

Part IV is concerned with objections and appeals. Reference has already been made to the right of appeal to the District Court should the commissioner refuse to issue, renew or transfer a licence. Objections and appeals against assessments may be made to the commissioner and to the Business Franchise Licence Fees (Tobacco) Appeals Tribunal respectively. If a licensee is dissatisfied with the commissioner's assessment, his first course of action will be to object against it to the commissioner within the one-month period stipulated. If he is not satisfied with the commissioner's decision his next step will be to appeal to the tribunal within one month of receiving the decision or, if he has not received a reply by the end of one month, within a further period of one month. A person may also object to and appeal against a reassessment of his licence fee by the commissioner. When a decision is given in favour of the objector or appellant, provision is made for the making of refunds or the adjustment of future fee instalments.

Part V contains a number of general provisions which nevertheless are essential to the operation of the licensing scheme. Though records maintained by wholesalers are expected to be adequate for the purposes of the scheme, it is nevertheless important in revenue legislation of this nature to be able to require certain basic records to be kept should the need arise. Clause 23 does just this by specifying that a person in the business of selling tobacco may be required to keep such books and records as may be prescribed. Clause 24 is designed to ensure the confidentiality of information supplied to the commissioner by applicants and licensees. Clause 25 makes it an offence for a person to give false or misleading evidence or statements to the commissioner or the appeals tribunal. Clauses 26 to 31 are of a machinery nature relating to the serving of notices, court proceedings and the making of regulations.

Honourable members will note that no provision has been made for zoning allowances along the lines of the provisions in the Business Franchise Licences (Petroleum) Act. Zoning allowances have not been

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included in the Victorian or South Australian tobacco licensing legislation, and I understand that no special problems have resulted. As I have already said, the bulk of the fees assessed will be collected from a small group of wholesalers. The problems which led to the incorporation of zoning allowances in the petroleum products licensing scheme are not expected to give rise to a similar need in the case of tobacco. However, honourable members may be assured that the position will be closely watched. I commend the bill to the House.

Debate adjourned on motion by the Hon. Edna S. Roper.

House adjourned, on motion by the Hon. Sir John Fuller, at 12.19 a.m. Thursday.

Legislative Assembly

Wednesday, 15 October, 1975

Questions without Notice—Northgate Centre (Urgency)—Hospital Services (Privilege)—Allocation of Time for Discussion—Business Franchise Licences (Tobacco) Bill (third reading)—Electoral District of Wagga Wagga (Resignation of Wallace Clyde Fife, Esq.)—Appropriation Bill (second reading)—Bills Returned—Joint Committee upon Drugs (Message)—Adjournment (Georges River)—Questions upon Notice.

Mr SPEAKER (THE HON. JAMES CAMERON) took the chair at 2.30 p.m.

Mr SPEAKER offered the Prayer.

QUESTIONS WITHOUT NOTICE

COMMONWEALTH ELECTORAL ACT

Mr FIFE: I address my question to the Premier and Treasurer. Does section 70 of the Commonwealth Electoral Act provide that a nominee for the House of Representatives or the Senate must not have been a member of a State parliament at any time within fourteen days prior to the date of nomination for a House of Representatives seat or a Senate vacancy? Is the Premier aware that, because of the uncertainty as to when the next federal election will be held, I am compelled to resign as member for

Wagga Wagga to protect my federal candidature? Will the Premier assure me that during the time the seat of Wagga Wagga may be vacant he and the members of his Government will protect the interests of the Wagga Wagga electorate?

Mr LEWIS: I know that the honourable member for Wagga Wagga is unaccustomed to asking questions though he is most competent at answering them. On behalf of honourable members on both sides of the House I believe, and certainly those on the Government side, I wish the honourable member for Wagga Wagga well should he find it necessary to resign as a result of his decision to contest the seat of Farrer. The honourable member has made a fine contribution to this Parliament and to the work of government. Perhaps I feel closer to him than most honourable members because we came into this Parliament within a month or so of each other and entered the ministry together on 13th May, 1965.

[*Interruption*]

Mr LEWIS: It is all very well for Opposition members to interject. It would be quite interesting to see what happens. For some time the State Labor leader here has been challenging for an election and if the Prime Minister has the courage to call a House of Representatives election we shall see how the Labor Party does. All I know is that, from Mr Hawke down, Labor supporters are worried right down to the soles of their shoes.

[*Interruption*]

Mr LEWIS: The honourable member for Campbelltown will be worried. With about a 1 per cent swing, he will be out on his ear.

[*Interruption*]

Mr LEWIS: That would be an interesting situation. I accept that challenge. If the honourable member for Campbelltown would run against me when the general election is held—

Mr MULOCK: He did not say that.

Mr MALLAM: Do it now.

[*Interruption*]

Mr LEWIS: He has not the courage but that is what we should expect. Section 70 of the Commonwealth Electoral Act most unfairly has a requirement that any member of any State parliament must resign fourteen days prior to nomination. In the current situation, unless the honourable member for Wagga Wagga had resigned, if the Prime Minister, for example, nominated a date within the next ten days it would not be possible for the honourable member to stand for the seat of Farrer. Irrespective of whatever side of politics one may come from, this concept is completely unfair. The Electoral Act ought to be changed and I have no doubt that Mr Fraser will change it within the next few months to provide that any honourable member who resigns from this or any other parliament by the date of nomination will be eligible to nominate as a candidate for election to the federal Parliament. The present provision of the Commonwealth Electoral Act occasions a great deal of uncertainty. On one occasion some years ago when I was considering standing for the federal seat of Parramatta I found, much to my surprise, that I had left it too late to nominate as the time would have been less than the fourteen days required.

The honourable member asked whether the Government would make provision for looking after the seat of Wagga Wagga if he resigned, until the new member for that seat is elected. I assure the honourable member and the House that I have asked the Minister for Lands and Minister for Forests, the Minister for Revenue and Assistant Treasurer and the honourable member for Albury to look after the electorate of Wagga Wagga to the best of their ability, and I am sure they will do so. Also I have no doubt that the present honourable member for Wagga Wagga will continue to do the best he can—and that is the most anybody can do—to represent that area. I conclude by thanking the honourable member for his contribution to the Parliament over the past eighteen years.

NORTHGATE CENTRE

URGENCY

Mr COX (Auburn) [2.37]: I move:

That it is a matter of urgent necessity that this House should forthwith consider the following motion, viz.:

That in the opinion of this House: the Minister for Local Government and the Minister for Planning and Environment should take immediate action to—

- (1) uphold the objections of the State Planning Authority and the Police Traffic Branch to the Northgate Centre Development as at present envisaged; and
- (2) rezone the land in question to prevent the development being proceeded with pending a full and open inquiry into all facets of the proposed development.

The matter is urgent because the Hornsby council has ignored the advice received from the State Planning Authority of New South Wales, which authority, after extensive investigation of all the relevant issues, raised a firm objection to the Northgate development pointing out that it provides for a significant overdevelopment of the site; it would create an adverse environmental impact and seriously affect the safe, efficient and environmentally satisfactory movement of traffic within and through the Hornsby centre. The report further states that the development does not have due regard to the need to effectively distribute retail potential throughout the existing business zoned land at Hornsby.

The State Planning Authority points out to the council that there is an over-development of this site and that it should be restricted to a maximum net commercial floor space of 220 000 square feet with a consequent reduction in car parking provision of approximately 1 200 vehicles.

Mr VINEY: On a point of order. The honourable member for Auburn has to justify urgency and satisfy the House that it should suspend its normal business to consider a substantive motion. I submit that the House is hearing argument on the substantive motion and not reasons why the matter is urgent.

Mr SPEAKER: Order! I am sure that the honourable member for Auburn will come to urgency.

Mr COX: I am merely giving the reasons why it is urgent that this House should debate the matter. Basically it is a 50 per cent reduction in the development approved by the Hornsby council. In addition, advice received from the police traffic branch indicates that there is an overdevelopment of 53 per cent and the car parking per site-acre should be reduced from **320 cars** to 150 cars. The police traffic branch also criticizes the council in a letter from the branch which was read at a council meeting on 18th **September**—

Mr VINEY: Why is it urgent?

