

NEW SOUTH WALES

PARLIAMENTARY DEBATES

(HANSARD)

FOURTH SESSION OF **THE FORTY-SIXTH PARLIAMENT**

Legislative Council

Wednesday, 12 August, 1981

Opening of Session—Law of Evidence Bill (*pro forma*) first reading)—Temporary
Chairmen of Committees—Questions without Notice—Governor's Speech:
Address in Reply (First Day's Debate)—Special Adjournment.

FOURTH SESSION OF THE FORTY-SIXTH PARLIAMENT

The House met at noon, pursuant to the proclamation of His Excellency the Governor.

The President took the chair.

The Prayer was read.

The Clerk of the Parliaments read the proclamation.

OPENING OF SESSION

His Excellency the Governor entered the Chamber, and was received by the President, who was accompanied by other members and officers of the House. A message was forwarded to the Assembly that His Excellency desired their immediate attendance.

COUNCIL—Opening of Session

The Assembly being come,

His Excellency was pleased to deliver the following Speech:
Honourable Members of Parliament here assembled—

You have been called together to consider the Government's legislative and financial proposals for the Fourth Session of the Forty-Sixth Parliament of New South Wales.

In the months since I assumed the Office of Governor of New South Wales last January, I have been able to see at first hand the steady and significant progress being made in the growth and balanced development of Australia's oldest and most populous State.

Despite continuing difficulties caused by the unprecedented severity of the drought, the broad economic picture in New South Wales is one of sustained and vigorous growth, strong business recovery at all levels, significant new investment in manufacturing and resource development, with a marked reduction in the level of unemployment.

New South Wales now has the lowest unemployment level in Australia. The reduction in youth unemployment has been particularly gratifying. Over the past two years the number of unemployed persons in the 15- to 19-year old group in New South Wales has fallen by 35 per cent, compared with a reduction of only 1 per cent in the rest of Australia.

There can be no doubt that New South Wales has led Australia along the path of economic recovery; and indeed, in many key areas, the improved performance in New South Wales has accounted for much of the recovery which has occurred in Australia as a whole.

The chief work of this Session will be the consideration of the Government's financial proposals.

Despite renewed economic buoyancy in New South Wales, the Budget and the Capital Works Estimates which my Government will present for your consideration are being prepared in the context of exceptional financial constraints and stringency.

The Commonwealth Government has withdrawn or reduced its support from essential areas of government responsibility, especially in the fields of health and hospital services, education and welfare housing, and has transferred further responsibilities to the States and severely restricted the Borrowings Programme.

These factors have **imposed** upon my Ministers the need for the most careful appraisal of the financial resources of the State, the most rigorous ordering of priorities and the exercise of restraint and responsibility of the highest order, to provide continuing sound and efficient management of the State's financial **affairs**.

It is of critical importance, at this stage in the State's development, that the correct budgetary judgments be made, to ensure that the benefits of the new and momentous resource development in this decade are fairly shared by the entire New South Wales community.

Development projects valued at over \$20,000 million are planned during the next five years. There will be major expansion in the mining, aluminium and steel industries.

More than 20 coal mining projects are under consideration which will lead to the establishment of new mines to produce coal for both local and overseas requirements.

Major coal resource development at Saxonvale and **Drayton** will involve capital investment of \$375 million.

Further development in the Gunnedah–Boggabri coal region will involve the expenditure of almost \$150 million.

These projects at Saxonvale, **Drayton** and Gunnedah will alone employ some 1 700 persons and will provide a major boost to employment opportunities in the regions concerned.

Since 1979 the Government has given high priority to intensifying exploration to determine the State's coal reserves. **As** a result, large new reserves of coal have been identified in areas which were previously virtually unexplored, notably in the **Tomago** and Rylstone regions. The level of Government exploration activity **will** increase very markedly this year, with the greatest activity in the Gunnedah **Basin**. Drilling by companies to identify coal reserves on leases and exploration authorizations also continues at a very high level.

The Government is also encouraging exploration for oil and gas. This year, industry is spending some **\$6** million on petroleum exploration and some **\$13** million on petroleum and natural gas exploration in the Clarence–Moreton Basin.

The intensive exploration for coal, oil and gas is an important element in the Government's energy policy, which is progressively being implemented to ensure that the State's **energy** resources will meet the growing development needs and the requirements of the people of New South Wales.

The Gas and Electricity Act, 1935, will be amended to provide the legislative framework to facilitate and promote the orderly development of natural gas supplies to rural cities and towns and for exploration for adequate long term supplies.

The Sydney to Newcastle natural gas pipeline will be completed later this year. Extensions of the network to Wagga and **Cootamundra** have been approved. Proposals to extend supply to Bathurst, Orange and Lithgow, to **Griffith** and **Leeton**, and to Yass and Queanbeyan are under consideration.

Where economically possible, the Government intends to provide natural gas to **rural** communities at prices within 10 per cent of metropolitan tariffs.

Similar plans to bring rural electricity tariffs to within **10** per cent of metropolitan charges are proceeding.

The State's coal reserves hold tremendous potential for the development of new liquid fuels as an alternative to oil.

The Government is participating in and supporting a wide range of research, development and demonstration projects which will lessen our dependence on oil.

As part of its energy policy, the Government has invited private industry to participate in the development of a coal liquefaction industry.

Many of the major capital works being undertaken in New South Wales are related directly to the energy and development needs of New South Wales. The Government is determined that those needs shall be met, and is confident that they will be met fully in this decade of development.

To meet the increasing demand for electricity, the first of the four **660** megawatt generating units at Eraring power station is expected to be brought into commercial operation early next year. The remaining three units will be operational early in **1984**. Construction of the Bayswater power station, consisting of **four 660** megawatt generating units, is proceeding satisfactorily. Work on the construction of the two **660** megawatt units power station at Mount Piper will begin shortly.

Steady progress is being made on port development, so essential to the economic development of New South Wales.

The Government has initiated the development of a third major coal loader at Newcastle, to be sited on Kooragang Island. This project involves joint participation by the Government and the coal industry. It is expected that an annual coal exporting capacity of 15 million tonnes will be available by the end of **1984**; and subsequent expansion of this loader will provide for an annual export capacity of **50** million tonnes from the Newcastle port.

At Port **Kembla** the construction of a new coal loader, and a new multi-purpose berth, is well advanced.

To support the expanding aluminium smelting industry in the Hunter, a major alumina discharge berth is under construction at Kooragang Island.

The deepening of Newcastle Harbour is scheduled for completion in **1982**.

At Port Botany, the remaining three of six container berths are scheduled to become operational later this year. A new container berth for crude oil discharge is to be constructed at Port Botany.

The Mangrove Creek Dam is nearing completion and steady progress is being made on other major water works, including the **Glennies Creek** and Windamere Dams.

Other major capital works **underway** include the construction of new State Government offices at Newcastle and **Griffith**, while planning is continuing for Government offices at **Wollongong** and Lithgow.

Work has begun on the construction of the Sydney Police Centre as a major step towards the more efficient policing of the metropolitan area.

The Sydney Entertainment Centre should be completed late next year. My Government deplores the needless delays through industrial disputes *on* this project which have delayed the enjoyment by the people of Sydney of this magnificent and much needed amenity.

Excellent progress is being made on the restoration of the historic Mint Building and Hyde Park Barracks for their conversion into a Museum of the Social and Cultural History of New South Wales; and the National Herbarium in the Botanic Gardens.

The first stage of the Ultimo Powerhouse Museum will be opened later this year.

This year the Government is commencing a new five-year programme of beach improvements with an annual expenditure of \$2 million to conserve and enhance the unique recreational amenity the beaches of New South Wales offer to our people.

Off-shore test drilling for deep water submarine sewerage outfalls began in July.

The Government has completed its undertaking for a five-year programme for the revitalisation of the public transport system of New South Wales. A second five-year programme, estimated to cost \$1.4 billion, is now underway.

The extensive programme of upgrading of mainline railways begun in 1977 will be completed.

Contracts have been awarded for 80 diesel electric locomotives and 50 electric locomotives.

More than 100 new double-deck cars are to be added to the suburban and interurban commuter fleets.

Delivery will be taken of 30 modern inter-city express cars to meet the growing demand for country passenger travel.

More than 300 new coal and 150 other wagons are to be acquired to meet the demand for freight.

Construction is to begin on electrification of the Illawarra railway line, beyond Waterfall.

Electrification of the northern line between Sydney and Newcastle is to be continued.

Major improvements are to be made in linking export coal mining projects with the rail network.

Further improvement in passenger travel is being made with a new station being built at Liverpool and modernization of Sydney Terminal Station and improved car parking at a number of suburban stations.

A contract has been let for 170 new single-deck buses.

A contract has been let for a second new ferry for the Sydney—Manly service; and a contract will soon be let for a new hydrofoil for the Manly service. Work has commenced on terminal improvement at Manly and Circular Quay.

Regional Transport Improvement Programmes have been launched for the Western Sydney and Wollongong regions.

Parallel with the programme for the renewal of the public transport system of New South Wales, the Government has continued the improvement of the State's road network, within the limits of the financial restraints imposed upon it.

The South-Western Freeway, with an overall length of 64 kilometres, the largest road project of its kind ever undertaken in Australia, was completed last December.

Other major projects proposed are the continuation of the Sydney—Newcastle freeway, the deviation of the Hume Highway at Tumblong, the western freeway from Concord to Mays Hill and the **Parramatta** bypass at Toongabbie.

Submissions are being received by the Commission of Inquiry into the **Warringah** Transport Corridor and public hearings will be held into possible future uses of the comdor.

New bridges on the State's Main Road network are currently being completed at the rate of **one** and a **half** a week.

While the new developments based on natural resources provide the people of New South Wales with many new opportunities, the rural sector remains of fundamental importance to the progress and prosperity of the State.

Primary producers in most parts of New South Wales have been gravely affected by the State's worst drought on record, which has cost over \$1 billion in failed wheat crops, reduced animal reproduction, freight revenue losses and government financial assistance. Never before in the State's history have so many districts been **affected** for so long.

The Government has implemented a wide range of drought relief. Assistance totalling some \$66 million has been made available during the past 18 months—\$23.5 million of which was grant money.

Substantial loans and subsidies have been made to landholders for farm water supply works, storages and bores.

Employment in abattoirs dropped steeply as throughput fell to disastrous levels forcing the closure of a number of centres.

The Department of Agriculture is undertaking a major initiative to promote consumer awareness of the importance of fresh food and the role of the rural community in providing that food.

The industrial development and decentralization programmes of the Government have proved successful in encouraging business enterprises to New South Wales, including the establishment of many major projects beyond the metropolitan area.

During the last financial year, assistance of over \$25 million was provided from the Country Industries Assistance Fund. This included substantial payroll taxation rebates to country industries.

The State's first newsprint mill has been established at Albury and will be opened this month.

The Government will continue to assist the development of the three designated growth areas in New South Wales—Albury–Wodonga, Bathurst–Orange and Macarthur—despite the withdrawal of Commonwealth support for Bathurst–Orange and Macarthur and reduced Commonwealth level of support for Albury–Wodonga.

A fund has been established to foster employment opportunities in the western Sydney region.

The services of the New South Wales Small Business Agency are to be further extended this year by the provision of a special advisory service to small businesses in the road freight industry.

Reduced Commonwealth assistance to New South Wales has placed major strains on the State's financial resources in three most important areas of the Government's responsibility: health, education and housing.

