

Legislative Council

Thursday, 7 September, 1978

Select Committee on Crime Control (Evidence of **Francis Michael Lynch**)—Questions without Notice—Medibank—Adjournment (Select Committee on Crime Control—Long Service Payments for Building Workers).

The President took the chair at 2.28 p.m.

The Prayer was read.

SELECT COMMITTEE ON CRIME CONTROL

Evidence of **Francis Michael Lynch**

The Hon. D. D. FREEMAN [2.33]: As chairman of the Select Committee on Crime Control, I bring up and lay upon the table of the House the transcript of evidence given before such committee by Mr **Francis Michael Lynch** on 6th September, 1978. I move:

That the document be printed.

The Hon. D. P. Landa: On a point of order. I seek through you, Mr President, an assurance from the chairman of the Select Committee on Crime Control that the transcript of evidence sought to be tabled here today does not contain gaps and inaccuracies as did the transcript tabled in the House yesterday; and that the person who gave the evidence has had an opportunity of making any alterations to that testimony and verifying that it is true and correct. If such an assurance is not forthcoming, the Government seeks from the chairman of the select committee an assurance that the tabling will be withdrawn and the transcript referred back to the witness to afford him that opportunity.

The Hon. D. D. Freeman: I assure the Minister that, to the very best of my belief, under the standing orders, the transcript is a true and correct record of the proceedings, and that great care was taken in the transcription of the tape. That is the answer to the first part of the question. The answer to the second part of the question is, no.

Motion agreed to.

QUESTIONS WITHOUT NOTICE

BUILDERS' LONG SERVICE LEAVE

The Hon. P. S. M. **PHILIPS**: I direct a question without notice to the Vice-President of the Executive Council and Minister for Planning and Environment. On 19th May, 1977, did the Auditor-General write to the chairman of the Builders' Licensing Board and say that it was understood that for the six months ended 31st December, 1976, the names of approximately 44 000 workers were registered as apparently being entitled to payment of long service leave but they could not

be matched with the master file records, and that it was understood that the board had no plans to pursue identification? Are the 44 000 registrations represented by sums paid on account of long service leave? Is the board still issuing a substantial number of long service leave credit cards with the wrong number of days' work credited to the registered worker? Will the Minister advise what steps the board has taken to protect registered workers' rights to sums properly due to them for long service leave? Will the Minister advise what sum of money is involved in these transactions? Will the Minister give the House full particulars of the Act or regulation that empowers the board to pay such sums into its suspense account?

The Hon. D. P. LANDA: I shall refer the question to the appropriate Minister in another place and advise the honourable gentleman of his reply in due course.

SELECT COMMITTEE ON CRIME CONTROL

The Hon. J. R. JOHNSON: I wish to ask the Vice-President of the Executive Council and Minister for Planning and Environment a question without notice. Has Mr Kevin Humphreys, president of the New South Wales Rugby League, contacted the Minister regarding the unfounded and scurrilous attacks made upon him in the documents that were tabled in this House yesterday?

The Hon. D. P. LANDA: Mr Humphreys has not contacted me personally. I am aware, however, of a statement issued by Mr Humphreys in relation to the matter raised in the House yesterday pursuant to the tabling of evidence, complete with inaccuracies and gaps, by the chairman of the Select Committee on Crime Control, the Hon. D. D. Freeman. That statement by Mr Humphreys is in the following terms:

Statements involving my name in illegal gambling activities are wicked lies. I have never been involved in the setting up or running of any illegal gambling premises. The only gambling establishment with which I have been involved is the Balmain Leagues Club, with lawful poker machines.

I was stunned and outraged when I was told of the mention of my name by some Constable Williams, whoever he is. I do not know the man, and know only what the Police Commissioner has been reported as saying about him.

What else can I say? It is a pretty sorry state of affairs when I can be named in secrecy by some disaffected police officer without any knowledge of the accusations until I see them headlined across the media in this State. How can these people be allowed to make these lying and outrageous attacks under the cloak of complete parliamentary privilege?

I call upon the Premier Mr Wran and the Leader of the Opposition Mr Coleman together to stop this character assassination where innocent people can be injured with no opportunity to tell the truth.

In the meantime I have asked my legal advisers, as a matter of urgency, to prepare advice on what legal action I can take to protect myself from these faceless, false accusers.

That highlights the suggestion I made at yesterday's tabling, that the Hon. D. D. Freeman will go down in the history of this Parliament as being one of the greatest smearers of people's characters and names. That is unfortunate, for I am sure that the honourable gentleman is not acting on his own motivation but is a mere puppet for others in the Liberal and Country parties who are willing to see a man who was held in some respect in this community reach what must be the nadir of his public life. To have people wake up in the morning to find themselves headlined in the

newspapers as having been involved in criminal activities, without their ever being afforded an opportunity to face their accusers or give their version of the matter prior to publication, and to have some assessment of their characters made prior to their name being besmirched by people such as the Hon. D. D. Freeman, must represent one of the lowest points in this Parliament's history.

Today the Hon. D. D. Freeman has tabled some more documents. At a later stage I shall ask—and I mention it now to give the honourable member time to consider his answer—whether the persons, if any, named in this evidence have been given the opportunity, prior to their names being made public in some derogatory fashion, to place their version of any events before the committee for its consideration. All of us recognize what has been taking place as probably one of the basest political stunts ever to be perpetrated in this Parliament. I suggest it will be a long time before honourable members forget that by the publication of these documents some members of this Parliament used their position to smear people whose character was previously unblemished. I am not referring to persons who for twenty or thirty years have had a notorious reputation. I am talking about people who previously had good names but were denied basic fair play, justice and an opportunity to present themselves before this committee. Instead they have been smeared by the Hon. D. D. Freeman and the other members of the committee who supported the publication of these documents.

The Government is only too eager to receive evidence of criminal activity in order that the offenders can be brought before the courts for prosecution. In the courts people have the opportunity of being protected by the rules of evidence, of facing their accusers and of having the protections of the law available to them. As I said yesterday, it was a disgraceful performance for a lawyer to be party to such a procedure. The fruits of that performance can be seen in this morning's newspapers, by what has happened in regard to Mr Humphreys and the gentleman who is connected with the Manly Leagues Club. This morning that gentleman's faith in democracy must have been somewhat shaken when he woke up, after his team won a rugby league semi-final yesterday, to find that he had been branded as having an association with criminal activities, without his ever having any knowledge that this was being said in his absence. If the Hon. D. D. Freeman is proud of that performance in this Parliament, his ethics certainly deserve scrutiny by the same committee.

SOUTH WEST ROCKS FISHING INDUSTRY

The Hon. R. G. MELVILLE: I ask the Vice-President of the Executive Council and Minister for Planning and Environment a question on a somewhat different level. During the life of this Parliament I asked him a question about improvements to the fishing facilities at South West Rocks creek. I now ask him what progress has been made in engineering studies regarding improvements to the entrance of South West Rocks creek, in the light of the importance of this work to the fishing industry in the area. What financial priority has been allocated in the present Budget to the carrying out of any improvements in the area?

The Hon. D. P. LANDA: I have received some advice in relation to the honourable member's question. It is that preliminary studies have been done by the coastal engineering branch of the Department of Public Works on new facilities for the fishing industry operating in the South West Rocks creek area. Recently the branch briefed consultants on the matter and it expects to receive a report from them in this financial year. Provision has been made in this year's budget estimates for an allocation for this area out of the total sum of \$3 million set aside for fishing port facilities.