Mr COX: It is so urgent as to prompt the police traffic branch and the State Planning Authority of New South Wales to state that the plan is not in the best interests of the community and that there is a 50 per cent overdevelopment. Further, it is urgent as yesterday I contacted the Commissioner of Police and arranged for three statutory declarations to be given to him. I have sent three copies of the statutory declarations to the Minister for Local Government and the Minister for Public Works and Minister for Ports, which indicate that there could be bribery in connection with this development. That is why the matter is urgent.

Mr JACKETT: On a point of order. Mr Speaker, although you asked the honourable member for Auburn to return to the question of urgency—

Mr EINFELD: He never asked him to return.

Mr JACKETT: Yes, he did. Mr Speaker said that he hoped the honourable member would return to urgency. However, the honourable member for Auburn merely continued to read from a prepared brief that he had in front of him. Now he is bringing in another matter that is probably related to the substantive motion. He has not yet advanced one reason why this matter is urgent and should be dealt with today, here and now. I submit that is the only thing he is entitled to do at this stage.

Mr **SPEAKER**: Order! I intimated to the honourable member for Auburn that I was sure that he would come to urgency, but so far he has not done so. I would ask the honourable member to do that now.

Mr **COX**: Yes, Mr Speaker. The matter is urgent because of the fact that the people of New South Wales will be compelled to subsidize this development. The Hornsby shire council itself will be required to find \$4.2 million for road widening work and a pedestrian bridge in this area. The Department of Main Roads will be forced eventually to find an additional \$12 million to satisfy the traffic needs of this area. That is why the matter is urgent. It is urgent because a majority of the nine aldermen sitting in council can ignore the best planning advice in this State and approve a development application which is virtually going to cripple the area in terms of traffic congestion. The people of New South Wales will be forced to pay for this development and for the traffic mess that will result from it. That shows the real urgency of this matter and why it should be debated now.

The Minister for Planning and Environment and the Deputy Premier, Minister for Local Government and Minister for Tourism both have a responsibility to ensure that a majority in a council cannot go against the best planning advice in this State. It is all very well for the Minister to say that he cannot intervene: he has every power under the Act to **rezone** the area, to stop this development and to hold an inquiry into it. If this development goes ahead it will destroy many small businesses in the area. The State Planning Authority has pointed out that if the plan went ahead it will result in a duplication of small businesses in the area. That would mean virtually that many small business people in the vicinity of the railway station will be forced out of business. That is another reason why the matter is urgent.

Is it not urgent to bring the plight of small business people before this Parliament and to speak up for them? This development plan was passed by a majority of

aldermen on the Hornsby shire council. These important issues should be debated today. The attitude of the police traffic branch is, "Do not expect us to use a disproportionate number of traffic policemen to sort out the traffic mess which will result after this development goes through." That is what the police traffic branch wrote to the Hornsby council about this development application.

Mr **VINEY**: On a point of order, Mr Speaker. I believe the honourable member for Auburn has no intention of following your ruling on speaking to urgency. All he is doing is listing a whole series of points which doubtless he might put forward on his substantive motion if urgency is agreed to. I submit that the honourable member is deliberately flouting your ruling.

Mr **SPEAKER**: Order! It is true that the honourable member for Auburn is putting the substance of his motion rather than the reason why it should be debated. On the other hand, I believe he is making a conscientious effort, but I ask the honourable member to come more directly to the issue of urgency.

Mr **COX**: Mr Speaker, I thank you for your indulgence. The fact that the Commissioner of Police and the Deputy Premier, Minister for Local Government and Minister for Tourism have received three statutory declarations makes this matter one of utmost urgency. The matter is urgent because there will be an investigation by the police department into the allegations set out in those statutory declarations. Is it not urgent that the House should debate a decision made by a majority of aldermen on a council which goes completely against the established planning **bureaux** that this Parliament has established? The council has ignored the advice of the planning experts and said that it will take no notice of their recommendations.

Is it not a matter of urgency that, the Parliament having established the authorities, their point of view is completely ignored because a council takes no notice of expert advice from both authorities, which oppose a development programme that is 50 per

cent over-developed and will mean a turn-over of 15 000 cars a day in an area that already has an enormous traffic problem? That is the urgency of the matter and why it should be debated now. We want to know where the Minister's responsibility lies and when the Minister for Planning and Environment is going to get off his tail and do something. He should be telling the aldermen that he disapproves of their decision and is going to suspend it, have a rezoning and hold an inquiry, with experts appearing before the inquiry and putting forward their views on why the development should not be pursued.

Sir CHARLES CUTLER (Orange), Deputy Premier, Minister for Local Government and Minister for Tourism [2.47]: It seems to me that the only urgency this afternoon is for the Labor Party to defend itself against Botany council allegations by making counter allegations in the Parliament against other councils.

[Interruption]

Sir CHARLES CUTLER: If you make any accusations—Mr Speaker, the honourable member for Heathcote—is he honourable? He is the most dishonourable person I have ever known. The member for Heathcote has just said, "If you will say something about your brother's allegations," and this is totally—

Mr JACKSON: I did not say that at all. You are drunk again. That is your trouble. You did not even hear what I said. If you want to know, I said, "Tell us about your brother's property in Woonona." That is what I said. Do you want me to spell it out?

Sir CHARLES CUTLER: This worm—

Mr F. J. WALKER: On a point of order. Honourable members are sitting in the House being treated to a slanging match between two honourable members, one from either side of the House. Surely that cannot be relevant to urgency. Surely the Deputy Premier and the honourable member on the other side have no right at all to waste the time of the House in this way.

Mr SPEAKER: Order! I ask the Deputy Premier to come to the matter before the House.

Sir CHARLES CUTLER: The honourable member for Heathcote has mentioned my brother in this House, as he mentioned the brother of the Minister for Education.

He has said—in reply to an interjection a few weeks ago by another worm, the press took up his allegation that I was drunk. Am I drunk?

[Interruption]

Mr SPEAKER: Order! Is the Deputy Premier asking me to take action under the standing orders?

Sir CHARLES CUTLER: I certainly am. I am asking you to ask what thing over there—

Mr SPEAKER: Order! The Deputy Premier, Minister for Local Government and Minister for Tourism wishes me to call upon the honourable member for Heathcote to withdraw some words—

Sir CHARLES CUTLER: And apologize.

Mr SPEAKER: Order! I need to know what the words are to which he objects. If the Deputy Premier will tell me what words he wants withdrawn, I shall consider his request.

Sir CHARLES CUTLER: I can see the tactics of the Opposition to prevent me from replying. The member for Heathcote—I will not call him the honourable—made some reference to my brother's activities and then said I was drunk. I ask the House, I ask the press, I ask the gallery, am I drunk?

Mr SPEAKER: Order! I have no hesitation in calling upon the honourable member for Heathcote to withdraw the allegation concerning the Minister's sobriety, and to apologize.

Mr JACKSON: What prompted me to make that accusation—

Mr SPEAKER: Order!

Mr JACKSON: —was that the Minister was saying I said something I did not say.

Mr SPEAKER: Order! I direct the honourable member to withdraw the words relating to drunkenness, and to apologize.

Mr JACKSON: I will withdraw and apologize.

Sir CHARLES CUTLER: I can understand the need for the Labor Party to divert public attention from its own severe case of Connorrhoea.

Mr JACKSON: Mr Speaker —

Mr SPEAKER: Order! Gentlemen, I want absolute quiet in the Chamber at this stage.

Mr JACKSON: The temporary Minister for Local Government called me a worm. I regard that as offensive and I submit that you should direct him to withdraw and apologize.

Mr SPEAKER: Order! I direct the Deputy Premier, Minister for Local Government and Minister for Tourism to withdraw the word worm.

Sir CHARLES CUTLER: I withdraw and apologize to the worms.

Mr JACKSON: Mr Speaker —

Mr SPEAKER: Order!

Mr JACKSON: You are making a joke of this place.

Mr SPEAKER: I am not willing to accept that as a withdrawal. I require the Deputy Premier to withdraw and to apologize without qualification.

Sir CHARLES CUTLER: I do, sir.

[*Interruption*]

Mr SPEAKER: Order! Gentlemen, I would inform honourable members on both sides of the House that my patience is not inexhaustible this afternoon. I require quiet on both sides during the proceedings and a little more decorum.

Mr JACKSON: On a point of order. The Deputy Premier, Minister for Local Government and Minister for Tourism has been insulting to you, insulting to this House, and insulting to every member of it. You directed him to withdraw and to apologize.