Despite the reduction of some \$77 million in Commonwealth funding for hospitals, my Government is determined to preserve the standard of health services and will ensure that persons without adequate means will have full access to health care services.

The first stage of a new 200-bed hospital at Mt **Druitt** will open by the end of 1981. This hospital has been placed under the administration of the Catholic Archdiocese of Sydney.

Ward facilities are being expanded at other centres,

Funds are to be provided for the expansion of ward facilities at Nepean, Liverpool and Camden hospitals.

The Children's Dental Programme will continue to be given a high priority.

A Migrant Health Advisory Committee has been established to ensure that migrant groups have equal access to health care.

COUNCIL—Opening of Session

The illegal use of drugs remains a matter of particular concern. Numerous reforms have been introduced including legislation to increase the **investigative** and penal powers of the authorities against drug trafficking and major improvements in the facilities for treating drug dependent persons.

The **Government** will continue to co-operate with the Commonwealth, and other States, in the implementation of the recommendations made by Royal Commissions on Drugs and in joint arrangements dealing with the drug problem.

The findings of the first major enquiry in the State's history into Occupational Health and Safety are being examined.

My advisers are concerned at the **failure** of the Commonwealth Government to support the principle of the transfer of nursing education to the tertiary sector. They will continue to urge this course and continue to rationalize and reorganize nursing education throughout the State.

After a long period of growth the State's schools now enter a period of declining **enrolments** due to population changes. Implications for school management and educational administration are **considerable**.

During the latter half of **1981**, **220** additional teachers will be appointed to primary schools to reduce the pupil—teacher ratio so that no class need exceed **30** pupils.

To further the development of community languages in the State the Government this year will appoint specialist community language teachers to primary schools.

The Government has placed and will continue to place a high priority on the important and expanding role of Technical and Further Education (TAFE) in a society which is subject to rapid technological and social change.

New TAFE Colleges have been built at Campbelltown, Glendale, **Padstow** and Wetherill Park and others are being constructed at **Baulkham Hills** and at **Wyong** on the Central Coast.

To cope with increased demand for skilled training in the Hunter District, urgent works have been carried out at the Muswellbrook, Singleton, Cessnock, Belmont and Newcastle Technical Colleges providing these colleges with additional workshops and lecture room facilities.

The Technical and Further Education Teaching Service has been established. Following a vigorous recruitment campaign to attract successful people from various branches of industry and commerce, this Service now employs close to 5 000 full-time TAFE teachers—an increase of some 800 during the past year.

The State Group Apprenticeship Programme under which employer groups have been encouraged to take on apprentices on behalf of member employers unable to do so individually has been notably successful. About 1 000 additional apprentices **will** have commenced training by the end of this year.

The Government has increased its apprenticeship intake to a level 860 **above** its own anticipated requirements.

Other major initiatives include the provision of special training schools for electrical apprentices, appointment of additional apprenticeship supervisory staff, expansion of courses at technical colleges and extension of the workers compensation and payroll tax rebate schemes for employers.

As a result of these policies, the number of new apprenticeships begun in New South Wales reached a record high last financial year of nearly 18 000—57 per cent higher than five years ago.

This has been one of the most significant achievements in the **Government's** policy of job creation through new development.

In the third area most adversely affected by current national policies, particularly in the area of interest rates, the Government of New South Wales is giving the highest priority to meeting the housing needs of the people of New South Wales.

A special scheme of Supplementary Finance to assist low income families to acquire their first home has been introduced. The current shortage of home finance demands that this scheme be widened and made more flexible. Over the next three years \$125 million will be advanced.

In addition, the Government will provide prime residential land to the Housing Commission at subsidized prices.

The Land Commission will bring **26 000** blocks of land on to the market over the next **3** years. Crown land releases during the coming year are expected to total 2 100 blocks.

In its commitment to balanced growth and development, my Government places special emphasis on the need for proper planning to protect and enhance the environment.

The Draft Hunter Regional Environmental Plan is now being finalized, following two years of public exhibition and consultation. The Plan will provide a broad strategy for the management of resources development in the area with particular emphasis on the protection of the environment and the health and well-being of the community.

The Illawarra and Botany Regional Plans are also being finalized.

Special attention is being given to assisting aged and disabled persons through State environmental planning policies.

Priority is being given to the processing of tourist and other **employment-**generating development applications.

The Government is undertaking an extensive programme for new State recreation areas and national parks. The Headlands of Botany Bay and its environs will be established as a national park. It is expected that by the end of the year negotiations with the Commonwealth will be concluded for the transfer to the State of land at Henry Head and Cape Banks in exchange for land already made available to the Commonwealth.

The continuing development of Sydney Harbour National Park has created an asset of international significance at the gateway to New South Wales and Australia.

My Government will continue to give a high priority to the encouragement of the arts, not least in country regions. The role of the arts, and the Government's role in their encouragement, reflects the growing maturity of our community, as we approach the Bicentenary.

A new crafts centre at The Rocks, and a new gallery for the Australian Centre for Photography at Paddington, will open shortly.

The Government has initiated a "Woman in the Arts" project which will culminate in a festival and conference next year.

My Government is providing a record level of financial assistance to encourage participation in sport and recreational activities. To date, some \$18 million has been allocated.

The Government's network of sport and recreation centres is being maintained to provide a variety of leisure services and facilities.

Of major significance is the proposed development to international standards of a 4 000 seat indoor Sports Centre at Homebush.

Tourism is a major contribution to the State's economy and provides for an estimated 53 000 jobs.

The Government has, through the Tourist Industry Development Fund, provided substantial assistance for development works and promotional activities.

A State Tourism Plan will be developed to provide a stronger base for encouraging further investment and employment opportunities in the industry.

A significant Government initiative is the proposed development by private industry of major resort complexes near Yamba and Kingscliff on the North Coast of the State.

The Government will continue to promote the development of international hotels in Sydney. Six new projects have been announced recently.

The Government has undertaken the most significant overhaul of child and **social** welfare laws in more than 40 years.

The **Community** Welfare Bill will be debated during this Session of Parliament.

In addition to amending the Anti-Discrimination Act to render unlawful, in certain circumstances, discrimination on the ground of a person's physical impairment, the Government has taken an active part in the development of programmes for the International **Year** of the Disabled. These include: a special intake of disabled apprentices; access to public buildings; and special attention to planning policies relating to housing.

Far reaching reforms have been introduced relating to the law of sexual assault.

My Government is committed to the implementation of equal employment opportunity. **Affirmative** action is being taken to encourage the employment of women.

A programme for women and young people in the Hunter Region is being developed and an Equal Employment Officer is to be appointed for the region.

Early childhood services continue to receive high priority and a special allocation has been made for projects in long day-care.

New child life protection and family crisis units at Newcastle and Wollongong, will shortly become fully operative.

The programme of providing youth refuges and residential care services for children will be continued.

The Government has committed itself to meeting the recurrent costs of women's refuges, following Commonwealth withdrawal from this area.

My advisers are giving consideration to far-reaching proposals contained in the Report of the Task Force on Domestic Violence in New South Wales.

The establishment and operation of Proclaimed Places for persons **with** alcohol problems will be continued.

My Government will continue to promote the involvement and participation **of** non-English speaking persons in our economic, social and cultural life.

Proposals will be announced during the session to take a **significant** step towards the recognition of the importance of Land Rights to the advancement of the Aboriginal community.

Through the Ethnic Affairs Commission the Government has achieved much in promoting equal opportunity for persons of non-English speaking backgrounds **and** this momentum will be maintained.

The Community Interpreter and Information Service will be expanded.

The Workers' Compensation Commission will employ field advisory officers to advise members of the Ethnic communities in relation to workers' compensation claims and court procedures.

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A bill will be introduced to reform the law relating to Consumer Credit. This legislation is of great significance to consumers and industry generally.

A special moratorium is provided for primary producers who may have repayments deferred for twelve months in the event of special circumstances such as drought or flood.

A similar provision will be effected for persons who, through no fault of their own, experience illness or unemployment.

Legislation will be introduced to license insurance brokers.

My Government also intends to curb the unethical practice of gazumping in real property transactions.

My Government will ensure that the Police Force continues to operate effectively to serve the needs of the community of New South Wales. The recommendations of the Commission of Inquiry into Police Administration are now under the consideration of my advisers. There will be full consultation between the Government and the force, prior to implementation of any of the recommendations.

The Government will continue its policy of prison reform, in line with the recommendations of the Royal Commission into New South Wales Prisons. It is the intention of the Government that there should be a period of consolidation of the very considerable progress so far made in the implementation of the Commission's Report.

The redevelopment of Bathurst Gaol and the new maximum security prison at **Parklea** are expected to be in operation next year.

A new cell block has been completed for women prisoners at Silverwater.

The Government will legislate to enable persons who have been convicted of minor offences, particularly in their youth, and who have not since **reoffended**, to ensure that such convictions may be generally disregarded for all purposes.

The final Report of the Review of the New South Wales Government Administration will be presented to the Government later in the year.

The Government has given close attention to staffing levels and will continue this policy in the year ahead.

The employment of disabled and Aboriginal persons will be encouraged.

The Government has considered the Report of the Joint Committee upon Public Accounts and Financial Accounts of Statutory Authorities and legislation will be introduced to reconstitute the Public Accounts Committee and to extend its powers. Honourable Members of **Parliament**—

A comprehensive programme of legislation has been prepared for your consideration during this session.

In addition to the Bills I have **mentioned** relating to Community Welfare, Consumer Credit, the Parliamentary Accounts Committee, and Aboriginal Land Rights, other legislative proposals **will** include:

- Amendment of Workers' Compensation Act;
- Provision of a new health and safety code for coal mines in New South Wales;
- Amendment of the Adoption of Children Act;
- Replacement of the existing laws in relation to Public Safety at motor racing;
- Provision of substantial amendments in relation to Occupational Health and Safety;
- Amendment of Government and Related Employees Appeal Tribunal Act;
- Amendment of Auctioneers and Agents Act;
- Amendment of Public Instruction Act;
- Amendment of Dangerous Goods Act to cover transport of dangerous goods by container.

I commend for your consideration the wide-ranging and constructive programme of legislation I have outlined.

Honourable **Members—**

In accordance with the Constitution of New South Wales, my advisers will advise me to dissolve this Parliament no later than 2nd November, 1981. Accordingly, a general election will be held later in the year.

In conjunction with the general election, two referendums will be placed before the electors of New South Wales for their approval.

One proposal, if approved by the people, will extend the normal term of the Legislative Assembly from three to four years, as from the beginning of the Forty-Eighth Parliament.

The other proposal, if approved, will require the disclosure of pecuniary interests of Members of Parliament.

The referendums represent further significant steps towards the achievement of parliamentary and electoral reforms, which, over the past five years, have made the Parliament of New South Wales and the electoral system by which it is constituted, the most truly democratic and representative Parliament in Australia.

I now leave you to carry out the important duties entrusted to you by the people of New South Wales.

The Assembly then withdrew.

[The President left the chair at 1.10 p.m. The House resumed at 3.45 p.m.]