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The Hon. D. P. LANDA: I direct a question without notice to the chairman of the Select Committee on Crime Control, the Hon. D. D. Freeman. Did he as chairman of the committee have any discussions with any witness who subsequently appeared before the committee prior to that witness giving evidence? If so, did he regard this as proper in accordance with the normal rules of evidence? If he did, what were the names of those witnesses?

The Hon. D. D. FREEMAN: Generally the answer is, yes. After the formation of the committee was announced I received a large number of phone calls and I believe that other members of the committee did too, though I am not sure of that, in regard to the terms of reference. As I have said before, I told every one of those people that if they had anything to offer they should come before the committee but they would be required to give testimony on oath and, as is normal with a select committee, the transcript of their evidence might be made public. I cannot give the names of those people for I do not remember them; there were many of them. The procedure I adopted flowed from the terms of the motion I moved for the setting up of this committee.

The Hon. D. P. LANDA: Either the honourable member has deliberately not understood my question or it needs repetition. Therefore, I shall repeat it. I asked not about people who made inquiries but about witnesses who appeared before the committee and gave evidence. From memory approximately six or seven people were in this category. Did the honourable member, as chairman of the committee, discuss the evidence of any of those witnesses with them before they gave it, that is, what they were to say and what they were not to say? If so, with which witness or witnesses did he do that?

The Hon. D. D. FREEMAN: From memory, the committee heard evidence from about seventeen witnesses. I did not discuss their evidence with them. I discussed in general terms the problem about which they sought to appear before the committee. In no way did I discuss the evidence as such. That was the way the committee operated. I asked every member of the committee if he had the name of any witness who wished to appear before the committee to let me have that name. The matter was widely publicized. Even though there was very little time available, any person in the community could have volunteered to appear before the committee.

The Hon. D. P. LANDA: I direct a further question without notice to the honourable member as chairman of the select committee. Did he visit the home of Constable Williams to discuss his evidence prior to his giving evidence or did he entertain Constable Williams at his, the chairman's, home prior to the taking of the constable's evidence?

The Hon. D. D. FREEMAN: Yes.

The Hon. D. P. LANDA: I direct a further question without notice to the chairman of the committee. Was that discussion held at Constable Williams' home or at the honourable member's home?

The Hon. D. D. FREEMAN: At Mr Williams' home.

The Hon. D. P. LANDA: I direct a further question without notice to the Hon. D. D. Freeman. Was this visit by the chairman of the committee to the private home of a witness who might be called before the committee, made known to the members of the committee before that person's evidence was heard?

The Hon. D. D. FREEMAN: At that time there was no intention necessarily of calling the witness. I felt it was my responsibility as chairman at least to check the bona fides of people who had offered to give evidence before they appeared before the committee.

The Hon. D. P. LANDA: I direct a further question without notice to the Hon. D. D. Freeman. Is there any other witness whom the chairman visited at home in order to discuss his evidence?

The Hon. D. D. FREEMAN: From memory, I do not believe so. The reason, or one of the reasons, I visited Mr Williams was that he is not on the telephone.

MEDIBANK

Debate resumed (from 17th August, *vide* page 215) on motion by the Hon. P. McMahon:

That this House condemns the federal Government for any attempts to abolish or reduce Medibank Standard.

The Hon. P. McMAHON [2.49]: When this House was last considering this motion I issued certain challenges to honourable members opposite to justify some of the alterations that the federal Government is making to Medibank Standard. I trust that honourable members opposite are now willing to join in this debate in an endeavour to justify the adjustments to Medibank Standard that affect large numbers of people entitled to medical benefits in New South Wales and throughout Australia.

The Australian Medical Association, through its president and other people, has attacked the new scheme of the federal Government as being much like the original concept of Medibank. If someone wants to do that I suggest that he refer to the original Medibank scheme, which was authorized by the Hon. W. G. Hayden, now Leader of the Opposition in the Australian Parliament, in November 1973. At that time he had this to say on behalf of the Australian Labor Government:

The Australian Government believes that all people, irrespective of their means, should have access to a high standard of health care. The level of a person's income should not be a barrier to receiving whatever hospital or medical service he or she may need.

Yet well over one million Australians are not insured against the cost of sickness or injury. The uninsured include many poor people, migrants and Aborigines. Any health insurance programme which does not cover these people reinforces inequalities in a vital aspect of our society.

Similarly, in a country as wealthy as ours, no one should be subjected to the indignity of a prying means test to determine his or her eligibility for various forms of health care. The freedom of people to choose the type of hospital care they want and their right to the ready availability of medical services are fundamental principles of Government policy.

For these reasons, the Government wishes to remove means tests which limit entry into public wards in many hospitals. It also believes that it should develop a range of ways in which medical services are provided for the community.

Now the Fraser Government has decided to destroy Medibank Standard. The Australian Medical Association continues to assert, allegedly on behalf of the doctors whom it purports to represent—and I do not put all members of the medical profession in that category—that the Fraser Government's proposals are too much like the original Medibank scheme. If the purpose of the original proposal was to ensure that ordinary citizens would not be subject to a prying means test to determine their eligibility to receive proper health care, the federal Government is doing the citizens of New South Wales a great disservice. As well, it is making mendicants of citizens who simply want adequate health care.

Surely the resources of this country are adequate to ensure that people should be able to receive medical and hospital care at a minimum cost. I do not want to see in this country the position that exists in some undeveloped countries where health services are poor or non-existent, or available only to the wealthy. Nor do I want to see in this country the situation that exists in some developed countries where health care is available—unlike in most undeveloped countries—at such tremendous cost that it reduces the opportunity of people to have that care. As a corollary, in those developed countries many people cannot insure themselves adequately for health care because of what they must pay on a per *capita* basis to be able to meet exorbitant hospital fees of the order of \$300 or \$400 a day.

An insurance-funded or government-funded medical scheme should enable people to receive adequate and proper hospital and medical care at the most economic rate. The latest federal Government proposal, which is still not completely clear, will apparently guarantee only 40 per cent of medical fees charged a patient. People are being urged to register with a private health fund or with Medibank Private to cover the gap. The Government will say that because many people are not insured to receive a 60 per cent, 70 per cent, 80 per cent or 90 per cent refund, they will have to pay \$x. In this instance \$x is the original figure for Medibank Standard, plus the additional amount required for Medibank Private or the additional amount that a number of private health funds charge, plus an additional amount that will be needed for the very reason that there will be a reversion to the situation that existed in 1973. Let me remind honourable members that that was only five years ago, which is not an overlong period in which to test the scheme introduced by the Whitlam Government. At that time well over one million Australians were uninsured for health cover. I suggest that because of the devious proposals contained in the present federal Government's plans to abolish or reduce Medibank Standard, that will soon again be the position.

Any financial expert knows that if a fund loses a million of its members, the people who remain in the fund will have to pay higher subscriptions. Before the last federal elections the Prime Minister did not tell the people what he intended to do with Medibank. On the basis of his promises the Prime Minister was returned to office with a substantial majority but he immediately took action to do away with Medibank. Only three years before, he had assured the people of Australia that Medibank would be retained as it then was. I challenge anyone to be game enough to claim that the Prime Minister has adopted a decent, moral attitude. For destroying Medibank Standard, the federal Government will stand condemned in the eyes of all Australians.

The Australian Medical Association has announced that as a result of the almost total destruction of Medibank, it will be necessary for people earning less than \$400 a week to take out private health insurance. The federal Government has played a confidence trick on the people of Australia. When Medibank was introduced in

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1973 about a million people were not covered for health insurance. If the Australian Medical Association is correct, contributions to private health funds will increase considerably. It is probable that 90 per cent of the work force does not earn \$400 a week. My motion is couched in strong terms because there is a need to condemn the federal Government for its actions over Medibank Standard. Since Medibank was established the Australian Medical Association has continued to criticize the scheme.

