the protection of Parliament, which the honourable member's colleague in another place has stated it has forfeited. All we are talking about here is the provision of gas to the people. They will still have to pay for it: the gas will still be sold. We are not interfering with the commercial aspect. All we are asking is that the authority, with the approval of the Minister, should be able to deliver gas to people who need it. This is a matter of tremendous hardship to people in country towns and, if the authority has power only to formulate proposals, the needs of these areas may not be met. I ask the Hon. S. L. M. Eskell not to insist on this amendment, but to allow the bill to proceed to the other House. In the meantime, I am sure that consultation with his country colleagues will reveal that the people want the Government to take measures to ensure them a supply of gas. We are not taking action on a discount basis; we merely want to ensure that people get a supply of a commodity which, after all, belongs to the whole of the people.

The Hon. L. A. SOLOMONS [5.30]: This amendment comes before the Committee, as both the Minister and the Hon. S. L. M. Eskell have said, as a result of two amendments that were moved in another place. The first of those amendments is subclause (3) of clause 12 which reads:

Except as provided in section 14, nothing in this Part authorizes anything to be compulsorily acquired.

The amendment now being considered by the Committee provides a mechanism whereby, in the view of the Opposition, the Minister can do precisely the thing which, by the amendment of clause 12, he resiled from. Such is the width and effect of paragraph (j) of clause 13 (2) that the Minister may make the requirement without having any regard to the commercial or practical extension of the order which he makes.

The Hon. D. P. Landa: But only to a gas distributing undertaking.

The Hon. L. A. SOLOMONS: The situation is that if it were possible to limit this provision to the sort of operation which the Minister referred to, then obviously the Opposition would not regard it with such repugnance as it now does. The width of the provision is such that it could be so provided, if the Minister were so minded, virtually to make the commercial operation of any such undertaking impossible. The Government could, if it wished to by a backdoor way, force a particular undertaking into a position where it would literally drop into the hands of the Government.

It is perfectly clear from what the Minister has said that the object—and the only object—of this bill is some form of legislative discipline of the Australian Gas Light Company. I make no comment about whether that is so or not. I do not claim to be sufficiently expert; I accept what the Minister has said here and what my colleague the honourable member for Young said in another place. If that is the purpose of the Government, then the proper and the correct approach is for the

Government to take that action in a piece of legislation that is directly aligned to it, and not to do it by a means of backdoor resummptions, which is the clear effect of paragraph (j) of clause 13 (2).

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [5.32]: With the greatest respect to the Hon. L. A. Solomons I think there is a tremendous amount of over-reaction to this clause. I ask honourable members to review the clause in detail. Paragraph (j) of clause 13 (2) reads:

With the approval of the Minister, require a gas producing, extracting or transporting undertaking to provide, and continue to provide, a bulk supply of gas to a gas distributing undertaking;

That provision is designed to ensure a continuous supply of gas. Once gas is supplied to a gas distributing undertaking, the supply should continue. People should not have to rely on the whim of a producing undertaking, wondering whether the gas distributing undertaking will get its bulk supply. Does the Hon. L. A. Solomons wish to take away that power and give it to these companies to determine when and where they will give supply to the gas distributing undertaking to distribute to the people? If he wants to do that, the way he is suggesting now is the way to achieve it.

The Hon. L. A. SOLOMONS [5.34]: With respect to the Minister, supply to him is simplistic, for he does not take into account the precise terms of the provision, which reads:

. . . require a gas producing, extracting or transporting undertaking to provide, **and** continue to provide, a bulk supply of gas to a gas distributing undertaking.

There is nothing there that says, for example, that if the Minister were so minded the Australian Gas Light Company would be required to provide a gas supply to Weipa, to Menindee or to Bourke provided those areas are able to set up, as they are required by **this** bill, a gas distributing agency. It is the unlimited power given to the Minister under this provision which concerns the Opposition.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [5.35]: The Government still opposes the amendment. The Opposition is **taking** serious action and one in respect of which it will have to accept the electoral consequences. The Government is saying that by this amendment the Opposition is deliberately allowing a gas producing authority to decline to supply gas to a place that already has a gas distributing undertaking. If the Opposition wishes to accept that responsibility, it is a matter it must bear. The Government does not **resile** from its stand in this regard, in the interest of the people of Wagga Wagga and other places that may fall into this category. We say that the supply must be guaranteed by Parliament.