ASSENT TO BILLS

Royal assent to the following bills of the previous session reported:

Police Regulation (Superannuation) Amendment Bill
Police Association Employees (Superannuation) Amendment Bill
Totalizator (Amendment) Bill
Foreign Judgments (Reciprocal Enforcement) Amendment Bill
Parliamentary Electorates and Elections (Amendment) Bill
Luna Park Site Bill
Forestry (Amendment) Bill
Growth Centres (Development Corporations) Amendment Bill
Liquefied Petroleum Gas (Grants) Amendment Bill
Police Regulation (Amendment and Validation) Bill
Jury (Amendment) Bill
Police Regulation (Retirement) Amendment Bill
State Lotteries (Amendment) Bill
Lotto (Amendment) Bill
Land Aggregation Tax Management (Amendment) Bill
Crown Lands (Land Aggregation Tax) Amendment Bill
Closer Settlement (Land Aggregation Tax) Amendment Bill
Returned Soldiers Settlement (Land Aggregation Tax) Amendment
Bill
Crimes (Sexual Assault) Amendment Bill
Child Welfare (Amendment) Bill
Poultry Processing (Amendment) Bill
Totalizator (Off-course Betting) Amendment Bill
Gaming and Betting (Greyhound Racing Control Board) **Amendment**
Bill
Totalizator (Racecourse Development Fund) Amendment Bill
Trotting Authority (Totalizator) Amendment Bill
Water (Amendment) Bill
Lord Howe Island (Amendment) Bill
Pathology Laboratories Accreditation Bill
Pastures Protection (Amendment) Bill
Industrial Arbitration (Amendment) Bill
Trade Union (Amalgamations) Amendment Bill
Medical Practitioners (Amendment) Bill
Farm Water Storages and Bores Subsidies (Amendment) Bill
Motor Vehicles (Taxation) Amendment Bill
Parliamentary Committees Enabling Bill
Real Property (Amendment) Bill
National Companies and Securities **Commission** (State **Provisions**)
Bill

Securities Industry (Application of Laws) Bill
 Companies (Acquisition of Shares) (Application of Laws) Bill
 Companies and Securities (Interpretation and Miscellaneous Provisions) (Application of Laws) Bill
 Corporate Affairs Commission Bill
 Crimes (Securities Industry) Amendment Bill
 Church of England (Norfolk Island) Bill
 Church of England Trust Property (Amendment) Bill
 Liquor (Amendment) Bill
 Registered Clubs (Amendment) Bill
 Bookmakers (Taxation) Amendment Bill
 Finance (Greyhound-racing Taxation) Management (Amendment) Bill
 Banana Industry (Amendment) Bill
 Workers' Compensation (Amendment) Bill
 Workers' Compensation (Dust Diseases) Amendment Bill
 Workmen's Compensation (Broken Hill) Amendment Bill
 Maritime Services (Amendment) Bill
 Audit (Amendment) Bill
 Election Funding Bill
 Valuers Registration (Amendment) Bill
 Apprenticeship Bill
 Industrial Arbitration (Apprenticeship) Amendment **Bill**
 Public Authorities (Financial Accommodation) Bill
 Miscellaneous Acts (Financial Accommodation) Amendment Bill
 Felons (Civil Proceedings) Bill
 Cumberland Oval Bill
 Parliamentary Contributory Superannuation (Amendment) Bill
 Colleges of Advanced Education (Amendment) Bill
 Poisons (Amendment) Bill
 State Bank Bill
 Miscellaneous Acts (State Bank) Repeal and Amendment Bill
 Statutory and Other Offices Remuneration (State Bank) Amendment Bill
 Clean Air (Amendment) Bill
 Motor Traffic (Clean **Air**) Amendment Bill
 Clean Waters (Amendment) Bill
 Northern Rivers County Council (Undertaking Acquisition) Bill

LAW OF EVIDENCE BILL (pro *forma*)

First Reading

Bill presented and, on motion by the Hon. D. P. Landa, read a first time.

TEMPORARY CHAIRMEN OF COMMITTEES

The President nominated the Hon. **Donald Ross Burton**, the Hon. Leo Paul Connellan and the Hon. Joe Slater **Thompson** to act as Temporary Chairmen of Committees during the present session,

QUESTIONS WITHOUT NOTICE

MEAT INDUSTRY AUTHORITY

The Hon. J. J. **DOOHAN**: I ask the Minister for Agriculture a question without notice. Has the time for enrolment to be eligible to vote in the Meat Industry Authority election been extended because of the non-availability of application forms? As a result, has the date of the ballot been put back? When does the Minister expect these forms to be available? When they are available, will the Minister ensure that sufficient time is given to enable producers to enrol? Will the Minister ensure, also, that sufficient time is given to publicise the changed dates, and that the necessary publicity will be undertaken?

The Hon. J. R. **HALLAM**: I understand that some minor problems have arisen in the matter referred to by the Hon. J. J. **Doohan**. As I do not have at hand the precise details, I shall make inquiries and I shall advise the honourable member tomorrow of the situation.

FURNITURE TRADESMEN

The Hon. M. F. **WILLIS**: My question without notice is addressed to the Minister for Education and Vice-President of the Executive Council. Does the Minister recall that on 28th April in reply to a question concerning the deployment of forty skilled furniture tradesmen employed at the St Peters furniture workshop of the Department of Education he said:

The Government is confident that it will be able to offer employment to the persons the Leader of the Opposition referred to and, as near as practicable, at rates similar to those they now receive.

Does the Minister agree that a reduction of \$60 to **\$70** a week in pay has no similarity to the current wage of those tradesmen and that the labouring jobs that have been offered to them have no similarity to the work of skilled French polishers? Will the Minister advise the House what provision will be made to ensure that the wages and employment offered to those forty skilled tradesmen is comparable with their present situation? Because 30th September is the deadline for these men will the Minister attend to the matter urgently?

The Hon. D. P. **LANDA**: The facts are that representatives of the Department of Education, the Public Service Board, the trade union concerned and the people involved in the matter met yesterday, and are meeting again today, to attempt to resolve the matter. The Government is making every effort to ensure that there is employment for these people. It is difficult to make jobs available in the service for people skilled in a trade such as French polishing, which all honourable members know has been largely overtaken by modern technology. The figures quoted by the Leader of the Opposition might be incorrect for I am advised that only eighteen tradesmen are involved, but the number will be checked. The Government, in consultation with the trade union concerned, the Public Service Board and the Department of Education, will **try** to resolve the problems at the conferences that are proceeding.

SOIL IN ALBURY ELECTORATE

The Hon. W. L. LANGE: I ask the Minister for Agriculture whether he is aware of the electoral briefing notes for the Albury electorate prepared for the Minister by his department? Do the notes claim that one of the major issues in the electorate is the work being carried out by Mr John Stanley, an agricultural writer and adviser? Does the advice to the Minister state that Mr Stanley claims he can work miracles in improving productivity by reducing soil acidity through the application of lime? Does the advice state, also, that the *Border Morning Mail* has tried to push the idea that the department persecutes Mr Stanley? Do the notes say, further, that Mr Stanley pursues a constant campaign to belittle and denigrate the New South Wales and Victorian Departments of Agriculture? Will the Minister say whether he endorses those views of the department?

The Hon. J. R. HALLAM: I am aware of the document to which the honourable member has referred. The document could have come into the honourable member's possession only by questionable means. In any large department a whole range of briefing notes are prepared that Ministers may elect to use or disregard. In regard to Mr Stanley specifically, it is sufficient to refer the Hon. W. L. Lange to a reply given by the former Minister for Agriculture on 9th October, 1979, to the honourable member for Wagga Wagga in the other place. That answer dealt at some length with the relevant claims advanced by Mr Stanley. In a reply to an open letter from the Albury *Border Morning Mail*, which I took seriously, I set out my official position and that of the department on the claims made by Mr Stanley. I have with me a copy of that letter, but I shall not weary the House by reading it verbatim. Suffice it to say that the New South Wales Department of Agriculture is well aware of the problem of acidity in soil. Throughout the State soil types differ greatly. Thus the advice given by the department on this matter varies considerably. The problem of acidity in soils has been referred to the Commonwealth Scientific and Industrial Research Organization, and one of the State's distinguished research agronomists is examining the problem and conducting research trials at the Department of Agriculture's research station at Wagga Wagga.

SOIL IN ALBURY ELECTORATE

The Hon. W. L. LANGE: I ask the Minister for Agriculture whether he endorses the views expressed by the department in the document to which I referred?

The Hon. J. R. HALLAM: My official views are stated expressly in a letter of 27th June to the editor of the Albury *Border Morning Mail*.

AUSTRALIAN PLAGUE LOCUST COMMISSION

The Hon. N. M. ORR: My question without notice is directed to the Minister for Agriculture. **Has** the federal Government asked the State governments to take over the administration of the Australian Plague Locust Commission? Has that Government indicated its willingness to fund the wsts of **employing** the staff that it **is** proposed to transfer to the States. If so, will the Minister inform the **House** what he proposes to do about the matter?

The Hon. J. R. HALLAM: The federal razor gang decided to relinquish the federal Government's important national responsibility for the Australian Plague **Locust** Commission, just **as** it abandoned another of its responsibilities by withdrawing support for **Commonwealth** extension service grants and by reneging on a promise made **by** the Prime Minister and the Deputy Prime Minister in relation to **the** national soil

conservation programme. I took the first opportunity available to me at a **recent** meeting of the Australian Agricultural Council to seek a response from the federal Minister for Primary Industry on the Country Party's abdication of its claimed responsibility for rural and country areas of New South Wales

The Hon. R. B. Rowland Smith: Rubbish.

The Hon. J. R. HALLAM: Does the Deputy Leader of the Opposition wish to say something?

The Hon. R. B. Rowland Smith: The Minister heard me say, rubbish.

The Hon. J. R. HALLAM: I am surprised that the Deputy Leader of the Opposition in this House, who rarely moves from his headquarters in Pymble, is unaware of the decision of his federal colleague to depart from this area of responsibility. Last Monday week I raised this question at a meeting of the Australian Agricultural Council in Darwin and made an offer, with the support of the Premier and Treasurer, for New South Wales to take over responsibility for the Australian Plague Locust Commission on condition that the contributions from the other States and the federal Government remain at the present level. In an attempted sleight of hand, the Prime Minister said that the federal Government will fund the commission but it must be staffed by New South Wales public servants. Thus, when he attends the next Premiers' conference the Prime Minister will be able to criticize staffing levels in this State. That action demonstrates the Prime Minister's hypocrisy and the depths to which he and the Deputy Prime Minister will sink. I assure members of the Country Party in this House that the State Government will not shirk its responsibility in this area. If they are willing to play their part in the deal, Government supporters will play theirs. I could not elicit any response from the federal Minister, just as I failed to gain any support from him for the beleaguered abattoir system or for anything of concern to country people. For example, the Soil Conservation Service could commence a major valley conservation programme for the amount that it costs to deliver tea to the Hon. R. J. D. Hunt's Department of Transport.

GATESHEAD HIGH SCHOOL

The Hon. VIRGINIA CHADWICK: Is the Minister for Education and Vice-President of the Executive Council aware that for about eleven years the roof of Gateshead High School has been leaking? Is the problem so acute that there are holes in the ceiling of each of the three art rooms, the music room, two stairways and the art staff room? As I understand that the Minister was informed about this matter in 1980, will he advise the House when the situation will be rectified?

The Hon. D. P. LANDA: During the Liberal Party–Country Party coalition's term of office when Sir Robert Askin was Premier, the number of leaks—particularly Cabinet leaks—was almost unbelievable. That tradition is still being carried on by Opposition members, some of whom even leak memos to each other about the extra curricular activities of their colleagues. The roof at Gateshead High School is receiving consideration, and the Public Works Department will be required to repair it. I shall have investigations carried out to ascertain whether that department can take action of a more urgent nature than has perhaps appertained for some time.