Many members of the medical profession do not agree with the policy of the Australian Medical Association. Other medical practitioners support the association and the pressure group that has operated in Canberra on its behalf. It is obvious that Opposition members support the federal Government's health policy. Many medical practitioners who support the policies of the Australian Medical Association are living off the sick. Many doctors have combined to set up their own private hospital and medical system. Often, after a sick person is unable to obtain hospital accommodation, he is told by a doctor that he can get him into a private hospital almost immediately. Though there is nothing illegal about such a practice, it would be contrary to the views of most honourable members of what should be done. Sometimes, after a doctor sends a person to a private hospital, he is able to treat the patient there and receive fees for that treatment. Surely no honourable member would agree with such a practice. The policy of the Australian Medical Association has gone a long way towards influencing the federal Government's decision to cut down on funds for the development of our public hospital system.

The destruction by the federal Government of Medibank Standard will lead to the development of large numbers of private hospitals because there will be a considerable profit incentive. That will be to the detriment of the one million persons who had no health insurance before the election of the **Whitlam Labor Government**, and the rest of the community will pay an extremely high cost for medical and hospital attention. Nobody could say that the federal Labor Party attempted to nationalize medical services in Australia. Allegations to that effect were made, and those who made them were fed by members of the Liberal-Country parties and their friends. The allegations were fanned by the news media. The fact is that the proposal made by the Hon. W. G. Hayden did not interfere with the right of doctors to work in private practice if that was what they wished to do. In 1973 the Labor Government announced clearly that doctors would be free to choose forms of practice based on salary, prepayment for services, or contractual arrangements, and that the Government would make provision for such systems of service for doctors who wished to take advantage of them. Members of the public, similarly, would have the same choice of medical services. What could be fairer?

Those in the medical profession who have worked for the destruction of Medibank Standard have succeeded. Their friends in Canberra have given them exactly what they wanted. That will be to the detriment of Australia's citizens. What is to happen to persons whose income is less than \$59 a week and who, for that reason, are not obliged to be privately insured? I exclude those who are in receipt of unemployment benefits and pensioners. Low-wage earners will be made mendicants by having to go to a medical practitioner and satisfy him, even though he is not qualified to judge, that they are unable to afford ordinary medical fees. Even if **such** persons are registered with a fund, they will get back only 40 per cent of the **cost** of treatment.

It is important to note that what the federal Government has done now is a complete reversal of what the Labor Government did in 1973, and takes no account of the need to help people who are in dire straits and require hospital and medical

attention. The Australian Medical Association wants to forget what the Medibank scheme was all about. In 1973 the Labor Minister for Social Security, the Hon. W. G. Hayden, made the following statement:

The health insurance programme will not in itself be a panacea for all the problems of health care in the community. Like the present private insurance scheme, the new programme will be mainly a mechanism for financing the cost of personal medical and hospital expenses but, unlike the present scheme——

That was the one that was operating up to 1973:

——it will provide an efficient and equitable means of raising moneys from the public for the medical and hospital costs of all Australians.

The present federal Government has abandoned that concept. It is returning to the practice of compelling some persons to become mendicants in seeking medical and hospital treatment. The Labor Party believed that health care, though not to be provided free as some groups wished, should be paid for in part by the whole community. In that, the Labor Party acted responsibly. Arguments were advanced, meetings held and deputations received, but the Labor Government determined that medical services would not be provided absolutely free of cost to those receiving them.

The suggestion by the Liberal and Country parties that the Medibank scheme would never be successful was invalid. The Labor Party believes that some people in the community are entitled to Medibank Standard. This debate is concerned with the abolition or alteration of Medibank Standard by the federal Government to deny adequate hospital and medical care to people of little wealth who were covered by the original concept of Medibank. The citizens of this State are sick of the continual changes to Medibank and the federal Liberal-Country party's attempts to dismantle it. Over half the population of the State is affected by the abolition or reduction of Medibank Standard. The *Sydney Morning Herald* is a newspaper that generally supports the line of members on the other side of this Chamber. However, following a statement by the federal Minister for Health, Mr Hunt, objecting to the Australian Council of Trade Unions executive's rejection of the federal Government's proposed changes in Medibank at that time, the editorial of the *Sydney Morning Herald* of 24th June, 1976, stated:

Can the public be sure therefore that there will be no further modifications? Mr Hunt and the Government as a whole should certainly listen to the ACTU's detailed objections which have been carefully thought out and deserve to be treated seriously.

At that time in 1976 the federal Liberal-Country party Government was talking only of modifying or altering the scheme, not reducing or abolishing Medibank Standard as it is in 1978. I ask honourable members opposite to think carefully before they rise to oppose the condemnation of the federal Government for its abolition or reduction of Medibank Standard which will affect half the population of this State.

The Hon. M. F. Willis: At the rate you are going I will not get a chance.

The Hon. P. McMAHON: I always enjoy the contributions of the Leader of the Opposition to debates in this Chamber. If he is trying to short circuit me, and I do not mean in medical terms——

The Hon. M. F. Willis: I would like to cut you off.

The Hon. P. McMAHON: I wish fully to clarify my argument in relation to the motion, for it is important to one million citizens of New South Wales and their families. I assure the Leader of the Opposition that his turn will undoubtedly

come at some time and in some place. I hope when it does he does not have to submit to the controls of Medibank Standard when he visits his doctor. No doubt he, like many others in this Chamber, can afford to insure with Medibank Private or one of the private schemes. In 1976 when the federal Government introduced the changes to Medibank to which I have just referred, the federal Minister for Health spoke of the new package that would provide an opportunity for competition. It was like a new vision on the horizon. If that statement was genuine in 1976—I do not want to go over the 1976 argument again—how is it that two years later the changes that are now proposed to Medibank Standard are supposed to provide some opportunity for competition? I shall be interested to hear the contributions of honourable members opposite in support of the argument that the present changes proposed to Medibank Standard provide some opportunity for competition.

I should not put the opportunity on a very high plane, but the scheme then did provide some opportunity for competition. However, in the 1978 situation, that is not so. In 1976 the Labor Council of New South Wales made submissions to the Medibank review committee. I wish to place on record some of the points that were made at that time. The Labor Council was concerned to see that the highest standard of medical care the country could afford was provided to people, irrespective of their means. Medibank ensured that every person in the community was covered for health insurance purposes and in doing so it overcame many of the inequities and injustices of the old health scheme. The Labor Council pointed out on behalf of the trade-union movement in this State that it would not stand by and allow this major social welfare reform to be dismantled or destroyed by the demands of a small number of selfish individuals committed to the concept of cash register medicine.

That succinctly puts the view contained in the submission of the Labor Council of New South Wales. I should like someone to take up that issue if he believes it is not factual. The Labor Council of New South Wales pointed out also:

Medibank is a way to meet the cost of Australia's national health bill and any trimming back of the scheme would destroy the universal coverage concept. The patient would be left to bear the higher medical costs. The private health funds would inevitably play a large part in such a system. In this regard, the Committee's attention is drawn to the criticism of the private health insurance funds made in the Nimmo Committee Report. The Labor Council agrees that competition among the private funds and the building up of unnecessary reserves is a waste of community resources.