Amendment agreed to.

- (1) formulate proposals for **the** compulsory acquisition by the Authority of a gas producing or distributing undertaking and proposals in respect of any compensation that may be **payable** to any **person** affected by that compulsory acquisition;

20

The Hon. S. L. M. ESKELL [5.36]: I move:

That at page 9, all words on lines 16 to 20 be omitted.

This paragraph sets out quite clearly and nakedly that the Government seeks to formulate proposals **compulsorily** to acquire gas producing or **distributing** undertakings. This is the provision which the Opposition **thinks** is the over-reaction, or the over-kill—the one in respect of which the Government says it is going to burn down the house to cook the pork. The Opposition believes that there is no need to do that. It takes the attitude that the **Government** should be stopped in respect of this over-reaction. We understand the Government's impatience and its understandable annoyance and dedication. We are not suggesting **that** the **Government** is not dedicated in respect of getting natural gas to country areas. The Opposition wants country areas to get natural gas as much as does the Government. However, we do not believe that we should put into this bill something that can be used in the future in a most incorrect and improper way. I am sure that when the Government looks at this in retrospect and sees that it can get what it wants otherwise it will be glad that this provision is not part of the legislation.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [5.39]: The Government opposes the amendment. The provision commences with the words "formulate proposals". It is not designed to give power compulsorily to acquire; a separate Act would be needed for that to be done. Quite frankly, a lot has been said today about over-reaction and I can only assume that the Hon. S. L. M. **Eskell** in his journey between throat cutting and haemorrhoidal attachments, has somehow lost his ability to read. The fact is that this provision seeks to allow the authority to formulate proposals for the compulsory acquisition of certain things.

An authority of this nature would not be prohibited from deliberating on the formulation of proposals on a variety of matters affecting gas though these matters may not be specifically mentioned in the bill. Perhaps it is a matter for lawyers as to whether authorities are every day exceeding the strict letter of their jurisdictional ambit merely by the gathering of information. It will indeed be a sad day for the State when authorities and government departments are not allowed to gather information on a wide variety of subjects. I understand that members opposite may fear that this could mean compulsory acquisition and therefore seek assurances from the Government that any proposals for compulsory acquisition of energy sources will be the subject of legislation. However, to say that an authority should not have power to formulate proposals for compulsory acquisition of energy resources is against world trends in dealing with energy. The Government opposes the amendment.

The Hon. L. A. SOLOMONS [5.42]: In view of the Minister's explanation of the Government's attitude to this amendment perhaps I might ask him to consider again the amendment moved in another place by the Minister to include clause 12 (3), that nothing in this part authorizes anything to be compulsorily acquired. Is not the true situation that when the Minister decided to put that in he forgot to remove the paragraph now under review from the purview of the measure? It would seem difficult for both to stand together.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [5.43]: It is indeed a sad day when this House bogs down with argument between lawyers. I cannot see how the formulation of proposals has anything to do with acquisition. Formulation of proposals is merely information gathering. There is a statutory assurance that nothing may be compulsorily acquired. I cannot understand the fears of the Opposition. Needless to say over the next three years, and I expect longer, we shall get used to those unreasoned fears. The Government opposes the amendment.

The Hon. L. D. SERISIER [5.44]: This amendment and the arguments put forward in support of it indicate the attitude of humbug adopted by the Opposition. **The Opposition** proposes to remove paragraph (1) which deals with the formulation of schemes. The Parliament has always had power to acquire gas undertakings by legislation. Under the Public Works Act there has always been power to acquire property. Section 479 of the Local Government Act specifically gives power not only to Parliament but also to local councils to acquire **compulsorily** gas undertakings. Surely it is humbug when the workings of the Parliament of New South Wales are held up in order that the Opposition might put forward such matters. As the **Minister** said, paragraph (1) does nothing but give authority and power to formulate proposals to co-ordinate schemes. That is to say, the Orange city council cannot acquire part of a gas main and the Wagga Wagga city council cannot acquire another part of a gas main but rather there must be a co-ordinated plan or policy of acquisition throughout the State. That is the purpose of this legislation.