You said that you did not accept the reference he made in his withdrawal and apology on the first occasion as a proper withdrawal and apology. All he did when you directed him again to withdraw and apologize was to get up and say, "I do". My point is that the Deputy Premier, Minister for Local Government and Minister for Tourism is flouting your ruling. I submit that you should direct him to say, "I withdraw and apologize" for the remark he made about myself.

Mr SPEAKER: Order! There is no substance whatever in that point of order. The Deputy Premier has complied specifically with my requirement.

Sir CHARLES CUTLER: I can understand the need for the Labor Party to divert public attention from its own severe case of Connorrhoea, but I will not be a party to the Government's allowing the Leader of the Opposition, the honourable member for Auburn and company, to support the worst government—indeed, the most treasonable government—this country has ever seen since federation. For that reason alone I refuse urgency.

Let us look at this particular case. The honourable member for Auburn has referred—as he told me in a letter delivered to me by hand this morning, though I did not receive it: it was left on my desk—the statutory declarations to the Commissioner of Police in New South Wales. That is quite OK with me, for if he had referred the originals of the statutory declarations to me, I would have referred them immediately, as I did before, to the Commissioner of Police and to the Minister for Police and Minister for Services for investigation. But there are two things I have noted about the statutory declarations that have been provided to me, or the copies of them that have been provided to me, and those two things I want very quickly to refer to because I know my time is running out on this.

[*Interruption*]

Sir CHARLES CUTLER: Anything I can do in the two months I have at my disposal to keep the Labor Party out of power in this State and in the federal sphere,

I will do. The honourable gentleman referred to me this morning, in a letter delivered to my room, three copies of statutory declarations—not the originals, but copies of them—and I noticed that all of those statutory declarations referred to something that was said by a third person about a councillor's allegedly receiving money—not something that the declarants had seen themselves.

The second thing that occurred to me when I read those declarations was that they referred to an alleged happening on 31st October, 1974—one year ago. That is the substance of the urgency raised by the honourable member for Auburn. I find it difficult to understand why it has taken twelve months for these declarations to be made. Maybe it has something to do with the Botany council affair. Perhaps the Labor Party believes it must find something with which to defend itself over the Botany affair, where its own members made statutory declarations against the party. The honourable member for Auburn has, presumably, referred the original statutory declarations to the police. I cannot act on copies. Had he referred the originals to me I should have done exactly as I did in regard to the Botany affair. I should have referred them to the police. The honourable member, having referred the declarations to the police, presumably yesterday, does not wait for the police to investigate but immediately raises it in the House. What sort of attitude is that?

What the honourable gentleman and the Labor Party, assisted by its *Q.C.* leader, are asking this House to do is condemn and sentence an individual—a person, a citizen of this community. They do not want the police to make an investigation, and if necessary prefer charges, as happened in the Botany affair. They do not want to leave it to the courts of law to try, and perhaps condemn and sentence a citizen of this State. The Opposition wants this person, whoever he may be, to be tried, condemned and sentenced by the Labor Party. I refuse to allow that to happen. I refuse to allow any Government of which I am a member and in which I serve to do other than follow the proper course of requiring a police investigation. Such procedure will take place

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in relation to these declarations. If there is support for the statutory declarations the matter will go to the courts of this State. It will not be tried by the honourable member for Auburn or the leader of the Opposition or the Labor Party. For that reason urgency is refused.

Question of urgency put.

The House divided.

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Mr Bannon	Mr Keane
Mr Barnier	Mr L. B. Kelly
Mr Bedford	Mr Maher
Mr Booth	Mr Mahoney
Mr Cahill	Mr Mallam
Mr Cleary	Mr Mulock
Mr Cox	Mr Neilly
Mr Crabtree	Mr O'Connell
Mr Day	Mr Paciullo
Mr Durick	Mr Petersen
Mr Einfeld	Mr Quinn
Mr Face	Mr Ramsay
Mr Ferguson	Mr Renshaw
Mr Flaherty	Mr Rogan
Mr Gordon	Mr Sheahan
Mr Haigh	Mr Stewart
Mr Hills	Mr Wade
Mr M. L. Hunter	Mr F. J. Walker
Mr Jackson	Mr Wran
Mr Jensen	<i>Tellers,</i>
Mr Johnson	Mr Degen
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NOBS, 52

Mr Arblaster	Mr McGinty
Mr Barraclough	Mr Mackie
Mr Brewer	Mr Maddison
Mr Brooks	Mr Mason
Mr Brown	Mr Mauger
Mr Bruxner	Mr Mead
Mr Clough	Mrs Meillon
Mr Coates	Mr Morris
Mr Coleman	Mr Mutton
Mr Cowan	Mr Osborne
Mr Crawford	Mr Park
Sir Charles Cutler	Mr Pickard
Mr Darby	Mr Punch
Mr Dowd	Mr Rofe
Mr Doyle	Mr Rozzoli
Mr Fife	Mr Ruddock
Mr Fischer	Mr Singleton
Mr Fisher	Mr Viney
Mr Freudenstein	Mr Waddy
Mr Griffith	Mr N. D. Walker
Mr Harrold	Mr Webster
Mr Hatton	Sir Eric Willis
Mr Healey	Mr Wotton
Mr D. B. Hunter	
Mr Jackett	<i>Tellers,</i>
Mr Leitch	Mr Boyd
Mr Lewis	Mr Duncan

Question so resolved in the negative.

Motion of urgency negatived.

QUESTIONS WITHOUT NOTICE

(Resumed)

CAR RALLIES

Mr COWAN: I ask the Minister for Culture, Sport and Recreation whether during last week he was closely involved with the world-renowned Southern Cross car rally. Did the Minister on Wednesday of last week flag off the contesting cars at the Sydney Opera House, and was he in Port Macquarie during the weekend to receive the winner and the place-getters at the end of this famous rally? Having in mind the number of road deaths on New South Wales roads, is it a fact that rallies of this kind are most important in the finding of defects in motor vehicles? Are they most important, also, in the teaching of safe driving methods?

Mr BARRACLOUGH: It is true that I was at the Opera House last Wednesday to start the Sun-Total Oil Southern Cross international car rally. It is also true that I was at Port Macquarie on Saturday to start the final tortuous leg of this great rally, and that I was there on Sunday to greet the winner, Mr Andrew Cowan. It might be of interest to honourable members to know that Mr Andrew Cowan is in the public gallery this afternoon. On behalf of the New South Wales Government, I extend heartiest congratulations to this world-famous driver, who has won this event five times, four times in succession.

Mr L. B. KELLY: What has your portfolio to do with motor vehicles?

Mr BARRACLOUGH: I know more about motor cars than you know about points of order. This is a serious question, asked by the honourable member for Oxley, who has the distinguished Scottish name of Cowan.

Mr L. B. KELLY: It should have been addressed to the Minister for Transport and Minister for Highways.

Mr SPEAKER: Order! I call the honourable member for Commal to order.

Mr BARRACLOUGH: Before I reply to the part of the honourable member's question that relates to the road toll, in which

we are all interested, it would be remiss of me if I did not pay tribute to the people of Port Macquarie.

Mr L. B. KELLY: On a point of order. I had difficulty hearing the question of the honourable member for Oxley but, so far as I could make out, he asked the Minister for Culture, Sport and Recreation whether he had been at the Opera House and had flagged away a rally trial. He went on to ask whether these trials were used for testing the reliability of motor cars, and whether they played an important part in keeping down the road toll. I submit that the latter part of the question should be ruled out of order because it was not addressed to the correct Minister. I submit that the Minister for Culture, Sport and Recreation is not in a position to answer that part of the question.

Mr SPEAKER: Order! It has never been the Speaker's function to rule out a question on those grounds.

Mr BARRACLOUGH: Also, I pay tribute to the New South Wales police force and the Forestry Commission which made it possible for this great rally to be such a great success. The second part of the honourable member's question relates to the serious problem of safety on the roads. The New South Wales Government greatly regrets that more than 1 000 people have been killed on the roads this year, for it means that 1 000 valuable lives have been destroyed. Having some involvement with this rally over the weekend, I was able to observe cars being driven to the nth degree, at high speeds on back roads, with their drivers obeying the traffic regulations on the main roads. I could see that this type of activity is of great assistance in the fight to reduce the road toll. As the works cars were put under the most strenuous operating conditions by international and Australian rally drivers, I believe that the companies concerned are able to learn from these rallies, and as a result are able to produce safer motor cars for the people of this country. This must certainly lead to a reduction of the road toll. I thank the honourable member for Oxley for his question.