Again I quote from the Labor Council's submission made to the Medibank review committee in 1976:

The Council believes that the bulk-billing system is crucial to the development of a health system based on preventative rather than curative medicine. It offers protection to the doctor against the cash-register medicine syndrome. It is also less of a worry to the patient and administratively simple for the doctor.

Again, if someone sitting opposite would like to join issue on that statement, he should look at his own party's policy. Those members of this House who practise the learned profession of dentistry—perhaps they should stick to it rather than get tangled up in legal arguments—know that over a number of years the Australian Dental Association has talked continually about preventive dentistry. That association was more forthright and clear on its proposals to have preventive dental treatment provided for children and members of the community at large than was the Australian Medical Association in regard to medical care. Over many years members of the dental profession have sought to bring about a situation where their patients are able to recover a substantial proportion of the costs of dental care. Indeed, many members of the dental profession have mentioned to me, when the Liberal and Country

parties had such a long run in office in Canberra, that they had not been successful because the Liberal-Country party Government always appointed medical doctors as Ministers for Health.

I do not know whether that was a valid criticism or not, but the members of the dental profession who spoke to me were quite upset about the attitude to them. I refer to people who were speaking on behalf of the Dental Association, although probably not in a serious way. It is interesting to consider the position in 1978. The Australian Medical Association was successful in getting its way and the dental profession, through the Dental Association, is still having to charge fully for services rendered except in regard to patients who are fortunate enough to be able to pay into private or closed funds and thus receive refunds in respect of dental treatment.

Through their association dentists have always supported fluoridation of water supplies. They have always argued that it is far better for people to have healthy teeth than to need to seek dental treatment. They have always campaigned for good dental care and argued that prevention is better than cure. In 1976 a similar view was adopted by the Labor Council when supporting a system of bulk-billing for medical services. It said that the bulk-billing system was crucial to the development of preventive medical treatment. I hope that no one opposes this motion. I believe it is of such merit that it will be carried without any difficulty. It would seem that the Leader of the Opposition wants to speak on the motion. Perhaps he wants to support it and some of the other views that I shall put.

Bulk billing is an essential and important ingredient of Medibank Standard. The argument in 1976 was not how much the patient would have to pay; it was that an important consideration is that the increase in the percentage of the medical bill to be met by the patient would reduce the return to the doctor for bulk billing from 85 per cent to 75 per cent. That is what the Liberal and Country parties were vocal about at the time. The present proposal to destroy Medibank Standard was not based on an actuarial review. It is a confidence trick based on the policy advanced by the Liberal Party prior to the last election. Now the Australian Government proposes to embark on another confidence trick, a political exercise with regard to the Consumer Price Index. Doubtless that matter will be ventilated well and truly by the trade union movement and other members of the community. I have no doubt that the action taken by the Australian Government will have some influence upon the Arbitration Commission's decisions on wage fixation. It will be a matter for regret if the commission decides to make wage adjustments six-monthly, even if it pays regard to movements in the consumer price index.

The federal Government has not carried out an actuarial study into the effects of its destruction of Medibank Standard. It has engaged in a political gimmick at the expense of the Australian people. The federal Government hopes to argue successfully before the Australian Conciliation and Arbitration Commission that any effect of its new health scheme on the consumer price index should be discounted. It also hopes to be successful in putting a similar argument in respect of the effect of the increased price of petrol and other consumer goods on the consumer price index. It is probable that in less than twelve months the federal Government will come forward with Medibank mark 9, mark 10, or even mark 11. Every person in Australia will have to bear the increased health burden. A big percentage of people will find it necessary to take out private health insurance. The federal Government hopes to be able to manipulate the consumer price index to its own advantage. The Australian Conciliation and Arbitration Commission is a responsible body that recognizes its role in the field of wage fixation. It will not fall for the federal Government's political gimmickry—its three-card trick. The commission will soon recognize that

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the Commonwealth Government has no idea how its new health scheme will work. It will be aware that no proper actuarial assessment of the scheme has been carried out, and for that reason it will reject the federal Government's submissions.

The issues concerning Medibank Standard and private health insurance have been discussed at length by the news media. Many newspapers, those circulating locally and the national publications, have asked what will happen to the federal Government's new health scheme if a great number of people do not take out private health insurance. Even the federal Minister for Health has acknowledged that problems might occur if a great number of people gamble on their health and decide not to take out private health cover. Some people will argue that the federal Government's new health policy will bring about a reduction in the consumer price index for the current quarter. When Medibank was set up in 1973 about a million people found that they could not afford to take out health insurance. Many young people will not be able to take out health insurance. Young people entering the work force certainly face a difficult period. The income tax return form has a section where a person has to state whether he pays the Medibank levy or is a member of a private health fund. Many young people entering the work force after obtaining the school certificate or the higher school certificate become confused when they have to fill out this section of their taxation return.

I am sorry for new arrivals to this country who are not expert in the English language for they will certainly have a great deal of difficulty in filling out this section of their taxation return. I admit that on occasions I have had great difficulty assisting people to fill out this section of their taxation return. Many young people have to give details of their employment in a number of part-time positions before obtaining a permanent position. All that information has to be put on to their taxation return. A number of young people are confused about the benefits they can receive under Medibank Standard. No wonder many young people are now opting out of Medibank. Under the original Medibank concept people knew that they were entitled to a refund of 85 per cent of the sum paid for medical treatment. There was nothing wrong with that scheme. As a result of the federal Government's new policy on health, a patient's contribution to a doctor will rise from \$2.23 to \$5.34—almost double. That estimate is based upon the Australian Medical Association schedule fee, which is slightly higher than the fee contemplated by the federal Government but lower than the fee charged by some doctors.

The Whitlam Government provided for 85 per cent of the scheduled medical fee to be paid by way of medical benefit. Earlier this year the Fraser Government reduced that to 75 per cent, and now has cut it back to 40 per cent. That is a complete reversal of the original Medibank concept. Many changes have been made to the national health scheme in Britain since it was introduced, but no government, Conservative or Labour has attempted to destroy or dismantle that scheme. Even members of royalty in Britain have a national health insurance card and contribute towards health care in that country.

If any honourable member doubts my statement that the federal Liberal-Country party Government is attempting to abolish the Medibank Standard scheme, let me refer for support to an editorial in the *Australian* which begins with the words, "Medibank has effectively been abolished." Later in the same editorial it was said that, "The new proposals are untidy and possibly unfair". The editorial writer was attempting to state the facts in modest fashion, but could not avoid the point that Medibank was finished.

Only two months ago the Australian Council of Trade Unions, acting responsibly, as it does, on behalf of affiliated unions, state branches, and affiliated unionists, numbering two million in this country, and following requests made by the Labor

Council of New South Wales and the unions affiliated with it, asked all trade unions to continue their campaign of opposition to changes in Medibank, particularly those relating to Medibank Standard. The ACTU pointed out that the change to be resisted most strongly was the abolition of bulk billing. It said that unionists should understand how the former Labor Government's arrangements for the health care of the people of this nation were being destroyed by the federal Government's proposals.

I ask honourable members to consider also the documents published by the Liberal and Country parties in May, 1978, on the subject of control of health costs. It was at that time that the federal Government changed the Medibank arrangements. If honourable members think it somewhat remote to be concerned with what happened in 1973 and 1976—even though what I have said about the events of that time is irrefutable—let me suggest that they consider the remarks of the federal Minister for Health in May, 1978. That is only three and a half months ago. The Hon. R. J. D. Hunt said that changes to the health insurance programme were designed "to encourage responsible use of one of the best health services in the world". Surely we are not making the best use of our health service if we require members of the medical profession to spend their time interviewing persons to determine whether they should be treated as mendicants. The federal Minister for Health added that the Government's object was to get the best value for each dollar of taxpayers' money spent on health care, and to promote competition between an innovation by private health insurance organizations. If the Minister was right, why are we still in limbo?