This provision is in the interests of the people and will enable the authority to co-ordinate things properly. It will avoid the **hotch-potch** arrangement that now exists. We are all aware of many instances of gas undertakings conducted on a different basis with different conditions and different prices at various centres throughout the State. Had appropriate co-ordinating legislation, such as exists in relation to the electricity industry, been available earlier, these problems would not exist. I suggest seriously to the Hon. S. L. M. Eskell and the Hon. L. A. Solomons that they should look again at this situation. I ask them whether they are treating the people of New South Wales in anything other than a cavalier fashion when they say that in future the Government will be glad that this amendment has been accepted. The reality is that this paragraph will enable co-ordination of fuel policy and application of a fuel distribution system. Power to resume already exists. The Opposition is endeavouring to stop the right of the authority to put forward proper schemes for the co-ordination of the supply of natural gas throughout the State.

The Hon. L. A. SOLOMONS [5.48]: With respect to what has been said by the Hon. L. D. Serisier, I invite attention to paragraph (e), which relates to promoting and co-ordinating the locating and development, extraction, provision, transportation, distribution, conservation and utilization of energy and energy resources. If that does not cover what the honourable gentleman was talking about, I did not understand him.

The Hon. L. D. SERISIER [5.49]: The Hon. L. A. Solomons ought to know that acquisition powers may only be given specifically. With his experience as a lawyer over many years, and I know that he has had that experience, he should be aware that powers of compulsory acquisition are construed most strictly. He ought to know also that paragraph (e) does not give power to acquire compulsorily. If the Government is to co-ordinate adequately it must have this power. Paragraph (1) contains the power that is needed. The honourable members' answer to my query is in reality not an answer at all and I ask him to withdraw what he said.

Question—That the words stand—put.

The Committee divided.

Ayes, 18

Mrs Anderson
Mr Baldwin
Mr Coulter
Mr French
Mr Healey
Mr Johnson
Mrs Kite

Mr Landa
Mr McPherson
Mr Melville
Mrs Roper
Mrs Rygate
Mr Serisier
Mr Thom

Mr Thompson
Mr Turner

Tellers,
Mr James Cahill
Mr Peters

Noes, 25

Dr de Bryon-Faes
Mr C. J. Cahill
Mr Calabro
Mr Darling
Mrs Davis
Mr Duncan
Mr Eskell
Mr Falkiner
Mr Freeman

Sir John Fuller
Mr Holt
Major **Humphries**
Mr Keighley
Mr **Kennedy**
Mrs Lloyd
Mr **MacDiarmid**
Mr **Moppett**
Mr **Philips**

Mr Pickering
Mr **Sandwith**
Mr Scott
Mr Sullivan
Sir Edward Warren

Tellers,
Mr Solomons
Lieut-Colonel **Willis**

Question so resolved in the negative.

Amendment agreed to.

Page 10

5 (2) Resumption or appropriation for the purposes of this Act shall be effected by the Governor under the Public Works Act, **1912**, and, without affecting the generality of the foregoing provisions of this section, appropriation under that Act may be effected in respect of any land vested in Her
10 Majesty or any person in trust for Her Majesty.

(3) A resumption or appropriation for the purposes of this Act shall be deemed to be for an authorised work and the Authority shall be deemed to be the Constructing Authority.

15 (4) Notwithstanding subsection (2), sections **34**, **35**, **36** and **37** of the Public Works Act, **1912**, do not apply in respect of the expenditure on any works constructed in pursuance of this Act, but section **38** of that Act applies in respect of that expenditure.