IRRIGATION AREAS

Mr GORDON: My question is addressed to the Minister for Public Works and Minister for Ports. Does the Minister agree that following recent increases in water charges in the Murrumbidgee Irrigation Area and the Colleambally irrigation area, the water account of the Water Conservation and Irrigation Commission showed a profit last irrigation season of over \$1 million? Did the Minister state that the increases in water charges were necessary to finance urgently needed maintenance work? Is he aware that the commission has issued dismissal notices to fifteen workers in the Colleambally irrigation area and to nine at Leeton? In view of the buoyant state of finances of the Water Conservation and Irrigation Commission, the prospect of considerable profits and the need for urgent maintenance work to be completed, will the Minister give instructions for the withdrawal of all dismissal notices?

Mr PUNCH: At last the honourable member for Murrumbidgee has discovered that the irrigators have some problems. All this session we have been harangued by utterances from the Leader of the Opposition and the honourable member for Murrumbidgee outside the Parliament complaining that the increase in water charges, which was considerable, was terrible and should have been wiped off. The Leader of the Opposition mentioned a cut of 40 per cent. As usual, in his totally irresponsible way he did not say where the 40 per cent of money lost was to be recouped.

Mr GORDON: Tell us about the dismissals.

Mr SPEAKER: Order! I call the honourable member for Murrumbidgee to order for the first time.

Mr PUNCH: He did not say where the Government is to get this 40 per cent of money.

Mr GORDON: Tell us about the dismissals.

Mr PUNCH: You asked the question: sit down and you will get the answer.

Mr GORDON: You are touchy over the issue.

Mr PUNCH: I am not touchy. Whingeing Willy is at it again.

Mr GORDON: You are a heartless hypocrite.

Mr PUNCH: I am not a hypocrite.

Mr SPEAKER: Order! I call the honourable member for Murrumbidgee to order for the second time.

Mr PUNCH: The charges were much higher than the commission and the Government would like to see but we had two alternatives. We could either heavily subsidize the irrigators—and there are many primary producers in dire straits, thanks to the policy of the Whitlam Government which is setting out to destroy rural industry —

[Interruption]

Mr PUNCH: Wait until the poll and see what the rural industries think of the federal Government. The Labor Party will be annihilated. How about the superphosphate bounty, the postal charges, the tax deductions withdrawn and all the other things? The whole policy of the federal Labor Government has been to destroy the man on the land and the Hon. E. G. Whitlam has never made any secret of it. He has constantly espoused a policy of destroying the man on the land. No one opposite can deny that.

Mr DAY: On a point of order. The questions asked by the honourable member for Murrumbidgee were quite specific. They related to water charges in the Murrumbidgee and the Colleambally irrigation areas and the profit being made by the Water Conservation and Irrigation Commission. The Minister, instead of being relevant—as he is required to be by the standing orders—as usual is diverting to deal with all aspects of rural policies of the Government in Canberra. I submit, Mr Speaker, that though it is convenient to use this argument in reply to other questions raised in this House, it is certainly not relevant in this instance. No policy of the federal Government has anything to do with charges for water in

irrigation areas. In view of that undeniable fact I ask you to require the Minister to be relevant and to answer the question.

Mr SPEAKER: Order! The standing orders were specifically amended in 1971 to require a ministerial answer to be relevant. This may be an occasion to ask the Minister for Public Works and Minister for Ports to come to the specific question asked of him.

Mr PUNCH: The answer I am giving is surely relevant——

Mr GORDON: You are canvassing Mr Speaker's ruling.

Mr PUNCH: I am not canvassing the ruling; I am referring to the costs of primary producers because that is the whole basis of the question by the honourable member for Murrumbidgee in regard to the increase in charges and the problems associated with the rural industry. Surely they go together. If the primary producers in the irrigation areas were receiving adequate income for the work they are doing and the water they are receiving there would be no problem. The problem is that charges have gone up because of inflation at a time when returns to primary industry have gone plunging downwards.

I am amazed that the honourable member for Casino should stand up and take a point of order when he supports the federal Labor Government which cut off free school milk, which cost the North Coast \$1 million; which cut out brucellosis eradication funds at a cost of \$1 million; which removed the phosphate bounty, which cost the North Coast another couple more millions of dollars; and did away with tick control, which cost the North Coast another million dollars.

Mr EINFELD: On a point of order. Standing Order 78 to which reference has already been made requires the Minister to be relevant. You have already asked the Minister to be relevant but he has continued to be irrelevant in that he is almost *as* inarticulate as his colleague the Deputy Premier, Minister for Local Government and Minister

for Tourism. I ask you to direct the Minister to be relevant to the question and in particular that he come to the dismissal of these men.

Mr SPEAKER: Order! I do not intend excessively to fetter the freedom of reply of the Minister but I request him to be relevant.

Mr PUNCH: One of the points put by the honourable member for Murrumbidgee is that because of these increased charges the commission is not faced with the problem of having to retrench men. The biggest problem associated with the operations of the Water Conservation and Irrigation Commission and the working account is cost. Costs have gone up tremendously.

Mr GORDON: The commission has a profit of \$1 million.

Mr SPEAKER: Order! I call the honourable member for Murrumbidgee to order for the third time. I remind the House that I expressly frown on the questioner continuing to interrupt a Minister's answer by way of interjection.

Mr PUNCH: In the past few years costs have gone up tremendously and that is the main reason for the increased charges levied on irrigators. I do not like this any more than the honourable member for Murrumbidgee or the irrigators like it, especially at a time when their income is down so markedly. If the Government has not got the money—and let us be frank, the Government of New South Wales, along with all State governments, does not have a great deal of money owing to the whole federal set-up, though I shall not go into *that*—where is it to get the money? If the States have not access to money to be able to do what they want to do, the only alternative is to cut down maintenance on the canals for the provision of water for the irrigators. I do not think that the irrigators want to see that and, frankly, I do not think the honourable member for Murrumbidgee wants to see the maintenance of these canals cut down. But unless we cut down costs, charges *will* continue to rise and further burdens will be put on the irrigators in the future. The

commission is adopting a responsible attitude in trying to keep costs to a minimum figure. No one wants to retrench men; I do not like it any more than the honourable member for Murrumbidgee likes it.

Mr MULOCK: The Minister could have fooled us.

Mr PUNCH: We on the Government side know the honourable member's attitude and the Labor Party's attitude in regard to unemployment. We have a national figure of 400 000 unemployed and the Labor Party does not care a snap of the fingers. We on this side of the House are concerned about unemployment. We do not want to see continuing unemployment. We are charged with the responsibility of providing water to irrigators at as low a cost as can reasonably be done without diminishing services. We are doing that at the present time. Let me conclude by saying that I am delighted that at last the honourable member for Murrumbidgee has awakened to the fact that we have problems of maintaining water supplies to irrigators in this State at a reasonable cost.

HOSPITAL SERVICES

Mr JACKSON: I rise on a point of privilege under Standing Order 158. I shall endeavour to prove a prima facie case. It concerns the Minister for Health and a letter that he addressed to Mr Kelly, the honourable member for Corrimal, at Fairy-meadow. These are the terms of the letter:

I have much pleasure in advising that approval has been given for the preparation of working drawings and specifications for the connection of existing facilities and the new ward block at the Bulli Hospital to the Metropolitan Water Sewerage and Drainage Board's sewer mains.

As soon as these documents have been completed and approval given to call tenders I will write to you again.

The Bulli hospital is situated in my electorate. The honourable member for Corrimal received this letter on 9th October following my remarks in the House concerning the Minister on 7th and 8th October. I understand that instructions have been given to the Minister's staff not to

communicate with me in regard to health services in my electorate. The Minister cannot plead ignorance as to where the hospital is situated for the simple reason that on 16th September the Minister wrote to me in the following terms:

I have accepted an invitation from Mr S. Atkins, Chairman of the Bulli District Hospital Board to inspect that hospital and join the Board Members for lunch, following which I will inspect the Coledale District Hospital on Monday, 27th October next.

I just want to let you know that I will be within your electorate on that day.