GATESHEAD HIGH SCHOOL

The Hon. VIRGINIA CHADWICK: Is the Minister for Education and Vice-President of the Executive Council aware of two recent break and enters at Gateshead High School which resulted in damage totalling approximately \$28,000? Did those

incidents occur in a section of the school that does not have the same security system as other parts of that school? Will the Minister ensure, as a matter of urgency, that in view of the amount of damage involved, security is tightened so that the possibility of wanton vandalism is minimized in the future?

The Hon. D. P. LANDA: I shall do everything reasonable in my power to ensure that the incidence of vandalism is reduced not only at Gateshead High School but also throughout the State. The Government is continuing its programme of attempting to make schools as secure as possible, and it hopes to do that by greater community use of schools, particularly by parents and community organizations. That is the basis of my proposal for extended community use of schools. My proposal would make many schools available for the greater enjoyment of the community. The proper care and management of the millions of dollars worth of playing fields, gymnasiums and lecture rooms, and the co-operation of the staffs and principals at many schools, would result in the greater use of those facilities and be of great benefit to the community. It would also have the added benefit of increasing security and lessening opportunities for people to enter school premises for the purpose of destroying or damaging buildings. I shall be only too happy to give the Hon. Virginia Chadwick copies of the press release I made in this regard so that the honourable member might then go to the Newcastle area and, over the next few weeks, show what a good job the Government is doing in the administration of the school system of New South Wales.

QUORUM AND DIVISION BELLS

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

That, during the present session, unless otherwise ordered, and notwithstanding anything contained in the standing orders, when a quorum is required to be formed, or before the doors are to be locked after a division is demanded, the minute glass shall be turned and the division bell rung for a period of five minutes; provided that, when a division is followed by a subsequent division, the Chair may order the bell to be rung for one minute only, if there be no objection.

GOVERNOR'S SPEECH: ADDRESS IN REPLY

First Day's Debate

The PRESIDENT: I report the receipt of a copy of the Speech made this day by ~~His~~ Excellency the Governor. **As** copies are available to honourable members, and as honourable members heard the Speech in person, with the consent of the House I shall not ask the Clerk to read it.

The Hon. KATHLEEN ANDERSON [4.4]: I move:

That the following Address be adopted and presented by the Whole House to the Governor, in reply to the Speech which His Excellency had been pleased to make to both Houses of Parliament, viz.—

To His Excellency Air Marshal Sir JAMES ANTHONY ROWLAND, Knight Commander of the Most Excellent Order of the British Empire, upon whom have been conferred the decorations of the Distinguished Flying Cross and the Air Force Cross, Knight of Grace of the Most Venerable Order of St John of Jerusalem, Governor of the State of New South Wales in the Commonwealth of Australia.

May it Please Your Excellency—

We, Her Majesty's loyal and dutiful subjects, the Members of the Legislative Council of New South Wales, in Parliament assembled, desire to express our thanks for Your Excellency's Speech, and to affirm our sincere allegiance to Her Most Gracious Majesty.

2. We beg to assure Your Excellency that our earnest consideration will be given to the measures to be submitted to us, and that we will faithfully carry out the important duties entrusted to us by the people of New South Wales.

This morning His Excellency made his first Speech to the Parliament since assuming office as Governor of New South Wales. Those honourable members who have had the opportunity to meet the Governor have come to understand that he and his wife are worthy successors to those who have gone before them. They are interested in the State of New South Wales, its people and the problems that confront its citizens. Those of us who participate in public life pride ourselves on the social conscience that we enjoy collectively. Fortunately, some honourable members have more of a conscience than do others. The Prime Minister travels the world in style, talking to all and sundry who will listen to him about what he calls the north-south dialogue. In a speech delivered by the Australian High Commissioner in London, Mr Vic Garland, on behalf of the Prime Minister, the Royal Commonwealth Society was told about the poverty of 800 million in the underprivileged south and the need for some action in that area. I wonder whether the Prime Minister counted in that 800 million the hundreds of thousands of underprivileged in his own country. I shall mention but a few of the categories of those people. They include the aged or aging, the young, the unemployed, the handicapped, the dispossessed, the Aborigines and the abused. They are but a few of the categories with which the Prime Minister should concern himself. In their sycophantic pursuit of other heads of government, the Prime Minister and his Cabinet colleagues pay little regard to those groups except to act to disadvantage them more.

I was delighted to hear the Governor say that the Government will continue its interest in the improvement of women's refuges and in the care for children in refuge situations. The reduction in funding for welfare projects and the additional burden placed on State governments and local governments is a scandal. If the Leader of the Opposition in another place stopped snooping round, looking for alleged gambling casinos and other titilating establishments, he would do himself and the State a service. He should be speaking out and supporting the Premier and Treasurer in his call for more funding for New South Wales, the most populous and progressive State in Australia.

Where were the voices of the Leader of the Opposition, the Deputy Leader of the Opposition and political candidates like the Rev. Fred Nile when the case of the woman and her children in South Australia was publicized, and after Mrs Georgia Hill had been compelled to take drastic action? Not one compassionate comment was forthcoming from any one of them. Do men and women have to die brutally and do boys and girls have to be subjected to the most horrendous experiences before these self-appointed guardians of our morals speak out on behalf of the innocent victims? Surely that would have been an opportunity for the federal Government to tell Premiers that it would immediately increase funding for refuges on a joint basis, and that it would assist in a co-ordinated and organized way to provide services not only for the victims but also for the perpetrators of violence. Surely those persons need treatment and help rather than more violence. The last resort for a woman in a violent situation is to call the police. Usually the neighbours call the police who, understandably, are

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reluctant to attend. Police officers are not social workers and the call may come at a time when it is not possible for them to get to the scene quickly. Even in the eastern suburbs domestic violence occurs. In one instance there a normal family was compelled to have the police called to the home after the wife was subjected to regular beatings by her husband. On the Saturday night that the police were called to the house they thought they would have the usual type of talk to the husband and perhaps take him away to cool off for a couple of hours. They were met by the husband, who had blood pouring down his face. He said to the sergeant: "Please get me out of here. Help me." The unfortunate woman had finally come to the end of her tether. She had picked up an electric frying pan and belted the man over the head with it. There were no further domestic problems in that house, for the woman took the initiative. That situation resolved itself, but if a well-organized refuge had been operating in the area, the woman would not have had to submit to abuse for such a long time.

On a recent trip overseas I visited two women's refuges in Copenhagen. Those refuges are operated in a magnificent manner. One refuge gives assistance to women of business and professional standing; the other cares for women in a lower socio-economic group. Both have been in operation almost since the turn of the century. The second of those refuges impressed me more than the first; it was a wonderful establishment, a five-storey building, tastefully but not lavishly furnished, and light, airy and attractive. Women who stay there are victims of violence. The refuge will not take women who have a drug, alcohol or psychiatric problem. Some women are not kept permanently but are given overnight shelter. No one is turned away. The women pay for their upkeep and that of their children. Groups of four families reside together. They sit round the kitchen table in their annexe and talk out their problems. At the end of the year the deficit is recouped by the municipal authority.

As most honourable members know, I have had a continuing interest in the drug problem and, in particular, the rehabilitation of young addicts, mainly through the Odyssey programme. A large proportion of the young adults in that programme, both male and female, almost always owe their initial drug experience and subsequent addiction to sexual abuse and incestuous relationships. Early this year the Odyssey programme in Australia, consisting of a house in Sydney and one in Melbourne, was able to bring to this country a young woman who, having been involved in investigations with young people, wished to have a look at what seemed to be an overwhelming history of sexual abuse among young adults in the home. In reviewing the case histories of those young people it was discovered that a significant number of them, like their American counterparts, had been sexualized as children. Homosexuals and heterosexuals, both male and female, had been victims. Approximately 85 per cent of the females and 25 per cent of the males had experienced sexualization as children. In that sort of situation young people seek out a different direction in which to go. They go on to the streets or start using drugs to relieve the horrible emotional pain they suffer. The study found that children were involved in sexual experience with brothers, brothers-in-law, uncles, foster parents; sons were involved with mothers and brothers with sisters. The study revealed some terrible facts.

The Drug and Alcohol Authority of New South Wales has been most supportive financially and physically to all of the drug programmes in this State. Some federal funds have been made available but always after long and desperate representations from the parties concerned. I was delighted to note that the State Government announced its continuing support for drug programmes to try to defeat this terrible scourge among our young people. While in Copenhagen I was able to visit some drug centres. They are more fortunate with their funding than are centres in this country.

They have wonderful programmes under which children who are unable to cope with the normal education system are taken into special schools. They do not have to sit for examinations, but they receive a basic education that will help them to find employment. Foster homes also are found for these children.

Surely this and other programmes are worthy of continuous and adequate financial support from the federal Government. That support does not seem to be forthcoming. When funding is cut back the burden often falls on those who need assistance most. The need for constant and continuing help for children can always be substantiated, and a lavish and expensive public relations programme will do the job after months of preparation. But what of the infants who tonight will be cruelly bashed and beaten by a distraught mother who is at her wit's end with worry because of an unemployed, unskilled husband, rent arrears, no food, no heating or lighting and no supporting friends, neighbours or relatives? These things do not happen in isolation; they happen every day in this city and its sprawling suburbs.

Where is the social conscience? Certainly, it exists in the Wran Government, which has stretched its purse to the limit in providing funds and assistance in every way it can. Through the Minister for Youth and Community Services, the Hon. Rex Jackson, the Wran Government has established a 24-hour-a-day child life protection unit, known as "Montrose", at Burwood. This followed legislation by the Government to combat child abuse. Similar child life protection and family crisis centres are at Wollongong and Newcastle. Unlike his counterpart in the Fraser Government, the Hon. Rex Jackson has a social conscience. His care and concern come from having been a child in care. The account of his stewardship would be the basis for a speech on its own.

The Government's record of care and concern among other sections of the community, particularly the aged and ageing, is outstanding. Contrast that record with the heartless attitude of the Fraser Government, the unnecessary and cruel way social security benefit recipients are subjected to checks and scrutiny by the Department of Social Security, and the heartless confusion that is being created over health insurance. One of the most terrible things imaginable is the name given to the card that indigent persons must possess to receive medical benefits from 1st September—the poverty card. One can imagine what it would be like to have to go into a doctor's surgery and to produce a poverty card. This morning the Macquarie broadcasting network was conducting interviews with citizens who telephoned to get advice on medical funds. An 82-year-old woman was told that as long as she had her poverty card she could go to a hospital and receive free care.

The federal Government has promoted and perpetuated an attitude that, as old age is inevitable, if one ignores elderly people they will go away. Either by the effluxion of time or by their own initiative, they will go into aged persons' accommodation—if they can afford it—or into a soul-destroying existence in a nursing home. Perhaps they will live on the charity of their families, who have neither the space nor adequate finances to support them physically and emotionally. A few days ago I received a copy of an article reprinted from the *British Medical Journal*. It is entitled "Geriatric Medicine in Hull: a Comprehensive Service". It describes special care for the aged in Hull and states:

A partially age-related admission policy coupled with a "single-ward" scheme for treatment and rehabilitation was introduced by the Hull geriatric department in 1970. With rare exceptions, elderly patients needing hospital care have been admitted directly to the geriatric unit, and the proportion of the retired population admitted by the general physicians has been greatly

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reduced. The proportion of inpatients needing continuing care has been reduced to less than 20 per cent, the mean length of inpatient stay has fallen to under 30 days, and separate long-stay wards are no longer needed. More than 91 per cent of patients are admitted without preceding domiciliary assessment, and only 5-6 per cent of admissions are transferred from other units within the area.