The Hon. S. L. M. ESHELL [5.55]: I move:

That at page 10, line 5, after the word "appropriation" there be inserted the words "and expenditure in respect of any works constructed".

I refer the Committee also to the following proposed amendment which should be considered in conjunction with the amendment I have moved: that all words on lines **15** to **19** be omitted. The purpose of the amendment is to make the Public Works Act of **1912** apply in its entirety to the Energy Authority's activities in the case of resumptions. Certain words contained in the Public Works Act were omitted from the bill for reasons about which the Minister may inform the Committee. It appears to me they were omitted so that any acquisitions and the prices offered would not have to come into the public eye. In other words, the bill as drafted transgresses the whole meaning of the Public Works Act which requires government bodies—statutory bodies which carry out acquisitions—to report to Parliament what they have paid and why. By omitting from the **bill** the Public Works Act provisions to which I have referred, acquisitions and

requisitions may be made without reporting to Parliament, or to anyone. The amendment ensures that expenditures in respect of works constructed are included in the resumption or appropriation provisions. The Opposition submits that the amendment will improve the bill and ensure the public accounting that is required under the Public Works Act.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [5.57]: The Government opposes the amendment. I am advised that the resumption provisions of the bill are standard variations used over and over by all governments from the introduction of the Water Act of 1930 right up to and including the growth centres legislation that was introduced by the previous Government. I am advised further that the Parliamentary Counsel put the provisions in the present bill as a matter of routine. The Minister for Industrial Relations, Minister for Mines and Minister for Energy has given me no instructions on this matter. I believe that even twenty years ago the Parliamentary Standing Committee on Public Works referred to provisions of this sort as merely machinery provisions.

The Hon. S. L. M. ESKELL [5.58]: In view of the explanation and detail given by the Minister, and his assurance, which I accept, that it is a normal type of drafting that has been duplicated many times, and that it is purely a machinery matter, I seek leave to withdraw the amendment. Also, I shall not move the next amendment that I foreshadowed.

Amendment, by leave, withdrawn.

Part as amended agreed to.

Part V

Page 16

28. (1) A body or person conducting an inquiry or examination under section 27 may, by notice in writing served
15 on any person, require that person—

The Hon. S. L. M. ESKELL [6.0]: I move:

That at page 16, line 15, the word "require" be omitted and there be inserted in lieu thereof the words "**request or** invite".

This amendment, and subsequent amendments, deals with inquiries and compulsive situations which the Minister in his reply at the second-reading stage intimated is standard practice in some Acts. That is contrary to what I said in my second-reading speech to the effect that the Mining Act provides for a different situation—the taking of certain matters to a court. The Minister said that that may be so or implied that it was. I am not holding myself out to have the greatest knowledge on what should or should not go into a bill. I am merely a member of the Opposition who sits, listens and watches what is going on. If what the Minister has put is so, the Opposition might be willing to withdraw the amendment.

I draw attention to the position in the Industries Assistance Commission which undoubtedly is the most powerful commission in Australia. There is no doubt about its powers or its importance. It was brought into being with those powers. It sends out circulars to this effect: "It would be appreciated if you would advise the commission if you wish to give evidence". It is almost like saying: "Thank you very much; have a cup of tea; this is as sweet as a nut". There is no suggestion that if a person does not give evidence the commission will work him over. It may work him over, of course, but that is another matter. People are not fined if they fail to

attend to give evidence. I do not suggest anything sinister in the bill in this regard. That was not my suggestion at the second-reading stage, and it is not my suggestion now. The amendment will make it a better bill. There is no suggestion that the Industries Assistance Commission does not get people to appear before it to give facts. This bill will be operating for a long time. Should we, or should we not, make it too tough on people? Do we adopt the iron-fist approach or the velvet-glove approach? I shall leave it to the Minister to advise the Committee of his thought on that aspect.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [6.4]: I should be delighted if all organizations of the State Government had the omnipotence of the Industries Assistance Commission. Its request is another man's demand. I do not say that the Hon. S. L. M. Eskell was present in the House when certain measures went through, but these provisions were taken from other legislation such as that which established the State Pollution Control Commission. The Hon. Sir John Fuller had the carriage of that measure. The terms used are almost identical in their entirety. I shall not bother honourable members with all the details but section 23 of part V of the State Pollution Control Act provides that a person who gives false or misleading information shall be liable to a penalty of \$1,000. The same provision is made in section 3. I have not checked it word for word but I think it is identical. That is also the position with the legislation relating to the Waste Disposal Authority.