Mr CRAWFORD: Why do you want somebody else to be looking after your electorate?

Mr SPEAKER: Order! I call the Minister for Agriculture to order. Yesterday a similar matter was canvassed at length and I gave a concise statement of the grounds upon which privilege can arise. It is patently clear to me from what the honourable member for Heathcote has said already that this is not a case which can possibly constitute a prima facie case of breach of privilege. I call for notice of motions.

Mr JACKSON: I have another matter which I wish to raise in this prima facie case.

Mr HEALEY: You cannot canvass the Speaker's ruling.

Mr JACKSON: I rise on another matter—

Mr SPEAKER: Order! The honourable member for Heathcote does not have the call. I have terminated the matter that was under discussion, and the Speaker is on his feet. I call for notice of motions.

Mr JACKSON: Mr Speaker, I have another matter which I wish to raise under Standing Order 158.

Mr SPEAKER: Order! I name the honourable member for Heathcote, Mr Jackson, as being guilty of disorderly conduct.

Mr LEWIS (Wollondilly), Premier and Treasurer [3.23]: I move:

That the honourable member for Heathcote, Mr Jackson, be suspended from the service of the House.

Mr JACKSON (Heathcote) [3.23]: I am amazed at the action taken by you, Mr Speaker, in naming me in relation to this matter. Following on a speech I made in this Parliament on behalf of my constituents, and following representations made to me on behalf of my constituents and on behalf of one of the most competent hospital boards in New South Wales that they regarded the Minister's appointment of a Liberal member of the Parliament to the board as being of the greatest insult to them and represents a motion of no confidence in them, because I had the audacity to raise the matter in the House the Minister said he was not going to consider the health needs in my electorate. Surely this is a threat to me as a member of this Parliament. Surely it is an insult to the constituents that I represent. Surely an honourable member has a responsibility to a responsible board that has provided, proportionate to the size of its hospital, probably more money than has any other hospital board in New South Wales. It is not a political board but is composed of people from all political parties. Surely when they come to me and say that they have been insulted by the Minister for Health I am entitled to raise the matter in this House.

Sir ERIC WILLIS: On a point of order. It has been the longstanding practice of the Parliament that upon the motion following your naming of him, Mr Speaker, an honourable member must confine himself to submitting why he should not be removed. He should not be debating the substantive matter that he wished to raise earlier. I submit that the honourable member is now out of order and should be submitting why he should not be suspended.

Mr SPEAKER: Order! The honourable member for Heathcote has five minutes in explanation of his conduct.

Mr JACKSON: When a Minister of the Crown, a responsible person, deliberately bypasses a local member because he had the audacity to represent his constituents in this Parliament, it is a gross abuse of the authority of the Minister. It is an attack upon my privileges as an elected representative

in this House. I assure the Minister for Health that when he goes down there he will not be welcome in my electorate, in view of his biased and unprecedented attitude in relation to his appointment of board members of the Bulli hospital.

The other matter which I believe that you, Mr Speaker, should have considered was the fact that I made representations on behalf of Mrs Humphrey, Mrs de Voogd, Mr Green, Mr Hird and Mr Sutherland in relation to the compulsory registration of chiropractors. The Minister did to me something that he has not done to any other member in this House. He wrote to me and said:

I refer to your further representations concerning the compulsory registration of chiropractors. The present position with regard to the registration of chiropractors was outlined in my letter of 19th September.

In other words, the Minister ignored these representations and singled me out because I had the audacity to criticize him for being an abject failure, and for being overseas and costing the taxpayers of this State \$30 million in Medibank alone. Mr Speaker, I believe that if I cannot raise a matter like this under Standing Order 158, where a member's rights and privileges are being attacked and impugned, it is a sorry day for this House, this Parliament and the people of New South Wales. Mr Speaker, you erred. You had an obligation to hear my full explanation. I had the right before you made your determination to present these other matters. You have a responsibility to protect my rights and privileges, but you attacked them. You have a responsibility to enable me without fear of any threat from the Minister for Health to represent my constituents. By your very actions yesterday and today you have deprived my constituents of representation in this Parliament. In so far as those matters are concerned, the Minister for Health has said in correspondence to me that he has instructed his department not to correspond with me.

Mr HEALEY: You read it out; how could they not correspond with you?

Mr SPEAKER: Order! I call the Minister for Health to order.

Mr JACKSON: This was given to me by the honourable member for Corrimal. Because I had the audacity to expose your incompetence, your maladministration and the fact that you ran away from Medibank, which cost the people of this State \$30 million, you did not advise me of the Bulli hospital matter.

Mr HEALEY: Sit down, you animal.

Mr JACKSON: You are the animal.

Mr SPEAKER: Order!

Question—That the motion be agreed to—put.

The House divided.

AYES, 51

Mr Barraclough	Mr Lewis
Mr Boyd	Mr McGinty
Mr Brewer	Mr Mackie
Mr Brooks	Mr Maddison
Mr Brown	Mr Mason
Mr Bruxner	Mr Mauger
Mr Clough	Mr Mead
Mr Coates	Mrs Meillon
Mr Coleman	Mr Morris
Mr Cowan	Mr Mutton
Mr Crawford	Mr Osborne
Sir Charles Cutler	Mr Park
Mr Darby	Mr Punch
Mr Dowd	Mr Rofe
Mr Doyle	Mr Rozzoli
Mr Duncan	Mr Ruddock
Mr Fife	Mr Singleton
Mr Fischer	Mr Viney
Mr Fisher	Mr Waddy
Mr Freudenstein	Mr N. D. Walker
Mr Griffith	Mr Webster
Mr Harrold	Sir Eric Willis
Mr Healey	Mr Wotton
Mr D. B. Hunter	<i>Tellers,</i>
Mr Jackett	Mr Arblaster
Mr Leitch	Mr Pickard

NOES, 44

Mr Bannon	Mr Face
Mr Barnier	Mr Ferguson
Mr Bedford	Mr Flaherty
Mr Booth	Mr Gordon
Mr Cahill	Mr Haigh
Mr Cleary	Mr Hatton
Mr Cox	Mr Hills
Mr Crabtree	Mr M. L. Hunter
Mr Day	Mr Jackson
Mr Degen	Mr Jensen
Mr Durick	Mr Johnson
Mr Einfeld	Mr Johnstone

Mr Jones	Mr Renshaw
Mr Keane	Mr Rogan
Mr L. B. Kelly	Mr Sheahan
Mr Mahon	Mr Stewart
Mr Mahoney	Mr Wade
	Mr F. J. Walker
	Mr Wran

Tellers,
Mr O'Connell
Mr Ramsay

Question so resolved in the affirmative.

Motion agreed to.

Mr SPEAKER: Order! This being the first occasion during the session upon which the honourable member has been suspended, his suspension will be for two sitting days. I call on the honourable member to leave the Chamber forthwith.

ALLOCATION OF TIME FOR DISCUSSION

Sir ERIC WILLIS: On behalf of the Premier, I give notice under Standing Order 175B that it is the intention of the Government to deal with the following business: Appropriation Bill, down to and including clause 12 by 3.30 p.m., Thursday, 16th October, 1975; down to and including clause 15 by 9.30 p.m., Tuesday, 21st October, 1975; down to and including clause 22 by 9.30 p.m., Wednesday, 22nd October, 1975; all remaining clauses and adoption of report by 3.30 p.m., Thursday, 23rd October, 1975.

BUSINESS FRANCHISE LICENCES (TOBACCO) BILL

THIRD READING

Bill read a third time, on motion by Mr Coleman.

ELECTORAL DISTRICT OF WAGGA WAGGA

RESIGNATION OF WALLACE CLYDE FIFE, ESQUIRE

Mr FIFE: Mr Speaker, I hereby tender my resignation as member for Wagga Wagga. In doing so, I should like to thank you, the Premier and Treasurer, honourable members on both sides of the House, the Parliament House staff, the many members of the public service with whom I have come in contact over the years, the media

and all those associated with the Parliament for their co-operation, particularly during the ten and a half years that I have been a Minister. I wish you and all of those people every personal good wish for the future.

Mr SPEAKER: I have to inform the House that I have this day received a letter from Wallace Clyde Fife, Esq., resigning his seat as member for the electoral district of Wagga Wagga, to seek election at the next general election as a member of the House of Representatives. The honourable member has requested that, in accordance with section 79 of the Parliamentary Electorates and Elections Act, the issue of the writ for the election of a member to fill the vacancy be delayed until the result of the Commonwealth election has been officially declared.