The New South Wales Institute of Public Affairs has recently published a booklet entitled *Sixty-Five Not Out—Consequence of the Ageing of Australia's Population*. In that booklet Dr D. T. Rowland raised a number of questions. Some of his questions were: how much responsibility should government assume for the elderly? What, if any, standard of living should governments guarantee? How much should governments provide in services for the elderly, and how much should be provided by family and friends? He asked also, how much should governments do to assure a retirement income, and how much should people be left to provide for themselves? In short, he asked, what is the division between collective and individual responsibility? All too often the aged—those persons of sixty-five and over—are thought of as a problem rather than a rich resource. A recent report by the Anti-Discrimination Board contains a section entitled "Discrimination and Aged". It states:

. . . "early retirement" policies will lead to an increase in the growing ranks of old people in poverty.

The report suggests that the number of companies "retiring" people early is increasing. Some are introducing a compulsory retirement age for the first time; others are retrenching workers or forcing them to retire before the normal age to avoid paying full company benefits.

The resulting hardship and poverty is one consequence of discrimination against older workers. Once they reach that arbitrarily chosen "retirement age" their years of experience, ability and maturity are regarded as irrelevant—their age alone is used to cast them aside.

Ironically, the positions they leave are not being filled by unemployed youth.

The New South Wales Board of Adult Education has introduced some welcome initiatives in education of older adults. In the Sydney area at least ten new centres have been established over the past four years. Those centres provide programmes specifically for older adults who wish to learn during the year. Those groups have been supported by State funds. In country areas of New South Wales sixteen centres, most of which were established in the past two years, have been supported by State grant funds. Inherent in the role of such centres is the provision of opportunities for older adults. For instance, programmes and activities are held at times and places convenient to aged groups. The programmes encourage the sharing of knowledge and skills. It is not necessary for a tutor to have had teaching experience; perhaps all that is necessary is the ability to impart knowledge and the use of a skill.

The board's advisers are working with other organizations, both government and community, to increase the provision of education programmes that are aimed to suit the needs of older age groups. One important activity has been the provision of information to pre-retirement groups. The board's advisers have worked with government, private industry and community groups in advising about opportunities for adults and giving information about available resources. The Board of Adult Education was involved in the functioning of an information centre during Senior Citizens' Week in 1978, 1979 and 1981. The *Australian* newspaper, of 7th August, published an article entitled "There's Plenty of Life in the Old Folk Yet". In that

article Susie Foster drew attention to new research carried out by **Dr John Smith**, director of the neuropsychiatric research unit at Sydney's Prince Henry Hospital. Dr **Smith**, in his research, concerned himself with incorrect diagnoses of the conditions of some aged and ageing people. The article reads:

His findings show that one of five patients diagnosed as having senile dementia really suffers from an undiagnosed common disease that, if treated early, could either be cured, arrested or reversed. Dr Smith says for many years doctors have considered that any abnormal behaviour in people over the age of sixty-five was dementia due to age. "There are dangerous fallacies here", he said. "The first is that age gives you dementia. This is wrong. Many studies throughout the world have shown that the majority of people with mental disturbances after the age of sixty-five are not demented. They have the same sort of diseases that, say, someone of twenty-five suffers from, like depressions or schizophrenia. But doctors don't bother to investigate and look for the other possible causes of odd behaviour. The other fallacy is that dementia can't be cured." Dr Smith said it was important that doctors, and relatives of the aged, are made aware that **all** dementia should be investigated. He said the tests were simple, requiring a few blood samples and a scan by a computerized axial tomographic machine.

More acute-care hospitals for aged and ageing people are badly needed. I pay tribute to the Minister for Health for his concern in this area. I commend him for his compassion, his integrity and his unchallenged Christian concern for his fellow citizens. The vast majority of thinking people will welcome his initiatives in this area. His record as Minister for Health brings great credit to the Wran Government, particularly in view of the Fraser Government's callous disregard for the health of this nation. It is unfortunate that recently that Minister has been subjected to grossly undeserved abuse and vilification.

I referred earlier to the degrading poverty card, to be used by those persons requiring health services that they cannot otherwise **afford**. I referred also to the programme that has been taking place in Hull, England, since 1970. It is necessary for help to be given to aged people to prevent them from being thrown on to the scrap heap only for being old. An aged person can be **as** sick with a common cold as an 18-year-old. An aged person is entitled to as much consideration and medical care as any 18-year-old or even the Prime Minister. Of course, when he is ill he gets the best medical attention. I commend the motion to the House.

The Hon. R. G. MELVILLE [4.27]: I fully endorse the contribution by the Hon. Kathleen Anderson who moved the motion for the adoption of the Address in Reply to His Excellency's speech. The honourable member spoke in glowing terms of the Governor and the manner in which he is carrying out the functions of his office. I shall not reiterate those remarks; I merely echo their sentiments. In seconding the motion I shall refer to the Government's performance since it came to office, and particularly during the recent session of Parliament. I shall not venture into the fields in which other members are experts. It is my belief—and it is the belief of many others—that the Labor Government of New South Wales has acquitted itself well in its efforts to help the rural people of this State. The Governor's Speech highlighted the Government's achievements. Agriculture is important to New South Wales. We talk about developing alternative sources of energy but we must remember that our rural industries will continue to be our major resources for a long time to come. Under the administration of the Minister for Agriculture the Department of Agriculture has effected great changes. The Minister deserves more commendation and admiration for his work than many people have been inclined to give him.

In October last year the first major reorganization of the Department of Agriculture in forty years was announced. The aim of establishing the regions was to decentralize further the department, to give more authority to the regions and to improve and expand the department's advisory services. The changes will devolve responsibility to the regions, to allow regional officers of the department to make more decisions at local level and to assist the directorate to develop priorities in accordance with regional needs. Five regions have been established. Regional headquarters have been established at **Lismore** in the north coast region; at **Gunnedah** in the New England, Hunter and metropolitan region; at **Leeton** in the **Murray** and **Riverina** region; at **Dubbo** in the Orana and the far western region; and at Orange in the central west, south-east and **Illawarra** region. On 1st July, 1981, the new regional structure became fully operative. A regional director of agriculture has been appointed to each region to be responsible for all activities in the region. The regional directors operate under head office with extensive delegation of powers.

I pause to **allow** honourable members time to realize just how much this reflects the State Government's attitude to decentralization. This is the first major **reshuffle** of the Department of Agriculture for forty-six years. The action taken by the Government gives the lie to **many** of the statements I hear when I travel through the countryside. I abhor the allegation that the Government represents only city people, and the **Labor** Party is city oriented. I hope to persuade the holders of these views to change their opinion.

Prior to the appointment of a director of agriculture in each region there was a separate organization and structure for the department's research activities, another organization for its advisory activities, and yet another for the animal health and veterinary functions. In future all these functions will be co-ordinated under a single regional director of agriculture. The result will be better use of resources and improved services to the farmers of New South Wales. Another major effect of the department's restructuring is the upgrading of research and advisory services. This action has doubled the effectiveness of the department's services in the field. Already eight new district agronomists have been approved for Griffith, Nyngan, Wagga Wagga, Forbes, **Manilla**, Bathurst, Gloucester and Sydney. These changes are in line with the Government's determination to provide the best possible service to the rural industry and they will permit of more efficient and quicker service to the primary producer.

When the **Labor** Government came to office drought relief in New South Wales consisted of 50 per cent road and rail freight concessions for the **cartage** of fodder and stock. Also, there were carry-on loans and restocking loans. In 1975 the maximum carry-on loans and dairy company fodder loans were \$3,000, and the maximum restocking loan was \$10,000. Commonwealth assistance to the State in this area is covered by the national disaster relief scheme. Until 1978 the agreement was that New South Wales paid the first \$5 million and the Commonwealth met the rest. In June 1978, the Commonwealth Government, in a unilateral decision, changed this amount to \$10 million and \$1 in every \$4 thereafter, for each financial year. Since 1976 the road transport subsidy scheme has been improved, including the abolition of the need to obtain prior approval to use road transport in lieu of rail transport. The method for calculating maximum rebates has been liberalized so that rebates are paid now on acceptable ruling rates. The minimum distance restriction has been eased. Because of the severity of the drought, in October 1980 the Government increased road and rail transport rebates from 50 per cent to 60 per cent.

In 1976 a cattle slaughter compensation scheme was introduced whereby \$10 a head compensation was paid for unsaleable, **drought-affected** cattle older than five months. In 1980 the compensation was increased to \$15 a head. In 1978 a drought

water scheme was introduced whereby free stock and domestic water was provided by the Government and road transport subsidies for the **cartage** of water were introduced. During 1980 the subsidies were improved. From 1st May, 1980, the rebate applicable for owner carriers under the drought water **cartage** subsidy scheme was increased substantially. The following rates now apply: where the primary producer uses his own vehicle an amount equivalent to 50 per cent of the assessed running **costs** related to the weight of water carried; where a contractor is engaged, an **amount** equal to 50 per cent of acceptable rates as determined by the Department of Agriculture after considering the ruling charges for the various areas of the State.

In April 1980 the Government increased the limit for **carry-on** loans from \$5,000 to \$10,000; in September from \$10,000 to \$15,000; and in October from \$15,000 to \$20,000. From December a second \$20,000 became available in the second year of drought. The total now available is \$40,000. In 1976 the maximum restocking loan was \$10,000. In that year this amount was increased to \$12,000, and in 1980 to \$30,000. On balance, of all the States New South Wales has the most favourable repayment terms and the most favourable general package of assistance. For instance, New South Wales farmers receive a freight subsidy of 60 per cent, whereas Western Australian farmers receive a subsidy of 50 per cent. In Queensland the interest rate charged on loans is 5 per cent compared with 4 per cent in New South Wales. Additionally, the lending authority in Western Australia requires a first mortgage on loans, but in New South Wales fourth or fifth mortgages are acceptable.

The New South Wales Government has provided the following drought assistance: from 1st January, 1980, to 3rd July, 1981, carry-on loans approved amounted to \$43.83 million; 3 262 applications were approved and 593 refused. Dairy company loans approved amounted to \$7.44 million; seventy-seven applications were approved and none refused. Freight concessions paid to 3rd July, 1981, were as follows: livestock movements, \$7.68 million; fodder movements, \$15.87 million; restocking loans, \$245,640; water cartage subsidies, \$191,366; slaughter compensation, \$154,709; and State Rail Authority concessions, \$407,000. These concessions total \$75.8 million. In the 1980–81 financial year drought assistance will total approximately \$70 million. Approvals are running at the rate of nearly \$8 million a month, of which nearly 25 per cent are in the form of rebate and subsidy grants.

In the 1980–81 financial year the State Rail Authority will lose approximately \$65 million in revenue. The cost to the Government and primary **producers** by the end of June 1981 is estimated at more than \$933 million. The bulk of the cost is borne by farmers because of crop failures. The 1980–81 wheat crop was estimated at 7 million tonnes, but the yield was 2.7 million tonnes and represented a loss of \$645 million to the growers. The total value of losses in the wheat, barley, grain sorghum, oil seeds, cotton and tobacco crops is estimated at about \$797 million.