The Hon. S. L. M. Eskell: Is it the position with any other legislation?

The Hon. D. P. LANDA: I do not know. Both those measures were passed by the former Liberal-Country party Government. I am advised that they are identical with the provisions of this bill. If the Government of the day saw fit to equip the State Pollution Control Commission with that kind of power and also the Waste Disposal Authority, for the purpose of obtaining truthful information at the inquiries they hold—they are not courts—I think the amendment should be withdrawn in the interests of consistency. It would be highly inconsistent for the House, as a House of review, to adopt a partisan approach, especially when dealing with a bill as important as this one. Is it more important to incur a penalty for not telling the Waste Disposal Authority where one's garbage is or for not telling the truth in regard to energy?

The Hon. S. L. M. ESHELL [6.6]: I heard what the Minister said. There is a difference. An unscrupulous government—and there is no suggestion that there is an unscrupulous government in power at the moment—whether Liberal, Labor or otherwise, could require people to appear before a committee of inquiry. It could tell them to bring along their books to show what they are paying out and what money they are getting in. The Government could use that power unscrupulously for improper purposes. Where is there protection for a company such as the Australian Gas Light Company if the company is told to send along a representative to give evidence or to produce correspondence or this and that? Before I withdraw the amendment on behalf of the Opposition I should like the Minister to say in this House whether it should be possible for the Australian Gas Light Company, the Minister or the Deputy Leader of the Government to be told to reveal all they know.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [6.8]: The Hon. S. L. M. Eskell has raised a matter on which, quite frankly, I am not unsympathetic. The matter refers to a quasi-judicial function being exercised by authorities other than courts where there are built-in protections for people. Though there is increasingly these days a move away from the rigid and expensive procedures adopted by courts, authorities not vested with dispute-finding and judicial decision-making powers are usually set up to assist the Government in

making a decision. These bodies should not be permitted to engage in some **kind** of a fishing expedition, as people may be convicted out of their own mouths or make admissions that a court could not obtain from them. As the Hon. L. A. Solomons would appreciate, the protection for the individual is afforded by the common law and by prerogative writs.

I cannot think of an instance where any authority has indulged in a practice that has gone beyond the standards set down. These authorities have operated quite satisfactorily over a long period. I shall defer to the special knowledge of any other honourable member but I cannot think of a single instance where such a body has been used as a fishing expedition or to try to assume the powers of a Royal commission or anything of that nature. Given that good record in the past, I do not think that false fears should be raised. It is the intention of the Government not to allow the authority to overreach itself. If it does, though I cannot speak specifically for the Minister, I am sure that he will be the first to bring the authority back into line and to see that its members behave within the terms of the legislation.

The Hon. S. L. M. ESHELL [6.10]: The integrity of the Minister and the Government is not in question, but the integrity of the authority is unknown. We do not know what it may do. We do not know who will be on it. We know the names of two or three of its members, but not all of them. We accept that the Government's integrity will flow through to the authority. If the authority steps out of line, all of **us** would have the duty to move that it be stopped from adopting star chamber tactics if it indulged in them. In the circumstances as explained, I seek leave to withdraw the amendment.

Amendment, by leave, withdrawn.

The Hon. S. L. M. ESHELL [6.11]: I do not propose to move my proposed amendments to clause 14: at page 10, line 5, after "appropriation" insert "and **expenditure** in respect of any works constructed"; and at page 10, the omission of all words on lines 15 to 19. Those proposed amendments would have been consequential to the amendment that has been withdrawn. We propose to leave clause 28 untouched. None of those foreshadowed amendments will be moved.