VACANT SEAT

Sir ERIC WILLIS (Earlwood), Minister for Education [3.36]: I move:

That the seat of Wallace Clyde Fife, Member for the Electoral District of Wagga Wagga, hath become, and is now, vacant by reason of the resignation thereof by the said Wallace Clyde Fife.

Mr MORRIS (Maitland) [3.37]: The resignation of the honourable member for Wagga Wagga is a serious loss to this Parliament. Mr Speaker, is it in order for me to say a few words about my good friend appropriate to the occasion?

Mr SPEAKER: It would be most unusual for that to be done at this stage. However, I am sure that other opportunities will present themselves.

Motion agreed to.

APPROPRIATION BILL

SECOND READING

Debate resumed (from 14th October, *vide* page 1782) on motion by Mr Lewis:

That this bill be now read a second time.

Mr L. B. KELLY (Corrimal) [3.40]: I rise to speak on the introduction of the Budget by the Premier and Treasurer. In doing so, I wish to say on behalf of the people of New South Wales that we object to the Budget because of the heavy and

oppressive taxes contained in it. The Premier in introducing the Budget said that it was his first budget. May I say that it could well be his last. This Budget perpetuates the practice of the former Premier and Treasurer, Sir Robert Askin, who each year introduced budgets that squeezed the people of New South Wales to yield more dollars through repressive and regressive indirect taxes and charges. This action has made New South Wales the highest taxed State in Australia. In the Budget Speech the Premier, when referring to inflation, said:

It is the most serious economic recession since 1930. Inflation is at unprecedented levels.

He went on to say:

Much of the private sector is literally struggling to survive, large numbers of companies have failed and more will fail in the year ahead. In most sections of the rural community income is seriously down and the outlook is bad.

Business confidence is low and, in consequence, new investment is almost at a standstill.

Despite these conditions (or possibly because of them), costs of labour and materials have risen at a frightening rate during the past year and have moderated only marginally in recent months.

It is the responsibility of all Governments to give a lead to the country to restore confidence, reduce inflation and reverse the worsening unemployment trend. The Commonwealth Government must bear the major responsibility for the present economic and social morass.

Further, he said:

- (1) Every effort must be made to restrain Government spending.
- (2) Additional revenue demands should be kept to an absolute minimum.
- (3) Within the limits of State powers and resources, positive help must be given to business in an effort to aid in restoring business confidence.

That is a marked difference from the tolerant attitudes of other Premiers when delivering their budget speeches in their respective parliaments. In respect to inflation the Premier of Victoria said that his Budget had been made the more difficult by the combined effects of the downturn which occurred in the Australian economy in the

past financial year and the high rate of inflation accompanying the downturn. He spoke of inflation and unemployment and said:

In terms of the history of the years since the 1939-45 war, and even before, these are unusual bedfellows. They show the peculiar characteristic of feeding on each other without either one diminishing. To defeat each of them is the challenge to Australia today.

The Hon. R. J. Hamer said also:

The Victorian Government holds firmly to the view that inflation is overwhelmingly our greatest enemy. It is inflation which causes unemployment; it causes high interest rates; it brings disaster to some of the most stable and valuable elements in any society, to those on fixed incomes, to the farmers fighting unmanageable costs in the face of declining world prices, to the thrifty, helplessly watching the erosion of their savings; to the businessman, large and small, struggling to find the funds even to stay alive, let alone invest in the future.

The Hon. W. A. Neilson, the Treasurer of Tasmania, in his Budget speech said:

Tasmania, in common with the rest of Australia, and indeed the whole of the western world, is passing through a period which is characterised by the twin economic ills of inflation and unemployment. This is a phenomenon which is of relatively recent origin. Traditionally, a period of inflation was accompanied by overfull employment. Previously, when unemployment emerged, it was accompanied by deflationary tendencies.

A number of authorities on the economy have expressed the view that this is something that has never been experienced before, with the two great forces running together instead of one opposing the other. Mr Neilson went on to say:

This new problem has so far defied the efforts of Governments and economists to find a solution. While there are hopeful signs in some overseas countries, it would be premature to conclude that the answers have been found.

Without wishing to avoid responsibility, it would be true to say that there is little we in Tasmania can do to find a solution to a problem that is world-wide in its effects. Within Australia, responsibility for monetary and fiscal policies for economic management purposes resides with the Australian Government. The most that we can do is to ensure that our revenue and expenditure policies are in harmony with Australian Government plans to counter unemployment and inflation.

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When one reads parts of the speeches of those Premiers and Treasurers one sees that they take the attitude that they must work in harmony with the Australian Government and in close relationship with that Government to try to overcome the scourge that is facing the whole of the western world.

I shall refer briefly to the speech of the Minister for Education who spoke early in this debate. It was interesting to note that in his address he said that he had drawn the short straw to speak in the debate after the Leader of the Opposition. It seems that the Minister for Education is a born loser. He is always drawing short straws. Not so long ago he lost the important Premiership battle to the present Premier and Treasurer. I shall take him to task in respect of some of the figures he gave in his address regarding the allocations that would be forthcoming to this State if New South Wales received a financial grant from the Australian Government compatible with the amount it contributes by way of tax.

In New South Wales, the Premier and Treasurer, Ministers and Government supporters knock the Australian Government and talk about State rights and so on, saying that they want to ensure that federalism continues. Surely the basis of federalism is to assist the small States to manage their affairs economically and, because of their small populations, to ensure that they are viable and receive sufficient funds to carry on. In the figures the Minister for Education quoted he overlooked the important fact that much of the money coming to New South Wales does not come by way of direct grants to the New South Wales Government. Since 1972, when the Australian Government came into office, substantial sums of money have flowed through to local government. A quick reference to the budget papers of the Australian Government will reveal that for the first time the Local Government Grants Commission received \$21,359,000. That represented a substantial change in the earlier position. Money is coming through for apprenticeship training. In 1973-74, \$108,000 was received. Last year the amount received was \$161,000 and for this year the amount will be \$1,241,000.

It is not fair to say that New South Wales is missing out on money that it should receive compatible with the amount it contributes by way of income tax. It is interesting to consider the amount of tax paid by New South Wales. The net figure after refunds, collected by the Australian Government from income tax in 1975-76, will be \$8,683 million. If we take the percentages that applied back in 1972-73, New South Wales contributed \$36.99 in every \$100. It contributed then, say, one-third. That is reasonable. When one looks at the amount that New South Wales will receive this year, it is fair and equitable. This year New South Wales will receive by way of increased financial assistance from the Australian Government for 1975-76 \$1,004,464,822 as against \$811,936,229 last year, or an increase of \$192,528,593, which is a record amount of increase. I shall refer briefly to the inflation rate that existed at June of this year. It was 16.9 per cent. If we apply that to the amount of money paid last year, \$811,936,229, the increase that New South Wales should have received in respect of inflation would be \$137,217,220. However, New South Wales received \$55,311,373 more than that. In the adverse economic situation the Australian Government has been more than fair to the New South Wales Government.

From the budget papers I have ascertained that the increase in 1975-76 in revenue from State taxation, land revenue, receipts for services rendered, and general miscellaneous receipts compared with 1974-75 will be \$345,348,700. That will make a total increase in the Consolidated Revenue Fund of \$529,877,223 or, expressed as a percentage, 25.88 per cent. So it is quite obvious that New South Wales will receive from the Australian Government, and as a result of its own efforts in raising revenue, a substantial increase this financial year.

Despite the gloom and despair of the Premier and Treasurer in his forecast in his Budget Speech there are signs of improvement in the economy, and I should like to look quickly at them. Australian factory production appears to have bottomed out in July, 1975, according to the

ANZ Bank's factory production **index**. The preliminary, seasonally adjusted figures to July show that trend. From July 1974 to October 1974 factory production was down 3.5 per cent. From October 1974 to July 1975 it was down 4.3 per cent. From January 1975 to April 1975 it was down 3.2 per cent, and from April 1975 to July 1975 it was down 1.3 per cent. Thus, although the July 1975 level was 11.2 per cent below the peak production rate for each of the preceding years, the recent rate of decline has slowed dramatically. Figures issued by the Australian Bureau of Statistics for August last tend to confirm the idea that July 1975 was the turning point in factory production.