I commend the Department of Agriculture for its fresh food promotion and education programme. Such a programme may seem mundane to some persons, but the major objectives of the initiative are to increase the consumption of fresh **foods**—particularly those in heavy supply such as fruit, vegetables, meat and fish—and to increase the consumption of New South Wales and Australian fresh foods *vis-a-vis* imported products and/or synthetic foods by increasing consumer awareness and understanding of the availability, price, nutritive value, storage and use of fresh foods.

From time to time the promotion of those products will be complemented by such other primary products as dairy foods and poultry. The programme, which was expected to be operational by mid-1981, will be facilitated by the employment of a food nutritionist who will liaise with other government departments, industry groups

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and associations. As a service to consumers the programme will promote nutrition and health under the slogan "Fresh is Best". That activity will complement existing industrial activities. Already the television programme "11 A.M." has agreed to screen a regular segment featuring the Department of Agriculture's food nutritionist. Additionally, a fresh food recipe telephone service will be available, and it is envisaged that other radio and publicity media will be used.

Country areas of the State have had a torrid time following the closure of local government abattoirs. Since 1965 various State governments have undertaken to make repayable advances equal to loan repayments or the operational loss, whichever was the lower, to council-operated abattoirs experiencing financial difficulties. Since the commencement of the agreements, from 1965 to 1969, \$11,948,090 has been paid and since 1975, \$8,283,180 has been paid, mostly during 1979–80. The Government has offered financial assistance worth \$5.1 million to local government export abattoirs, to apply for an 18-month period beginning 1st January, 1981. That assistance has been offered because of financial problems arising from the downturn in slaughtering and the effects of the drought.

Ongoing attention will be given to local government export abattoirs, having regard to their current financial difficulties, resulting in the main from the shortage of stock available for slaughter and the contraction of business of proprietary companies to their own works. For instance, the number of cattle killed during 1979–80 was down 1.18 million on the 1977–78 kill. That has caused private export abattoirs that were previously using the services of local government abattoirs to freight cattle live to their own works to keep those works operating profitably.

The Government has fulfilled its 1976 election undertaking to reform the dairy industry to enable all dairyfarmers to participate in the lucrative Sydney milk market and to abolish the iniquitous quota system. Minimum quota levels have been established based on the needs of the family farm. In June 1976, 41.4 per cent of the State's dairymen shared in only 7.5 per cent of the State's trade. In June 1980, 37.3 per cent of the State's dairymen were non-zoned and shared 22.2 per cent of the State's milk market. From June 1976 to June 1980 the total authority acceptance from non-zone dairymen increased 319 per cent, resulting in an increase of the authority's payments to non-zone dairymen of 372 per cent.

The new Dairy Industry Marketing Authority, which replaced the former Dairy Industry Authority, commenced functioning on 1st July, 1980. Wider industry representation is a feature of the new authority. The Dairy Industry Marketing Authority has three full-time members—the chairman, a consumer representative and a producer representative—and four part-time members, including a producer representative, a factory representative, a vendor representative and a Department of Agriculture representative.

The executive function of the authority is delegated to the three full-time members. The authority meets once monthly to determine matters of policy. The dairy industry pricing committee consists of the three full-time authority members. In accordance with the Government's legislative purpose as defined in the new Act, and a pricing regulation promulgated under the Act laying down the price-fixing responsibilities of the Minister for Agriculture and the Prices Commission, the dairy industry pricing committee provides to the Prices Commission for its consideration and determination recommendations for milk prices.

On 24th April, 1980, the Government announced the formation of an independent and public inquiry into grain handling, transporation and storage in New South Wales. The broad charter of the committee of inquiry was to identify problems in the

structure of the former Grain Elevators Board and to propose changes with a view to developing an efficient grain handling system that would last until the year 2000. The inquiry was chaired by Mr Alec Cannichael; its other members were Messrs John Ducker and Howard Renshaw. The first report of the grain handling inquiry was released in November 1980. In that month the Government passed the Grain Handling (Amendment) Bill, which established the Grain Handling Authority to replace the Grain Elevators Board. That was the principal recommendation of the first report of the committee of inquiry.

The board of the new Grain Handling Authority includes three growers elected by growers on a zone basis; three growers appointed by the Minister; two elected union representatives—one from the Public Service Association and the other from the Australian Workers' Union—two representatives with special qualifications, appointed by the Minister; and the managing director of the authority. The new managing director of the authority is Mr G. Dobbin, who was formerly the general manager of Grace Bros transport group. The part-time chairman is Mr Malcolm King, formerly the deputy general manager of Colonial Sugar Refineries Limited. The second member of the authority with special qualifications is Mr Bruce Thomas, the managing director of Seatainer Terminals Limited. The three growers appointed by the Minister are Messrs Len Lillyman of North Star, Col Campbell of Henty, and Howard Renshaw of Binnaway.

The final report of the Carmichael inquiry was released in March 1981. The inquiry received sixty-two submissions from organizations and individuals. The reports and recommendations are based largely on those submissions. Meetings of grain growers were held on 13th April at Narrabri, 14th April at Parkes and 15th April at Narrandera to promote greater understanding of the report and to stimulate industry discussion. The meetings were addressed by Mr Carmichael and attended by the other members of the grain handling inquiry and the new members of the Grain Handling Authority. In addition, a copy of the final report of the inquiry was sent to every wheatgrower who is registered as being eligible to vote in the forthcoming election of the grower members of the Grain Handling Authority. According to the report, capital expenditure requirements for the next five years should be round \$90 million.

Among the recommendations of the report is a suggestion that continued development of on-farm storage should be encouraged to overcome the problem of receival rates at silos. The report recommends that a system of licensed on-farm storage be instituted and that, subject to adequate security, the guaranteed minimum delivery price for New South Wales should be paid for wheat placed in those storages. The Cannichael report found that during the first half of this decade the Grain Handling Authority would have to cope with an average wheat crop of 6 million tonnes, with a possible peak of 8 million tonnes, and that there will be an average harvest of 7 million tonnes from 1986–87 to 1990–91 with a possible peak of 10 million tonnes. Planning to meet harvests of that size, further development of PVC-lined bulk storages as an alternative to silos, and elimination of the carry over problem are the major tasks of the Grain Handling Authority. To accomplish them, the authority must move firmly into the computer age and begin the building of greatly increased storages on the seaboard, as well as develop a sound industrial relations policy. The facts referred to by the Department of Agriculture spell out loudly and clearly the initiative, concern and interest of the Labor Party in rural New South Wales, contrary to some statements that I have heard from time to time.

The Department of Industrial Development and Decentralisation also has a vital interest in the rural areas of New South Wales. Over a period much debate has taken place about decentralization and development. I shall analyse the activities of the department in a fair and just way. I shall look at its achievements and at how the Government

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has backed decentralization. I shall compare those achievements with the criticisms expressed by other people. On 22nd November, 1980, the western metropolitan office, located at Blacktown, was opened by the Minister for Industrial Development and Minister for Decentralization. The main aim of the office is the creation of an environment for the promotion of job opportunities, through the formulation of a realistic programme to ensure that the industrial and commercial potential of western Sydney is realized. From October to December 1980 the office, which is staffed by a team of five, handled 418 telephone inquiries. Between January and June 1981 the number increased to 1 345 inquiries.

The western Sydney employment assistance fund, which was established on 1st August, 1980, was adopted as an initiative to correct the high levels of youth unemployment and to halt the decline in the number of small manufacturing businesses in the western Sydney area. The scheme offers assistance to private industry in the tertiary and manufacturing sectors. The fund, with an annual allocation of \$1 million for three years, covers such areas as loans, grants, assistance for feasibility studies and loan guarantees. Applications for assistance are lodged and processed through the Blacktown office. By 30th June, 1981, 246 inquiries had been received. Of that number, twenty-three applications have been submitted for further action and another sixty-one are in various stages of preparation.

The Minister established the nine industry development boards in July 1980. They were established in each of the regions—except in the Hunter region, where the Hunter Development Board already operated—to replace the former 21-member decentralization advisory councils. The role of an industry development board is to foster and encourage the development of industry and commerce in order to pursue actively all development prospects of an industrial and commercial nature which offer scope for economic growth in the region and thereby to promote the creation of additional employment opportunities. The operational expense of each board is covered partly by a departmental basic grant and partly by local contribution raised by the board. Those sums are matched on a \$-for-\$ basis by the department, up to a fixed maximum amount.

I shall refer now to the Macarthur Development Board. Acquisition of responsibility for the Macarthur growth area from 1st July, 1981, means that all three growth areas are now within the responsibility of the Minister for Industrial Development and Minister for Decentralisation. The Department of Industrial Development and Decentralisation provides approximately \$200,000 a year to the Hunter Development Board. That has greatly assisted the board in its operations and research into proposed development for the Hunter Valley.

The ambassador programme aims to increase overseas awareness of investment opportunities available in New South Wales. The programme is based on the concept of providing local business persons going overseas with a kit of departmental and Commonwealth Government promotional literature. By 30th June, 1981, 534 development ambassadors were registered. Since the programme commenced a total of 3 000 kits have been distributed. The programme is continuing and, so far, three initiatives have been instituted. The first initiative was the production of a departmental quarterly magazine entitled *Ambassador* which gives information on existing and proposed developments in New South Wales and invites business people to become development ambassadors. The second initiative was the inauguration of a development ambassador of the year award for the most effective participant in the scheme in New South Wales. That is another incentive for business people to participate in the

programme. The third initiative was the formation of the New South Wales Development Ambassador's Club which aims to keep members informed of the department's activities.

A major initiative of the department is the Yamba Waters resort development. Its purpose is to improve the economic base and employment prospects of the North Coast region. It seeks development by private enterprise of a prestige, integrated beach resort to cater for 300 000 holiday-makers annually and to provide 2 000 local jobs. On 9th June, 1981, the project was launched by the Minister for Industrial Development and Minister for Decentralisation at a major gathering which included the Premier and Treasurer of New South Wales and 120 representatives of prominent property development companies, hotel groups, finance corporations and government departments.

Late in 1979 the Premier and Treasurer established a committee to examine the future economy of Broken Hill and to recommend appropriate policy actions to all levels of government. That committee was chaired by Mr M. B. Eisenhower of the Department of Industrial Development and Decentralisation. Much of the research was conducted by officers of that department. The report of the committee was released in 1981. In June 1981 the Minister for Industrial Development and Minister for Decentralisation opened a public forum in Broken Hill to obtain local reaction to the committee's report.

In May 1981 the Premier and Treasurer established the far northern tablelands economic review committee to identify urgently and to recommend initiatives to expand existing industry and to attract new types of industry to complement the resource structure of the area. Much of the research for that committee was carried out by the Department of Industrial Development and Decentralisation. The report is now being considered by the Minister for Industrial Development and Minister for Decentralisation.

The Department of Industrial Development and Decentralisation has initiated a programme of market intelligence reports, carried out by professional business and engineering consultants. The reports provide insights into areas of the economy selected for their investment potential. Reports so far completed are on entertainment and tourist theme parks, selected inputs and outputs of aluminium production, the potential for processing of tallow and derived products, the potential for developing manufacture of mining equipment, the potential for production of titanium sponge, the casting and forging of metals, pet food processing, specialist metals and alloys, coal sourced chemicals, biomedical technology and fine cotton manufacture.