The federal Minister for Health said that the federal Government's first responsibility was to help those who could not help themselves. If the object of that exercise is to put people in the invidious position when they go to their doctor of having to prove that they require medical care at the most reasonable cost, I cannot see how one can justify the argument advanced in that document by the federal Minister. Honourable members opposite will find it difficult to justify the federal Government's proposals.

I know that others wish to speak on this important issue. I put to honourable members opposite that should the federal Liberal–Country party Government, following the carrying of this resolution, abandon its proposals to discontinue and reduce Medibank Standard, it should restore confidence in Medibank by upgrading it. The federal Government should concentrate every effort on genuinely improving health care. It should ensure the maximum financial reimbursement for all who fall sick and require hospital or medical treatment. I ask all honourable members to support the motion.

The Hon. M. F. WILLIS (Leader of the Opposition) [4.2]: The parliamentary souls of the late Hon. C. J. Cahill and the late Hon. H. J. A. Sullivan will never feel lonely while the Hon. P. McMahon is a member of this House. I hope he will forgive me if I do not presume to endeavour to answer every point that he has raised in his dissertation today and on the previous occasion, for frankly I lost track. We of the Opposition are firmly of the opinion that the changes to the Medibank health insurance system that were announced by the federal Government in its recent Budget will be welcomed by most Australians once the community at large has come fully to understand the implications of the new approach. To me the changes represent a new and improved Medibank scheme and incorporate the best features of the existing and earlier arrangements, notwithstanding that the mover of the motion would have us believe that we are in effect reverting to the former scheme with all its inadequacies.

We believe that the changes announced in the Budget will ensure a universal Commonwealth benefit for medical services and that standard ward hospital care will be available to everyone in the community. In addition, most people can expect to pay less for their health insurance when the changes are introduced on 1st November.

There is no doubt that the changes will greatly simplify the present insurance arrangements and will continue to slow the rising cost of health care. I want to make it quite clear at this stage that the announced changes will not diminish health care or health cover to the great majority of the Australian people. They do have the effect, however, of abolishing the compulsory aspects of the existing scheme and will allow people to elect whether or not they want to seek health insurance additional to that which is made available free of charge by the Government.

Accordingly, the health insurance levy is to be abolished and members of the public can withdraw from any health insurance commitments they may have with the private funds, if they so desire. It is entirely a matter of choice for the individual. Irrespective of any decision taken by individual members of the community, the Commonwealth Government will pay a new universal medical benefit from consolidated revenue. This new benefit will cover **40** per cent of the schedule medical fees with a maximum patient contribution of **\$20** for any one service where the schedule fee is charged. For instance, for a confinement by a general practitioner the schedule fee is **\$106** and the total patient commitment will be **\$20**. If the confinement is by a specialist the scheduled fee is **\$122** and the patient's commitment remains at **\$20**. Of course, by taking the additional cover through any of the private funds the patient could be completely covered, as is the case at the present time.

The private health funds will continue to offer a basic table for medical benefits which, when combined with the universal Commonwealth medical benefit, will maintain the present coverage of 75 per cent of the schedule fee and a **\$10** gap. The funds will also continue to offer a basic hospital benefits table which will cover shared ward accommodation with a doctor of the patient's own choice. Accommodation in standard wards of public hospitals with treatment by doctors engaged by the hospital will continue to be available free of charge to those who are not privately insured for hospital care. For pensioners with pensioner health benefit cards, and their dependants, there will be no charge. They will still be entitled to the same benefits as they now receive.

Bulk billing of pensioner health benefit card holders and their dependants who are not privately insured for medical benefits will continue as at present. We have heard again and again the tired old Labor Party wheeze about **socking** or hurting the needy and the underprivileged. We have seen that as far as pensioners are concerned there will be no change to the existing arrangements and, as announced previously, a new concept of bulk billing for socially disadvantaged patients will be introduced and doctors will be able to bulk bill their accounts in the same way as is done at present with pensioners. In such instances the cost to the patient is nil. The existing subsidy of **\$16** a day for each occupied bed in private hospitals will continue to be paid.

These facts are self-evident to all people who care to analyse the proposed arrangements in an impartial and realistic manner. They destroy the fallacious nonsense contained in the remarks of the mover of this motion about community health care being scuttled by the abolition of Medibank Standard. What has happened in fact is that an economically and administratively unsound system of health care has been replaced by a more equitable, more economically secure and more easily understood and administered scheme. Let me look briefly at the national economic advantages that will flow from the revised scheme. Though on the face of things the decision to abolish Medibank Standard will cost the Government over **\$500** million through provision of the 40 per cent subsidy and loss of income from the Medibank levy payers, the long-term benefits will more than compensate for this temporary discrepancy.

Although the original Medibank scheme introduced by the Whitlam Government provided universal health insurance cover, it did so in an open-ended and costly way, typical of the Labor Party's socialist, so-called reform measures. When the present federal Government came to office at the end of 1975 health costs were escalating at an enormous and alarming rate. Figures of the Bureau of Statistics show that in the first year of operation costs rocketed by 36.6 per cent. It was apparent that some modifications to the scheme were necessary if these soaring costs were to be arrested and contained. Unchallenged increases of the size I just mentioned would obviously have restricted the Government's ability to direct resources to other important areas of public expenditure and to other areas of social welfare, such as the new scales of family allowances.

The changes effected in 1976 which brought into being the Medibank levy and Medibank Private led to a significant slowing in the rate of acceleration of health costs. That year the increase was brought down to 27.1 per cent—still a fairly startling figure—and last year the increase, based on statistics from the same source, was down to 19.7 per cent. Despite this slowing down in the tempo of rising costs, the federal Government considered the rate to be still unacceptably high. In addition, the Government recognized that the administrative complexities of the scheme were adding significantly to the cost structure. It was on this basis of economic logic that the Government decided on the changes in the system announced in the recent Budget—changes that will retain the best features of the original scheme but simplify the *modus operandi* of the system and greatly enhance the opportunities for containing total health costs, which the taxpayer has to meet in the long run.

I should like to touch now on the more obvious economic benefits that will accrue to the individual. For 57 per cent of the population currently insured with private health funds there will be little change in procedures but after 1st November there should be added benefit of a reduction in existing insurance charges. The executive officer of the Combined Hospital Funds Association, Mr Moon, has already predicted a weekly saving of possibly \$2 for each contributor. Health insurance levy payers can save their 24 per cent levy contribution and accept the new universal Commonwealth benefits, which will cost them nothing; or they can insure with the private funds for the additional 35 per cent in order to retain their existing level of medical benefits. It remains to be seen what the cost to these levy payers will be to effect that 35 per cent cover. It could be less than the total they are now paying under the 24 per cent levy for a 75 per cent cover. It may be slightly more, but even if it happens to be slightly higher it could prove to be more economical for the present levy payer in the long run. It would have to be a most optimistic levy payer indeed who could imagine that the old rate of 23 per cent could be maintained against the background of rising health costs and rising private fund premiums. The review of health costs carried out by the federal Government pointed to this obvious fact.