I want to say how pleased I was to learn this week that a factory manufacturing ladies undergarments is to reopen in Wollongong, having closed several years ago. More than 20 machinists will be working there by Christmas, and up to 50 machinists will be employed there eventually. So there is some reason to be pleased with signs of improvement in the economy. That is why I do not support the Premier and Treasurer in his gloomy and despairing forecast for the future of New South Wales. I note that there has been a vast increase in general revenue assistance from the Australian Government this financial year compared with 1974-75. It is important to remember that New South Wales has fared reasonably well compared with all of the other States.

In 1975-76 New South Wales will receive at least \$980,300,000, whereas in 1974-75 it received \$756,163,000, which was an increase of \$224,137,000 or, expressed as a percentage, 29.64 per cent. Victoria in 1975-76 will receive \$732,900,000. In 1974-75 it received \$562,266,000, an additional \$170,634,000, or an increase of 30.34 per cent. Queensland had about the same increase; it went up by 32.14 per cent. Despite what the Minister for Education has said in denigrating the Labor-governed States of South Australia and Tasmania, those two States did not receive preferential treatment from the federal Government. In fact, South Australia had an increase in general revenue assistance of \$60,513,000,

or **19.01** per cent, and Tasmania's increase was **\$21,396,000**, or **15.62** per cent. Western Australia had a percentage increase of **30.92** per cent. So the four big States, New South Wales, Victoria, Queensland and Western Australia, had increases of about **30** per cent in their receipts, whereas the increases for South Australia and Tasmania respectively were **19.01** per cent and **15.2** per cent. That gives the lie to the statement made by the Minister for Education that South Australia has been receiving more from the Commonwealth at the expense of New South Wales.

Like the Leader of the Opposition, I predict that there will be a large budgeting surplus next year. In his Budget Speech the Premier and Treasurer told us that the ritual of the Premier's conference was far from rewarding. He said:

While ever these conferences are held under the constraint of the States attempting to wrest from a reluctant Commonwealth Government some portion of its centrally controlled revenues, they are doomed to failure.

What happened in **1969** when all of the States had Governments of a similar political persuasion to the Government of New South Wales? We were not told then the things that the Premier and Treasurer tells us now. Frankly, I feel that under the Australian Labor Government the States have done far better than they ever did under a Liberal-Country party government. Tremendous sums of money have been infused into education, housing, and health, despite the fact that at all times one hears from Ministers and supporters of the New South Wales Government nothing but criticism of the Labor Party, which has put the priorities right and has ensured that the supply of money for essential services is increased.

I was developing my argument that there will be a substantial budgetary surplus next year instead of a small surplus of **\$754,083** as forecast by the Premier and Treasurer. In his Budget speech the Premier and Treasurer said:

At the Premier's conference, the Prime Minister put forward counter-proposals which amounted, in essence, to a retention of the existing formula but with the addition of **\$220** million to be distributed among the States for **1975-76**. This addition was to be built into

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the base for the calculation of grants for subsequent years and the "betterment" factor of **1.8%** was to be increased to **3%** for the purpose of calculating grants from **1976-77** onwards.

Taking that factor, and the sum of **\$220** million that will be allocated to the States in **1976** in special financial assistance, one finds that the amount coming to New South Wales will be **\$67.7** million. The amounts going to the other States will be as follows: Victoria, **\$50** million; Queensland, **\$38.6** million; South Australia, **\$25.9** million; Western Australia, **\$26** million; and, Tasmania, **\$11.2** million. The respective percentages of the **\$220** million are, New South Wales, **30.8** per cent, which is by far the lion's share; Victoria, **23** per cent; Queensland **17.5** per cent; South Australia and Western Australia, **11.8** per cent; and, Tasmania, **5.1** per cent. If the Premier and Treasurer is correct, and including the **\$67.7** million in the base factor, New South Wales will receive **\$980.3** million from the Australian Government this year in a budget figure of **\$1,048** million.

If I apply the population raising factor, assuming it will remain at **1.0045**, and also if I apply the estimated increase in average wage factor of **1.21**, assuming it will remain the same though logically it will increase, and if I apply the new betterment factor to which the Premier has referred, increasing from **1.8** per cent to **3** per cent, or preferably from **1.018** per cent to **1.03** per cent in the table that I have, next year New South Wales will receive **\$1,311,999,580**. Additionally, the Premier and Treasurer said that New South Wales will get other financial assistance totalling **\$67.7** million. That sum, together with the figure I mentioned earlier, will mean that next year this State will receive from the Commonwealth an increased allocation of **\$399,399,580**.

There can be no doubt that the State Government will continue its scrooge attitude towards taxing the people. Recently in this House the Minister for Transport and Minister for Highways, in his former office of Minister for Revenue and Assistant Treasurer, in relation to taxation said that the Government had not finished yet. If the Government intends to continue extracting money in **this** way from **the people, it**

is obvious that it is ensuring a substantial surplus for next year, thus forming an ideal situation in which it can face the electors. It is fairly evident that some time next year an election will be held in New South Wales. The whole of the budget papers are a hoax. The Premier and Treasurer referred to taxes to be collected. It is clear that these taxes have been underestimated, particularly petrol tax, mineral royalties and bookmakers' tax. No doubt other taxes and charges have been underestimated. It is quite possible that from these under-estimations the Government will enjoy a surplus of \$100 million.

Mr WEBSTER: It certainly beats a huge deficit.

Mr L. B. KELLY: I am trying to expose the Government to the people. It is not right that the Government should inject things into the Budget in an under-estimated way just to indicate to the people that it is not expecting to receive as much as it in fact will get. I appreciate that the Premier has no outstanding accountancy qualifications or ability, but he is advised by others. Some of the projections contained in the budget papers fall far short of the mark. From the turnover of bookmakers' income in previous years it is obvious that their tax will increase substantially this year but no account has been taken of that factor. Mineral royalties are to be increased from 50c a tonne to \$1 a tonne though it is only two years since they were increased from 25c a ton to 50c a ton. That increase represents a substantial sum. The 1974-75 estimate of revenue to come in from petroleum tax was \$30 million though the actual receipts were \$24,424,324. From December, 1975, that tax will be doubled but the estimate for 1975-76 is for only \$59.2 million. The effect of additional tax coming from the natural growth rate in the business franchise petroleum tax will increase the income in 1975 to \$80 million—\$20 million more than estimated. All of these amounts add up to quite a substantial total. Next year I will stand corrected by the Government should I be proved wrong.

I should like now to deal quickly with some statements made by the Premier in respect of measures instituted by the Government to cut down on costs and permit greater efficiency in the economy. Some time ago an announcement was made that the Premier would advise his Ministers to stop acknowledging correspondence received from honourable members. If that happens I do not know where members will find themselves. I have written to Ministers with regard to some quite serious situations and sometimes, even months later, I have not received a reply. I have written a follow-up letter in order to get some acknowledgement or action and in many cases even then I have not got a decision. Therefore, when the Premier and Treasurer talks about the machinery of government review which he and his Ministers initiated last year and which is still continuing as being the groundwork for a wide-ranging overhaul we must be careful to ensure that the Government does not throw the blame on to members who have not received replies to correspondence about urgent and important matters.

In December of last year the Minister of Justice was written to by a firm of solicitors. During April that firm followed up its original letter with two further letters but it was not until 14th July that the Minister replied. That matter related to an appeal and by the time the Minister replied the period allowed within which to lodge an appeal had expired. I have now written to the Minister asking that the matter be re-opened, though I still have not received an answer. I have here pages of examples of this type but I shall not weary the House with them. I am concerned that should Ministers stop acknowledging representations made to them, members will not know that the Ministers are in fact taking some action. What is to be considered a fair time before the matter should be chased up? Who will bear the cost of chasing up Ministers to ensure that something is being done in relation to representations of this type?

Another matter of grave concern to me is the withdrawal of rail services, referred to by the Premier and Treasurer in his Budget Speech. He said that a number of rail

services will be withdrawn and where necessary will be replaced with more economical road transport providing at least as good and if possible a better service. In the **Illawarra** district the train service is almost non-existent. I have received a letter on this subject from an age pensioner who refers to old ladies of 80 years of age, mothers and children standing packed in trains, even finding difficulty to breathe, following a reduction in services. These people cannot afford other forms of transport. The **Wollongong** area is not easily serviced by road transport and there has been no suggestion that the Government intends to offer relief by introducing bus transport for that city. Members on this side of the House deplore the actions of the Premier and Treasurer in saying he will further reduce the rail services.