The Small Business Agency is important to the community because it offers counselling and training to owners of small to medium size businesses and to people who are considering starting a new business. Over the past three years the agency has increased its activities substantially. In 1980–81 more than 40 000 telephone and mail inquiries were handled by the agency, an increase of 80 per cent over 1979–80. The highlight of the 1980–81 year was participation in the organization of the 1980 small business conference in Sydney. Extensive country counselling sessions were carried out during that year. The "Small Business Agency Report" a 5-minute radio programme went to air regularly on twenty-nine country radio stations. Realizing the potential, the department has acquitted itself well in the development of the rural areas of the State.

I wish to speak briefly on the subject of Aboriginal education. I do so with great temerity and with the knowledge that later in debate experts on that subject in this Chamber will speak on it. I have a fair knowledge of the problems of Aboriginal education in the area from Taree to Grafton. Many Aboriginal people have special education requirements arising from the specific training or education needs of Aboriginal organizations or communities or the existence of cultural differences. Those requirements alone support the Labor Party's policy on this important aspect of education. Like all members of the community, Aboriginal people may enrol for technical and further education courses for which they meet the entry requirements. The Government recognizes the rights of Aboriginal communities: if they prefer to retain their identity, they may do so and participate fully in the planning and implementation of programmes that may affect the livelihood of their people.

Colleges of technical and further education are in an ideal position to meet some of these needs through programmes specifically for Aboriginal people. In response to requests by Aboriginal communities and organizations the Aboriginal education unit conducts special courses. These courses provide training in skills for initial employment, for the upgrading of employment skills or for community or personal development. A significant initiative taken since 1976 has been the utilization of teaching resources, and that is increasing sharply. In 1980, 17 000 hours were set aside specifically for special Aboriginal education. This year 25 000 hours have been set aside for that purpose. The Aboriginal education unit was established early in 1979 and it now employs eight officers, six of whom are Aborigines, three of them being based in country areas. A significant part of the activities of the Aboriginal education unit is performed by five liaison officers who work closely with Aboriginal groups in planning programmes to meet Aboriginal education needs.

A policy of the Australian Labor Party is to recognize the right of Aboriginal communities that prefer to retain their identity to do so, and to be involved fully in planning and development affecting their communities. Other policies are to encourage and further develop the special training courses for Aborigines conducted by the New South Wales Department of Technical and Further Education, with all courses available without discrimination on the ground of sex; to direct the Department of Technical and Further Education to expand existing courses for Aborigines and develop other vocational courses and community-oriented courses to assist Aborigines to gain employment; to provide funds for the development of adult education courses for Aborigines and for action research projects in community development and other areas of education; and to give high priority to the implementation of measures designed to improve educational opportunities for Aboriginal people of New South Wales. Those policies are significant in the development of New South Wales and, indeed, the nation as a whole. They should be adopted by all political parties. They may well be included in the policies of other parties but I have not had the opportunity to see them. I commend those policies to the Government. From the knowledge I have gained by living in an area with a high population of Aborigines, every effort must be made to bring to fruition the ideals I have expressed. The Government has made great progress. The Government's programme, which was referred to by His Excellency, will result in a continuation of the State's development. The Government's actions are befitting of the premier State and will result in a continuation of its present progress. I commend the Governor's Speech to the House.

The Hon. J. W. KENNEDY [5.5]: I support the motion for the adoption of the Address in Reply to the Speech of His Excellency the Governor, Sir James Anthony Rowland, a great Australian who over a long period of time has given distinguished service as a member of the Royal Australian Air Force. On behalf of the Opposition

and on my own behalf I congratulate His Excellency on the sincere and capable way in which he is representing New South Wales as Governor and the Queen's representative. In compiling the address for His Excellency, the Government referred to many important aspects critical to New South Wales and to Australia as a whole, to which I shall return later in my speech. Before I deal with the text of His Excellency's Speech to this Parliament on behalf of the Government, I shall examine the Government's predictions that were made in 1980 in the speech delivered by the former Governor, Sir Arthur Roden Cutler, and compare them with the present position.

A comparison shows beyond doubt that the Government's words have not been matched by its deeds. Far from putting New South Wales into better shape, the Premier and Treasurer and his team have bumbled through the year. Not one specific achievement can be highlighted. If the Government is judged by its deeds and not by its words, after the forthcoming election Government supporters will be sitting on the Opposition benches of this House. The voters must surely appreciate the dismal way in which the Government has failed to match words with deeds. In 1980 the Government said, "The Government's economic policies are designed to broaden the State's industrial base." It said further, "The Government has developed a comprehensive energy policy to enable New South Wales to meet the most pressing challenge now facing Australia and the industrial world." They are fine words, but what is the reality? Industry and the community have suffered the worst power failures since the 1950's. Those power failures, which caused tremendous disruption to industry and to the economy, were the direct result of industrial unrest and unwarranted union action.

The Hon. H. B. French: If the former Government had set in train the building of more power stations, the power failure would not have occurred.

The Hon. J. W. KENNEDY: I was expecting Government supporters to assert that Victoria was also short of power. I remind honourable members that for the past five years that State has attempted to build a new power station but inter-union disputes have prevented the construction of that much needed public utility.

The Hon. H. B. French: Does the honourable member blame the Government for the recent drought?

The Hon. J. W. KENNEDY: That is about the only catastrophe for which one cannot blame the Government. Industry and the community have suffered the worst power failures since the 1950's. Those power failures have resulted in tremendous disruption to industry and to the economy. The ports at Newcastle, Botany Bay and Port Kembla have been in a chaotic state with dozens of ships standing offshore waiting for berths where they can load or unload. If Government supporters deny that, I am willing to take them on a flight up the coast when, on any day of the week, they would see twenty or thirty ships waiting to enter Newcastle harbour and load their cargo.

The Hon. H. B. French: Coal will not go bad.

The Hon. J. W. JSENNEDY: Australia's markets will go bad if we do not support them. If we do not honour our commitments to our customers, those markets will be lost to Australia. Government supporters seem to applaud what is happening in Newcastle. It does not worry them that twenty or thirty ships are waiting outside Newcastle harbour to get into their berths. One reason for those delays is the **inter-union** dispute about the building of the new coal loader. Instead of the Government giving the contract for the building of the loader to private enterprise **and** getting the job done, it decided to have a finger in the pie. Consequently, the coal loader has not

been completed. In the former Governor's Speech last year the Government promised to build new coal loaders in Newcastle and Port Kembla. It promised also that the port of Newcastle would be operating efficiently and increasing productivity. They were empty words, not deeds. Newcastle harbour is the estuary of the Hunter River. For the past thirty or forty years New South Wales governments have poured money into the deepening of that harbour to cope with the increased amount of shipping. But the size of ships is becoming bigger every year.

The Non. N. B. French: Why are bigger ships being built?

The Hon. J. W. KENNEDY: It is an economic necessity to use bigger ships. New South Wales has only about four or five natural ports. What is the Government doing about major harbours that could become ports? Port Stephens is situated close to Newcastle and contains as much water as Sydney Harbour. It would take little work to make Port Stephens a harbour that would be the envy of many nations.

The Hon. D. R. Burton: The coalition parties were in office for eleven years. What did they do about it?

The Non. J. W. KENNEDY: Though the former Liberal Party—Country Party Government was in office for eleven years, the Labor Party was in office for twenty-seven years before that. This Labor Government has been in office for the past six years. Government supporters boast about Labor's planning and performance, but they will have to convince someone other than me about their claims. If Japan, China or any other country orders 10 million tonnes of coal, Australia should deliver it promptly, and not allow ships to stand idle outside our harbours for weeks. I was in a produce business for thirty years. I know how much produce I would have sold if trucks had had to wait outside my store for hours, days or weeks to be loaded with the goods I was selling. Australia is in no different position. We cannot afford to have countries order coal, minerals and other products from us and not have them ready for shipment when they are needed. If that continues to happen, those countries will turn to other markets.

The Hon. D. R. Burton: What other markets will they turn to?

The Hon. J. W. KENNEDY: The honourable member seems to be saying that Australia has those other countries by the throat, that they need our production and we do not care if their ships have to wait. That is a deplorable attitude. I never thought I should hear such talk from an Australian.

The Hon. J. S. Thompson: Those countries are buying from Australia because they cannot get a better deal anywhere else.

The Hon. R. B. Rowland Smith: They can get a better deal from the United States of America.

The Hon. J. S. Thompson: That is not correct.

The Non. J. W. KENNEDY: They would get a better deal if we loaded their ships promptly and allowed them to sail on time; they would be our clients for ever. Those countries will resort to alternative means of power, such as atomic power, as a result of frustrating government muddling in New South Wales. The economic loss in Newcastle alone is estimated to be at least \$1,000 million a year. That loss is a direct result of not having ships loaded promptly and efficiently.

The Hon. D. R. Burton: Where are the profits going?

The Hon. J. W. KENNEDY: To the governments concerned. Governments can only get money that is earned in this country; they cannot spend money that the country does not earn. Ships laden with coal from Newcastle and Port Kembla are earning money for every Australian. The profits that go out of Australia are taxed beforehand. In 1980 the Government said that the gas spur lines to Newcastle, Young, Cootamundra and Wagga Wagga would be completed early in 1981. That promise was contained in the Governor's Speech last year. When will natural gas be supplied to those areas? This year the Governor's Speech refers to surveys and plans to supply natural gas to those areas. I do not have much time to listen to the radio but recently when I was driving my car I caught the last part of an interview with a person who was working on the gas line between Sydney and Newcastle. The interviewer asked, "What do you think about the people of Newcastle having to wait for so long for natural gas to be supplied while you are engaging in industrial disputes?" The person being interviewed said: "Well, I couldn't care less. I **am** looking after **my** men." I deplore that type of attitude.

All the natural gas undertakings I referred to were scheduled to be completed early in 1981 so they should certainly be connected by now. The Government said also that the rich reserves of coal in New South Wales would be developed rapidly; steel production would increase dramatically; two or three new smelters would be constructed; and new coal loaders would come into operation. Those matters were included in the 1980–81 Budget Speech.

The Hon. J. S. Thompson: The party the Hon. J. W. Kennedy supports contends that those projects should not be proceeded with.

The Hon. J. W. KENNEDY: I **am** not speaking about my party; I **am** talking about the promises the **Labor** Government made in 1980–81. They were words, not deeds. Conditions in the Hunter Valley are chaotic. That situation is brought about mainly by Government meddling and inefficiency on one hand and industrial anarchy on the other hand. Strikes are occurring throughout the valley. I cannot **understand** the reason. The **Labor** Party has been responsible for propaganda suggesting that the Hunter Valley employment situation is depressed. Local government authorities in the Hunter Valley are losing employees to **construction firms** doing contract work in the valley. Those companies pay far better wages than **councils can** afford. There is a shortage of labour throughout the Hunter Valley.

The Hon. H. J. McPherson: The honourable member should check **his** facts.