If the Government had intended to maintain any sort of balance between the numbers of health insurance levy payers and people privately insured—57 per cent of the total population—an essential element in the existing scheme's strategy for containing costs would have meant a levy rate significantly higher than the present level of 24 per cent. A further complexity emerged because of differing health cost structures in different States and the consequent variation in private insurance rates which, logically, suggested the need to examine the imposition of different levy rates in different States. This, of course, could not be countenanced in a federal levy. The administrative implications alone would be horrifying. Accordingly the Government reached the conclusion that rather than make any adjustments to the insurance levy, it was more practical and desirable to introduce a new and better Medibank system,

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abandoning the levy and introducing the new universal medical subsidy of 40 per cent. Under the proposed new scheme the private funds will be given considerable freedom and flexibility to devise attractive benefit packages that could be to the benefit of contributors. Many of the former complexities to which the Hon. P. McMahon referred will disappear. In future an individual will have to decide only one major question: Do I wish to take out private health insurance over and above the universal Commonwealth medical benefit and standard hospital entitlement and, if so, how much is needed? The whole income tax collection system will be simplified from 1st November. Paymasters will no longer have to concern themselves with levy collections. Self-employed people and others with unpredictable incomes will not have to cope with the uncertainties of deciding which options are most suitable to them. The present scheme is designed also to encourage users and providers of medical care to use the available services responsibly. More responsible use of health care facilities and benefits is most desirable, both from the patient's point of view and from the doctor's point of view.

In summary, I oppose the motion. It completely misunderstands the whole concept that the federal Government is trying to introduce in its amendments to **Medibank**. The federal Government has imported into the medical care system the philosophy that guides that Government—that people in the greatest need should receive the most assistance. It should be known by everyone that pensioners, that is, people who hold a pensioner medical entitlement card, will be absolutely unaffected. Similarly, people who fall into the category of disadvantaged persons will have the advantage of a completely free medical and hospital service, such as pensioners currently have. The remainder of the community, that is, people who are not pensioners or disadvantaged persons, in other words people who financially are able to care for themselves, have to do one simple thing—make a decision. Do they want to pay a maximum of \$20 for any medical service and, when they go to hospital, have the free standard-ward treatment by doctors employed by the hospital? If they do not want to do that, they insure with a private fund with every expectation that that insurance will cost less than the present 2½ per cent levy.

To put the matter in simple terms, the federal Government has now provided a greater range of free benefits for the needy—in fact a completely free medical service. Further, it has given to the rest of the community—people who are financially able to care for themselves—a choice. They can choose to cover themselves for the 35 per cent difference—or any other extras they want to cover themselves for—or take the standard free hospitalization and pay a maximum of \$20 for any medical service. The federal Government's new scheme will greatly simplify the administration of health care benefits in this country. It will also give the people a choice, which we on this side of the House believe to be of fundamental importance. They can make a choice of what they will do, without in any way placing their health care needs in jeopardy.

Under the federal Government's new health scheme people who are in **need**—for instance pensioners and other disadvantaged persons—will have complete cover in respect of their medical care and hospitalization at the complete expense of consolidated revenue. The federal Government is to be complimented rather than condemned. It should be complimented for having taken this step to rationalize health care legislation in Australia before it got out of hand, as it has been for many years in the United Kingdom, much to the detriment of that country, and as it almost did in Canada. The Canadian Government came to that conclusion later than we did. It found that it could no longer **finance** on a national basis the kind of open-ended scheme that the **Whitlam** Government introduced in this country. Fortunately, with a change of federal government, the opportunity was taken to rationalize the whole

scheme and put it into line with correct principles. The federal Government has ensured that those who need cover will get it and those who can look after themselves will get a certain basic cover and from that point will be able to look after themselves.

The Hon. P. J. BALDWIN [4.23]: In the limited time available to me in this debate I should like to deal with the allegation made by some Opposition members that there was an explosion of health care costs under the original Medibank scheme implemented by the Whitlam Government. The Opposition case is based on two related propositions. Its first proposition is that a cost explosion took place during the period in which the original Medibank scheme was in operation. The second proposition is that this cost explosion was attributable to an overuse of the original Medibank scheme. The basis for these claims is a subsidiary document attached to a statement by the federal Minister for Health on 24th May. That statement contained the federal Government's decision to abolish bulk billing, to reduce the maximum benefit payable from 85 per cent to 75 per cent of the schedule fee and to contemplate the introduction of deductables.

Attached to the Minister's printed statement was a subsidiary document entitled, "Costs and Usage of Medical Services". That document contained a table that purported to prove that this alleged explosion had taken place. For example, it alleged that a 25.6 per cent increase in the number of services had taken place in the 1975-76 financial year. It purported to show also that in the same period the cost of medical services had increased dramatically. The Minister's statement and the attached document appear to be the main source of information for those who allege that a cost explosion took place as a result of the implementation of Medibank. However, the figures set out in that document have been severely criticized by Dr Dick Scotton, one of the original architects of Medibank.

In a paper entitled, "Costs and Use of Medical Services" published in the second quarter of 1978 issue of the *Australian Economic Review*, Dr Scotton summed up in the following way his view of the figures supplied by the federal Government:

Quantitative information about Australian health services is notoriously unsatisfactory in both quality and quantity, and most statistics relating to the recent past are subject to unknown but significant margins of error. However, even when full allowance is made for the legitimate range of interpretation, the statistics in the document can only be described as clumsily prepared and grossly misleading.

Dr Scotton also made a number of fairly obvious observations about the statistics used by the Opposition to attempt to justify the federal Government's changes in the health scheme. He stated that a number of obvious statistical biases were introduced into the Government's figures, all of which tended to exaggerate the growth of health costs and utilization during the Medibank period.

The first point is that the statistics compiled up to 1974-75 included only services covered by voluntary health insurance and pensioner health services. Once the Medibank scheme was introduced coverage extended to 100 per cent of the population. If one is assessing the degree of utilization of a health service on the basis of the number of people receiving health insurance benefits, one must take into account that about 15 per cent of the population were uninsured prior to the introduction of Medibank.

The Leader of the Opposition argued that since 1976 there has been some containment in the growth of medical costs. However, Dr Scotton makes the point that after 1st October, 1976, the coverage was contracted marginally because visitors from overseas and people covered by workers' compensation or third-party insurance

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claims were excluded from Medibank. Therefore, irrespective of the actual level of utilization of health services, one would expect a reduction in the number of services recorded by the health insurance industry. Those two factors alone account for a large part of the cost trends that are alleged to justify a change in the health insurance system.

Another major source of bias in the statistics used by the federal Government to justify its changing the health scheme is a reduction in the payment lags following the introduction of Medibank. In this respect **Dr Scotton** said:

The other major source of distortion is the reduction in payment lags which occurred in 1975–76. The figure of 82.9 million services for 1975–76 includes 17.6 million services rendered before 1 July, 1975, but on which medical benefits under the old voluntary insurance and pensioner medical schemes were paid during 1975–76. By contrast, the number of medical services rendered during 1975–76 and paid for by Medibank in the following year was only 10.8 million. The contraction in lags was due largely to Medibank's more efficient payment systems and partly to different methods of making and recording benefit payments.

These are the two main sources of bias in the statistics quoted by the Opposition which tend to give *a* completely exaggerated impression of the extent of growth in health costs after the introduction of Medibank. There are further aspects, all of which bias the statistics in the same direction. In order to evaluate whether or not there were significant increases in health costs those biases must be eliminated from the statistics. **Dr Scotton** in his paper produced a revised set of statistics for the **four**-year period to June 1977. His conclusion was that there was a significant rise in *per capita* utilization of health services only in 1974–75, the year before Medibank was introduced. That has generally been attributed to an influenza epidemic in that year. *Per capita* use actually **fell** during the first Medibank year but was followed by a slight increase in the following year. The growth in utilization of services over the four-year period to June 1977 was, in aggregate, 8.1 per cent *per capita*, that is, 2 per cent *per annum*.