Part agreed to.

Part VI

Page 18

20 in **the** proclamation.

(3) A proclamation made under this section may be amended, varied or revoked by a later proclamation.

The Hon. S. L. M. ESHELL [6.13]: I move:

That at page 18, all words on lines 21 and 22 be omitted and there be inserted in lieu thereof the words

- (3) A proclamation made under this section shall take effect from the making thereof or from a later date specified therein and shall unless sooner revoked continue in force for a period not exceeding 30 days from the date of its being made.
- (4) A proclamation made under this section may be revoked by a later proclamation.

The Hon. W. C. Peters: On a point of order. Has a member the right to pass this bill over to the gallery?

The TEMPORARY CHAIRMAN: (The Hon. R. K. Evans): No, he is out of order. I ask the attendant to get that bill back from the gallery, please.

[Interruption]

The TEMPORARY CHAIRMAN: I do not know what it was. An honourable member is not allowed to pass anything over to the gallery.

The Hon. S. L. M. ESHELL: There will be a consequential amendment flowing from this amendment. We support the emergency provisions completely and absolutely. There is no question of depriving the Government of its emergency provisions and rights. This amendment, if accepted, will limit a proclamation made by the Governor. As the clause stands, a proclamation by the Governor is completely open-ended. In other words, if he proclaims an emergency today, the proclamation goes on for ever and ever until it is revoked. The integrity of this Government is unquestioned.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [6.15]: The Government accepts the amendment.

Amendment agreed to.

32. (1) So long as a proclamation referred to in section
31 (2) remains unrevoked the Governor may make a
25 regulation—

(a) controlling, directing, restricting or prohibiting the
sale, supply, use or consumption of the proclaimed
form of energy, whether generally or for any
purpose or purposes specified in the regulation ;

The Hon. S. L. M. ESHELL [6.15]: There are two other small consequential amendments. I move:

That at page 18, line 24, the word "unrevoked be omitted and there
be inserted in lieu thereof the words "in force".

This amendment is consequential to the amendment that has just been agreed to.

Amendment agreed to.

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(4) A regulation made under this section shall,
unless it sooner expires or is revoked, continue in operation
until the proclamation under the authority of which it was
made is revoked.

5 (5) Section 43 of the Interpretation Act, 1897

The Hon. S. L. M. ESHELL [6.17]: I have a further consequential amendment.
I move: ..

That at page 21, line 4, after the word "revoked" there be inserted the
words "or ceases to remain in force".

Amendment agreed to.

Part as amended agreed to.

Part VII

The Hon. S. L. M. ESKELL [6.18]: I had foreshadowed an amendment to clause 38, at page 26, for the omission from lines 17 to 20 of the words "tests, investigations, surveys, experiments, boring, drilling and exploration, and take such samples and such photographs, as he considers necessary" and the insertion in lieu thereof of the words "tests and investigations as may be necessary". The Opposition does not intend to move that amendment, but its terms may be of assistance to the Government. If the Government wishes to consider it as a helpful suggestion, I submit it with all the goodwill in the world in the hope that the Government might put it before the authority. We should be glad if the authority considered it, though we are not pressing it as an amendment.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [6.19]: I shall bring that matter to the attention of the Minister in another place, together with the words suggested in a similar clause. This will probably satisfy all the parties.

Part agreed to.

Adoption of Report

Bill reported from Committee with amendments, and report adopted, on motions by the Hon. D. P. Landa.

Third Reading

Bill read a third time, and returned to the Legislative Assembly with amendments, on motions by the Hon. D. P. Landa.

CONVEYANCING (AMENDMENT) BILL

First Reading

Bill received from the Legislative Assembly and, on motions by the Hon. D. P. Landa, read a first time and ordered to be printed.

SPECIAL ADJOURNMENT

Motion (by the Hon. D. P. Landa) agreed to:

That this House at its rising today do adjourn until Tuesday next.

House adjourned, on motion by the Hon. D. P. Landa, at 6.25 p.m.