The Hon. J. W. KENNEDY: I **am** informed that those are the facts. **The** inefficient control of **shipping** in Newcastle Harbour is disgraceful. The inefficiency of Government control of the coal loading system is an embarrassment to New South Wales and Australia. Its inefficiency is evident also in its handling of wheat, **wool** and other products through **Newcastle** Harbour. Apparently Government supporters are not concerned that coal is not being sold. It would seem their reasoning is that because it is there to be mined it does not matter whether the coal is sold this week or next week. Are they also **unconcerned** about wheat, wool and meat products being handled through the port? The Hon. W. G. **Melville** spoke about abattoirs, and I agree with much of what he said. However, the failure of many abattoirs, including those run by local government **instrumentalities**, is the result of abattoir employees enjoying terms and conditions of employment that the meat industry could not maintain. The quota system, which was introduced many years ago, has been a major factor contributing to the failure of **many** of those abattoirs. Employees work what is called a **darg**, based **on an** 8-hour day. As new methods of killing have been introduced, and new systems of removing the hides from cattle have been employed, the work of the **slaughtermen** has been eased considerably.

The Hon. H. B. French: Has the honourable member seen slaughtermen at work?

The Hon. J. W. KENNEDY: I have, and I agree that they work hard.

The Hon. H. B. French: There is no way I would do it.

The Hon. J. W. KENNEDY: In many abattoirs slaughtermen are able to achieve their darg by lunchtime—in a period of four hours' work. If they work in the afternoon **they** are paid penalty rates. **This** means **that** after four hours' work in the morning the men are paid time-and-a-half and then double time. The selling price of meat is governed by what the consumer is willing or able to pay, compared with the price of chicken, **grain** or other foods. It has reached the stage where it costs as much to process the cattle as to grow them, which may take three years. In those circumstances, how could a farmer carry on? It costs him as much to grow the beast **as** he receives for it. The wholesale price of meat includes **killing** charges, freight charges and, if the meat is to be sold overseas, shipping charges. Meat is a perishable product; it must be refrigerated from the time it is **killed** until it is cooked by the **consumer**, whether in Japan, America or any other country. A quick and efficient means of transport is therefore necessary. It must not be held up on wharves or on ships lying idle out of **port**. It would be beneficial if Government supporters were able to see the efficient operation of shipping in Singapore. Ships arrive one day **and** leave the next—no waiting, no delay. Singapore is a small country with few resources other than human resources.

The Hon. H. J. McPherson: Only small cargoes are handled in Singapore Harbour.

The Hon. J. W. KENNEDY: Some tremendously large cargoes are shipped through that port. I repeat, it would probably benefit Government members to go there and examine the shipping activities.

The Hon. D. R. Burton: Is the honourable member suggesting that Australian waterside workers should have working conditions similar to those under which waterside workers employed at Singapore Harbour work?

The Hon. J. W. KENNEDY: No. I am suggesting that Singapore's system of shipping is efficient. Waterside workers in Australia have nothing to complain about; they have better working conditions than employees in similar jobs in other countries. **They** work fewer hours. They are calling the tune; they really run their own industry.

The Hon. H. B. French: Their conditions are set by agreement.

The Hon. J. W. KENNEDY: By agreement, but not by voluntary agreement.

[Interruption]

The PRESIDENT: Order!

The Hon. J. W. KENNEDY: I shall present the remainder of my speech in a more serious manner. I repeat, the valuable New South Wales export trade is **being** jeopardized by weak, inefficient government. The economy of this State has **been** thrown into chaos. Transport and shipping are in turmoil. Government supporters are so engrossed in attacking and degrading the federal Government that they **are not** properly looking after their own **affairs**. It is often said that people in glass **houses** should not throw stones. The Governments of New South Wales and Australia have

their jobs to do, and they should be doing them without resorting to the petty quarrelling to which the New South Wales Government resorts. The New South Wales Government asserts that everything the Fraser Government does is bad, but everything the New South Wales Government does is good. The federal Government has saved Australia from economic disaster. The Government says that unemployment in New South Wales has decreased, more young people are being employed and industry is thriving. All its comments relate to New South Wales; one would think that New South Wales is not part of Australia. The Government should deal with harbour and shipping problems. Instead, it sweeps them under the carpet; it puts them into the too-hard basket. That basket is overflowing.

Many more young people in this country could be employed if the unions would assist the federal Government in its endeavours to employ them. One of the greatest contributing factors to youth unemployment in this State is the total domination of industrial matters by leaders of the union movement who are so inflexible in their attitude that young people are faced with huge obstacles in their search for employment. Under existing union terms and conditions the possibility of young people breaking into the work force is rather remote. Industrial activities and industrial laws advantage those already in the work force to the constant disadvantage of job seekers. The problem is not isolated to this State or to Australia; it is worldwide. The problem has affected Great Britain, the United States of America and Europe in much the same manner. The tendency of the union movement is to look after their own members to the disadvantage of the poor, unfortunate unemployed, and especially to the disadvantage of the young people who have had little or no work experience. A union ticket is virtually a job ticket and it is not available to young people who have not been able to break into the cosy, closed shop of many industrial unions.

The Hon. D. R. Burton: I have never heard of that.

The Hon. J. W. KENNEDY: If the honourable member wishes to know my personal experience I shall give that to him at another time. Another factor which is far more important and lies within the power of the Government to correct is the unrealistic cost to the employer of training and employing young people. It is time the Government tackled this problem realistically. For too long Labor and union policy on unemployment has been little more than youth welfare. No real effort to provide training and work experience for those unfortunate young people has been made. Although technical colleges and other educational establishments can do much to assist in training our young people for a life in the work force, the greatest potential in that field lies with the employer. Unfortunately, in many countries of the world, including our own, the cost of employing inexperienced young people has become so high that many employers simply cannot afford the luxury of spending excessive money training young people to take their places in the work force.

I know of young people in my area who have been fortunate enough to obtain employment. One young lad of seventeen spoke to me the other day. He said, "Mr Kennedy, I have just started a job with plasterers down the street. I am getting \$150 a week. I shall see if I can buy a motor car in a few weeks' time". He had no previous training but he managed to get a job starting at that wage. It is not realistic to expect that people should take on an inexperienced employee and pay that sort of wage. Sometimes employers are busy and they want a man they can train quickly but some are not able to employ him because they cannot pay a high starting wage.

In speaking of this problem we should look at **countries** other than our own. In the United States of America the Reagan administration is seriously considering a sub-minimum wage in order to increase youth employment. **TWO** bills are under consideration, one is the Nicholls bill which would exempt employees under eighteen

years from a minimum wage and the other, more promising bill is the Hatch bill proposed by Senator Hatch. Under that bill, persons under nineteen years would be paid 75 per cent of the minimum wage during the first six months of their employment. It seems that the bill proposed by Senator Hatch will be approved by the Congress. I am sure if we were to adopt a similar system we would be doing a great service to young people because we could put them in the work force in an area where an employer could afford to be generous and give them work experience.

The Hon. R. G. Melville: But where will they be placed in industry?

The Hon. J. W. KENNEDY: Research has been done on that aspect. Opposition to this measure by American unions is quite strong. The claim made there is that older workers will be displaced. However, a study has been done by Daniel S. Hamermesh, an economist at the University of Michigan. He challenges that speculation with a projection that youth differential would produce 381 000 youth jobs at a cost of only 41 000 adult jobs, which could be offset by a stimulated economy. Another economist from a university in Washington, Masanori Hashimoto, on the same matter has stated that many jobs performed by young people are only marginally important to employers. If the employer has to pay too high a price by way of salary, he is likely to eliminate an employee's job. That is commonsense. Time does not permit me to go into full detail of the sub-minimum wage proposal in the United States of America but I firmly believe it should receive favourable interest and action by this State Government as one of the many proposals to relieve the current youth employment problem. I should be quite happy to serve on any committee the Government may set up to try to help.

I should like to speak once more of the American experience. I was in the United States of America in June of this year, following the Hon. H. B. French around the world. In speaking of the American experience I should like to relate to honourable members part of a debate that was headlined in the *Washington Post* in June. The federal administration had cut grants to the Washington city council by some \$50 million. At the same time the employees of that city were pressing strongly for a 10 per cent across-the-board rise in salaries and wages. The budget committee of the city council proposed that a 4.5 per cent increase could be granted without any redundancies or sacking of the council workforce. A 10 per cent increase would have meant many hundreds of employees losing their jobs. They could retain everyone with the 4.5 per cent rise, but not with the 10 per cent rise, and they would still be able to stay within their budget for the year. The mayor put the proposition to the council employees and they accepted the 4.5 per cent increase without any industrial action. They said, "It sounds fair to us, we accept it". I wish that in Australia we could do that more often, keep everyone employed, thus avoiding pushing costs up so high that the result is unemployment. The only persons who benefit are those who are still in jobs.

The Hon. H. B. French: The honourable member has not touched on technology.

The Hon. J. W. KENNEDY: I did. The employer, to absorb increases in salaries and wages, finds that the only way to survive is by reducing staff numbers. If too much pressure is applied to the employer in the form of higher wages, he will have to look for alternatives, including the use of advanced technology. He will do his sums. If it costs him \$2 million to purchase more efficient plant that will save him paying wages for 200 employees, he will probably opt to buy it so that he may stay in business.

An employer does not want to put off his employees but often he is forced into automation to keep competitive. No manufacturers have magic wands to wave **to** resolve productivity and cost problems. They receive money only for what they **sell**. If it costs them too much to produce and sell an article, they will not be in business for long. England, one of the world's leading industrial nations of the past century, is on its knees. Australia, a lucky country, may survive longer than other nations because it now has huge natural resources to exploit. However, Australia will go the same way as other countries, and I shall be upset when that occurs. In England I was **sorry to** read press reports that 4 000 employees of one firm were put off, that 6 000 of another firm lost their jobs, that such and such a printing press **was** to close, and that a steel mill was to be shut. Whose fault is that?

The Hon. J. S. Thompson: It is the fault of the Thatcher Government.

The Hon. P. J. **Baldwin**: There has been a marked deterioration since the Thatcher Government came into power.

The Hon. J. W. KENNEDY: **One** of the **main** reasons that England has its present economic problems is that for many years it had a Labour socialist government.

The Hon. H. B. French: What about the raw materials that England exploited from its colonies year in, year out?

The Hon. J. W. KENNEDY: When the British Labour Government came into power some years ago it nationalized twelve of the biggest industries in England, including British Steel, the Leyland motorcar company, and any business that it could lay its hands upon to nationalize. Many of these companies were making large profits and paying taxes to the Government.

The Hon. J. S. Thompson: Leyland was bankrupt when the Government took it over.

The Hon. J. W. KENNEDY: What has happened since the takeovers? British Steel is losing in excess of £1 million a day. The steel mills having been nationalized by the Labour socialist Government, the taxpayer has to meet the losses. The same applies to the huge losses of Leylands and many other nationalized industries in England. Honourable members **opposite** are not without wmmmonsense.

The Hon. H. B. French: The honourable member is blaming the worker.

The Hon. J. W. KENNEDY: I am not. I **am** blaming the union representative. I have read that in one industry in England for every seven persons on the job there is one union representative contributing not one bit to productivity. After the company was taken over the new management announced, "From now on everyone works in this place". Do honourable members **opposite** think that is not true? I believe that we **can**, and should, learn from the experience of other countries. We should apply the measures that have succeeded in other nations and learn from the mistakes that have plagued other governments, **as** well as our own. Other members of the Opposition **will** delve fully into the matters raised in the Speech of His Excellency the Governor. I hope that by this time next year the Government will have proved that its deeds are stronger than its words.

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

SPECIAL ADJOURNMENT

Motion (by the Hon. J. R. Hallam) agreed to:

That this House at its rising today do adjourn until tomorrow at 2.30 p.m., *sharp*.

House adjourned, on motion by the Hon. J. R. Hallam, at 5.47 p.m.