That is quite a reasonable figure and it does not square with allegations made by Opposition members that there was a massive over-use of medical services when people no longer had to pay for them. It is worthy of note that there is worldwide evidence that as the gross domestic product increases there is a tendency for health expenditure to rise as a proportion of national income. Therefore, a slight increase would be expected as a matter of course. **Dr Scotton's** article proceeds:

The true picture which emerges from a systematic examination of the available data is that the annual rate of increase in *per capita* use of medical services over the four years to June 1977 was remarkably low and that the 'Medibank year'—1975–76—did not contribute more than its due share to the overall result. On the contrary, the only year in which a notable increase in utilization occurred was 1974–75 when medical insurance coverage, if anything, contracted. The overwhelming cause of the growth of private medical expenditures over the whole period was the rise in medical fees, both through amendment of the official schedule and various forms of less formal but equally real fee drift.

Debate adjourned on motion by the Hon. **P. J. Baldwin**.

SPECIAL ADJOURNMENT

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

That this House at its rising today do adjourn until Tuesday, 19 September, 1978.

ADJOURNMENT

Select Committee on Crime Control—Long Service Payments for Building Workers

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [4.33]: I move:

That this House do now adjourn.

The Hon. EDNA S. ROPER (Deputy Leader of the Government) [4.33]: I hesitate to rise on the adjournment motion to bring to the attention of the House a matter that should never occur in a place with the history of this House, on the precipice of an occasion on which the people of New South Wales will be able to restructure and remake its history. I bring to the attention of the House a matter relating to privileges of members of this honourable institution. Yesterday in this House documents were tabled to which I, as a member of the committee, was not privy before their tabling. The evidence given to the select committee by Roger Maxwell Court on 5th September, 1978, was tabled before I and, I believe, other members of the committee had the opportunity of seeing the evidence. This is not raised as a political point-scoring exercise. It disturbs me, because, having been tabled in this House under the imprimatur of the committee, the members of that committee should have had the opportunity of closely perusing that type of document before it became the public record of a committee of which I am a member. I hope that this will never again arise, whether due to haste, neglect or simple accident.

As a member of the committee I was not able to consider the evidence given by the witness in order that I could reach my own opinion on it. The tabling of the document prevented me from fulfilling my duties as a member of the committee. I thank the House for its indulgence.

[Personal Explanation]

The Hon. D. D. Freeman: Mr President, as chairman of the committee may I make a personal explanation?

The PRESIDENT: Strictly speaking there is no basis for an honourable member to make a personal explanation at this stage. However, the honourable member may proceed.

The Hon. D. D. Freeman: A perusal of yesterday's minutes of the meeting, certified by the members who were in attendance and the clerk of the committee, will show that among the names of the witnesses whose evidence was to be transmitted to the House was the name of Mr Court. The records will show that it was a unanimous vote that the evidence, including that of Mr Court, be tabled.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [4.36]: I note the matters raised by the Hon. Edna S. Roper. We have heard the personal explanation of the Hon. D. D. Freeman. Honourable members can all form their own opinions as to the conduct of the honourable member as chairman of the committee.

The PRESIDENT: The Minister cannot debate what was said by the Hon. Edna S. Roper.

The Hon. Sir **Asher** Joel: That is so.

The Hon. D. P. LANDA: When I need to seek advice from the honourable member I will ask for it. He has already given enough advice to the puppets on the other side. A matter having been raised on the adjournment motion by the Hon. Edna S. Roper, do not I as the Minister in charge of the House have a right of reply to it? I realize that I cannot debate it.

The PRESIDENT: There is no provision for reply.

The Hon. D. P. LANDA: Mr President, as I understand it—and I am looking at the rulings—any honourable member may at any time draw attention to some matter considered to be of public importance and needing urgent attention that can be dealt with by administrative action. It is also established that there **can** be no debate on the matter so raised beyond a reply by the Minister.

The PRESIDENT: The honourable member has not asked you to do anything. She has made a personal explanation. It does not call for a reply.

The Hon. D. P. LANDA: Mr President, the honourable member did not seek to make a personal explanation, but to speak on the adjournment motion. She was granted leave so to speak.

The PRESIDENT: If so, what she said was against the rules and the matter cannot proceed any further.

The Hon. D. P. LANDA: Mr President, do I understand from your ruling that somehow the honourable member was precluded from speaking on the adjournment motion about the matter she raised?

The PRESIDENT: Yes. There cannot be any debate of that matter. The Hon. Edna S. Roper did not comply with the rules in raising that matter on the adjournment motion. Strictly, she should have sought the leave of the House **to** make a personal explanation. I accepted what she said as a personal explanation, otherwise the honourable member was not acting in accordance with the rules.

The Hon. Edna S. Roper: Mr President, with respect, it was not a personal explanation, it was a complaint to this House. I made the complaint for the benefit of the Minister so that he could inquire into the matter.

The PRESIDENT: There is no scope in the **rules** for an honourable member to make an explanation to the House on the motion for the adjournment of the House. If the honourable member did not wish to avail herself of the provision for **making** a personal explanation there was no other ground for doing what she did.

The Hon. Edna S. Roper: With respect, Mr President, I did not seek leave **to** make a personal explanation. I spoke on the motion for the adjournment of the House, seeking clarification from the Minister on the point I raised.

The PRESIDENT: Order! That was not in accordance with the standing orders.

The Hon. P. S. M. **PHILIPS** (4.401: I **wish** to raise a matter of urgent public importance, and I seek the indulgence of the House to enable me to do so. I draw attention to the fact that there is a crisis in the **housebuilding** contracting industry, resulting from the **wholesale**—

The Hon. H. J. **McPherson**: On a point of order. As I understand the standing orders, provision is made specifically that only one matter may be raised on a motion for the adjournment of the House,

The PRESIDENT: Order! There is no standing order to that effect.

The Hon. P. S. M. **PHILIPS**: There is a crisis in the housebuilding contracting industry resulting from the wholesale issuance of demands by the Builders Licensing Board for backdated long service leave payments **allegedly** due pursuant to the Building and Construction Industry Long Service Payments Act, 1974, as amended.

The Hon. **Kathleen** Anderson: On a point of order. I thought that the debate on a motion for the adjournment of the House had to be concerned with matters of urgent public importance capable of being dealt with administratively. I have not yet heard anything from the honourable member to suggest that that is the ground on which he is speaking.

The PRESIDENT: I must ask the Hon. P. S. M. **Philips** to be brief and to say how this matter can be dealt with **administratively**.

The Hon. P. S. M. **PHILIPS**: When I have had an opportunity of stating what the matter is, I shall be asking the Minister to direct the Builders **Licensing** Board to cease issuing these notices.

The PRESIDENT: I ask the honourable gentleman to be brief.

The Hon. P. S. M. **PHILIPS**: I shall be as brief as possible. As a result, there was last week a protest meeting of fifty subcontractors on the **Leslie Homes'** project at **Campbelltown**, which called for a Royal commission into the long service leave provisions of the Act. Apparently other builders and subcontractors' protest meetings are planned. The board is demanding payments backdated to February 1977. I now quote from a widely distributed letter from the Auditor-General's **Department** to the **chairman** of the Builders Licensing Board. It is dated 19th May, 1977, and is in the following terms:

Where a worker's name and registration number as shown on an employer's return cannot be matched with the master file records, the details, together with the **worker's** service credit, are entered on the then current suspense file. It is understood that for the six months ended **31st** December, 1976, approximately 44 000 such entries accumulated in suspense and that there are no plans to pursue identification. It is a matter of some **concern** that the inability to match the records may be the result of non-detection of processing errors rather than the failure either by the worker to advise the employer of his correct name and registration number or by the employer to properly record those details.

The Hon. D. P. Landa: On a point of order. The Hon. P. S. M. **Philips** is debating the subject and is not raising a matter that the Government can deal with by way of administrative action. He is giving reasons, and is making debating points. He is ignoring your direction to come to the point quickly.

The PRESIDENT: Order! I do not think that the Hon. P. S. M. **Philips** is debating the matter, but he is speaking at too great length.

The Hon. P. S. M. **PHILIPS**: I shall be as quick as I can. Without giving a full explanation, I say simply that the letter from the Auditor-General suggests that at that time the records of the Builders Licensing Board were in a complete mess. I personally inspected a lot of material issued subsequent to that date and it demonstrates that the board's records are **still** in a mess. At the moment, the evidence **of** board muddle suggests that the likelihood of registered workers **receiving**—

The Hon. D. P. Landa: On a point of order. The Hon. P. S. M. **Philips** heard the motion for the special adjournment of the House to 19th September. He has not produced one scrap of evidence to show that the matter he raises is of such urgency that he should have to raise it in debating the normal motion for the adjournment of the House, as he has done unnecessarily by extrapolating facts that could have been directed to the Government by way of a question.

The PRESIDENT: The Hon. P. S. M. **Philips** should say now what he wants the Minister to do.

The Hon. P. S. M. **PHILIPS**: In the circumstances, I ask the Government to take immediate action to ensure that forthwith the board ceases issuing demands for backdated payments for long service leave. Contractors are apparently quite happy to pay sums properly payable to a building society or to some other body pending claims by registered workers for their entitlements, and pending a demonstration by the board to the Auditor-General that it has put its house in order.

The Hon. D. P. LANDA (Vice-President of the Executive Council and Minister for Planning and Environment) [4.45], in reply: I shall consider the matters raised by the Hon. P. S. M. **Philips**. It was interesting to see the manner in which members of the Opposition attended his remarks compared with their attitude to the matter raised by the Hon. Edna S. Roper. Honourable members opposite sat silent listening with rapt attention to the complaint by the Hon. P. S. M. **Philips** about the Builders Licensing Board, but they operated in concert to prevent me from replying to the substantive denial of justice perpetrated by the chairman of the Select Committee on Crime Control, the Hon. D. D. Freeman, in tabling material in this House before all members of the select committee had an opportunity of perusing it.

The Hon. M. F. **Willis**: On a point of order. The Minister is purposely canvassing your ruling that the matter raised by the Hon. Edna S. Roper is not to be debated by him. He is proceeding to debate it under the guise of replying to a request by the Hon. P. S. M. **Philips** that administrative action be taken to rectify something that the honourable member believes needs rectification.

The Hon. D. P. Landa: On the point of order. I am endeavouring to reply to the query raised by the Hon. P. S. M. **Philips**. Part of that reply involves a consideration of the manner in which his query was received by this House. I submit that I am entitled to contrast the way it was received with the way information was put before the House today, yesterday, or on any other day.

The PRESIDENT: Order! The Minister is not entitled to do that. He may reply to the request of the Hon. P. S. M. **Philips**.

The Hon. D. P. LANDA: In answer to the query raised by the Hon. P. S. M. **Philips**, and with the greatest respect, may I say that I could not be anything but aware of the attempt today to gag me in my reply to matters raised by the Hon. Edna S. Roper, Deputy Leader of the Government. For the first time in this Chamber, the Leader of the Opposition sought to gag a Minister in replying.

The Hon. M. F. **Willis**: On a point of order. The members of the Opposition in this place today have taken no action to gag the Minister.

The Hon. D. P. Landa: You gagged my reply. You know you did.

The Hon. M. F. **Willis**: Nor have they attempted to gag his deputy or any other member in this place. For the Minister to suggest that he has been gagged or that an attempt has been made to gag him is, I suggest, a direct reflection on your ruling, Mr President, on the matters raised.

The Hon. D. P. Landa: On the point of order. In order to clear up the matter and to avoid needless hostility in relation to it, I shall seek the leave of the House to suspend standing orders to enable me to reply to the Hon. Edna S. Roper. I shall put the Opposition to the test on whether they want to gag me. I seek the leave of the House to reply to the Hon. Edna S. Roper.

The Hon. M. F. Willis: Leave is not granted.

The Hon. D. P. LANDA: Referring to what the Hon. P. S. M. Philips said in particular, I just want to say that we have seen a classic example of the way these Liberal-Country party people operate in this State, and the little regard they have for the standing orders, rules of procedure, decency, and courtesy.

The Hon. E. H. Humphries: They are the rules of the House.

The Hon. D. P. LANDA: For which members of the Opposition have scant regard, if any. The Leader of the Opposition and the Hon. D. D. Freeman will go down in the history of this House and will be remembered when it is reformed, I can assure **them**—

The PRESIDENT: Order! The Minister may not continue on those lines.

The Hon. D. P. LANDA: I cannot understand that ruling.

The PRESIDENT: The only matter the Minister can debate is whether the House should adjourn.

The Hon. D. P. LANDA: That is what I am attempting to do. As I said, the Leader of the Opposition and the Hon. D. D. Freeman will go down in the history of this House—and I shall have plenty of opportunity when the House is **reformed**—

The Hon. E. H. Humphries: On a point of order. What has that to do with the question?

The Hon. D. P. Landa: The honourable member is still up in **Gosford**; he ought to wake up.

The Hon. E. H. Humphries: The sooner I get back to Gosford and no longer have to listen to your nonsense the better I shall like it.

The Hon. EDNA S. ROPER (Deputy Leader of the Government) [4.51]: I move:

That the Minister be now heard.

Motion agreed to.

The Hon. D. P. LANDA: Some people are adept at dishing things out but, through lack of either courage or decency, they are unable to take it in return. Everything is all right when they are doing their little deals and manoeuvring, for example by using superiority of numbers to set up select committees where they smear people, drag their names into the mud and so on. It is also acceptable to them when they desert comrades who have served them well in this House.

The Hon. M. F. Willis: On a point of order. The Minister is now using a device **similar** to the one he sought to use last week in relation to a similar matter. He is using a device that during the debate on the motion for the **adjournment** of the House he be heard on a matter that has absolutely nothing to do with the one raised legitimately on the motion. I respectfully submit that the Minister is using this device to canvass your rulings, Mr President.

The Hon. D. P. Landa: What is your point of order? Under what rule?

The PRESIDENT: Order! The House, by agreement, decided to hear the Minister. I should imagine that he is enabled to speak on a matter completely dissociated from the matter raised on the adjournment. However, his remarks will still have to be directed to the question of whether the House should adjourn.

The Hon. D. P. LANDA: I shall do as you have ruled, Mr President. The House should adjourn until Tuesday, 19th September. One would hope that by that time the Hon. D. D. Freeman, the Hon. L. A. Solomons and other honourable members of the Liberal and Country parties who took part in the fiasco of the committee's deliberations and the tabling of the documents, will have time to reflect on their conduct and perhaps have the decency and courtesy to apologize to those people who have not been given an opportunity to come forward, before the committee made a public disclosure, and clear their names by answering the charges levelled against them.

Motion agreed to.

House adjourned at 4.53 p.m. until Tuesday, 19th September, 1978.