Local government was another matter referred to by the Premier and Treasurer. The whole meaning and purpose of the Liberal Party's phoney war over State rights is to protect private affluence and perpetuate public squalor. Until the election of the Australian Government *in* December, **1972**, the whole pattern of Australia's urban and regional development was deformed and distorted by inappropriate financial pressures. This was because of the failure of the Liberal-Country party federal Government to provide relief. The task was far too great to be met by those who paid rates or charges to local councils and semi-government authorities. However, since December, **1972**, the Australian Labor Government has provided the States with record grants for health services, education and housing.

MR DEPUTY-SPEAKER: Order! The honourable member's time has expired.

MR PUNCH (Gloucester), Minister for Public Works and Minister for Ports [4.10]: First I offer my congratulations to the Premier and Treasurer for the constructive, helpful and sensible Budget that he has brought down. I *am* sure that this is the first of many that he will deliver as the leader of this State. On the other hand, I cannot congratulate the Leader of the Opposition on his comments in reply; frankly,

I think his contribution—and I have heard this said by members from both sides of the House—was a pathetic exhibition totally lacking in constructive suggestion.

When one compares it with the tremendous contribution, acknowledged throughout Australia, that the federal Leader of the Opposition **has** made in answer to the **Hon. W. G. Hayden's** Budget, one realizes the tremendous difference between the Opposition party here and in Canberra. I **do** not wish to indulge in destructive comment, but it is easy to see how far the ineffective Leader of the Opposition in this House is behind the federal Leader of the Opposition.

I want to comment on one main **point**—federalism—which is crucial to the development of this State, and indeed the nation. It is greatly in need of remedial work. I shall show what we are doing about federalism, and explain what it means to this State and to Australia as a whole. Towards the end of my speech I shall give a **couple** of brief instances to show how a centralist government completely delays and disrupts progress. Over two centuries we in Australia have built up a great country. It is fair to say that we have been admired throughout the world for the development **that** has taken place here in **those 200 years**. Our country has been **built up** by a **federal** system of government, by co-operation between the States and the Commonwealth, by participation at local level in the States or in the local sphere, by on-the-spot government. It has not been built up by a method of Commonwealth bureaucratic control. But in recent years—and in all fairness this started before Mr Whitlam's day, although he brought matters to a head—there has been a tremendous build-up as the Commonwealth has involved itself in many basic State constitutional responsibilities. There has been a slow breakdown, a gradual strangulation of the proper development of the country as this has come to a head. At the present time a strangling bureaucratic control has developed at the Canberra level as the federal authorities move in and make every decision on the development of Australia in a duplicating and inefficient manner.

It is fair to say that the main cause of this problem has been uniform taxation. This has precipitated our problems. Until we get back to the level where States have proper access to a **real** growth tax and a review is made of all taxation systems, what might be termed the financial constitution of the Commonwealth and the States, be they **Labor**, Liberal or Country party governed States, will have difficulty in functioning to true effectiveness. At a conference on Commonwealth-State financial relations in Canberra last August Professor R. L. Mathews, the distinguished head of the centre for research on financial relations at **the** Australian National University, said:

Without a return of income tax powers to the States, federalism is doomed.

In the past two years we have seen the truth in that statement. Unfortunately I do not think Professor Mathews's words were widely reported, though they were certainly completely true. Since Professor **Mathews** uttered that statement a new dynamic and important policy on federalism has been issued by the federal Leader of the Opposition, Mr Fraser, on behalf of the Liberal Party and the Country Party of Australia. I emphasize that this policy statement was made with the full concurrence of the Government of New South Wales. In debating the Budget it will be useful for honourable members to know of this basic new policy. I should add that I believe that shortly the **Whitlam** socialist Government will no longer be in office in Canberra. It will be replaced by a sane Anthony-Fraser coalition **government** that is dedicated at least to giving the States a fair go. I realize, as I said earlier, that the record of past federal **Liberal-Country** party governments perhaps left something to be desired, but as has been shown by the willingness of the present federal Opposition to compile and participate in this new document, there is now new thinking at that level. This will be greatly to the benefit of the States in future.

Let me quote one or two extracts from this document—for instance, on tax reform. Today the States and the Commonwealth have imposed many severe, savage regressive taxes. For years all governments have talked about a review of taxation. The Premier and Treasurer in his Budget Speech to this House

a couple of weeks ago indicated **that the** New South Wales Government is taking its part at State level to set up a proper review of all methods of taxing. Let me quote from the federalism policy released by Mr Fraser in Canberra:

We acknowledge the severity and distortion of existing income tax rates and are pledged to reform them. These reforms can be undertaken during the transition period and beyond without prejudice to the States.

The Liberal and National Country Parties, in co-operation with the States, will undertake a thorough survey of all existing forms of taxation and **charges** currently imposed throughout Australia, with a view to progressive reform and rationalization.

People do not realize that under the present methods of exacting payment of **tax, the** average wage earner on \$150 to \$155 a week loses nearly half of any wage increase that he gets. As the wage rockets up, the only real beneficiary is the Commonwealth Government. This shows the need for a review. Once all that money gets in the hands of the Commonwealth Government, the important thing to do is to see that it is shared out properly and used to develop Australia as a nation. It must be used properly to ensure that the States get their fair share. After all, the States are best qualified to ~~fix~~ priority lists of work on which the money should be spent. The federal Opposition policy clearly states:

The Liberal and Country Parties propose to ensure the States permanent access to revenue-raising through personal income tax. In so doing, the existing rights of the less populous States will be fully protected. No State will be disadvantaged and the relative positions of the States will be preserved.

The Commonwealth will be the sole collecting agency. There will be a standard tax form, embracing uniform concessional allowances. Commonwealth and State taxes will be **separately** identified on one assessment so that the taxpayer can see the amount being levied by each form of government.

The new system is intended to ensure that the States will have substantially the financial capacity to meet their responsibilities. Of course, it is most important as we go into this new system, which I think is a certainty at this stage, that there be a transition period involving two main stages. This is envisaged in the plan that has been released. We shall make a calculation of

the percentage which in the previous year general revenue grants to the States bore to total personal income tax collections in that year. That percentage will be **arrived** at by taking the figure of the taxation reimbursement grant as a base, and adding **to** it a percentage of section 96 grants, which have increased rapidly in the past **2** or **3** years and form an integral part of the operations of the States today.

I point out again that in bringing up this new system the relativity of the equalization grants to the less populous States will be preserved. When that is done and, in the first year, the States get much more than they got this year and in past years, in the second and subsequent stages the States will be able to impose a surcharge or allow a rebate on the total personal income tax of the State. If the States want to increase the tax for the year to carry out more work, they will be able to do so. As the Commonwealth income tax increases, the States will gain the benefit to a considerable extent. While work has been proceeding on that policy for restructuring the financial relationship between the Commonwealth and the States, there has been a great deal of inflation throughout the country. The Commonwealth Government has not only failed to control inflation; through its extravagant expenditure and huge deficits it has added much fuel to the fire. Its inflationary measures and the substantial increases in wages and other cost burdens have had a marked effect on State budgets and on the private sector.

The huge increase in wages that has been induced is killing State budgets completely. Until inflation is brought under control, and until we can get back a fair share of the automatic increase in taxation that the Commonwealth receives, the States will continue to have severe budgetary problems year after year. The States would have been much better protected against the effects of inflation if the Commonwealth had accepted the uniform case presented by all Premiers to the last Premiers' conference. Instead, it was summarily rejected, and all we received was a patch-up of the existing arrangements, which were nowhere near sufficient for our commitments. The budget **difficulties** of the

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States will not be resolved until there is a more adequate recognition of the need for the States to have a fair share of the income tax revenue of **the** nation. **I** believe that that can be achieved along the lines **I** outlined, and it will come in with the change of federal government.

If they study this policy, members can clearly see how the budgetary problems caused by the **Whitlam** Government can be overcome, but **I** must add one word of caution because, although **the** new federalism policy is good, it is still dependent upon the goodwill and good sense of fallible men. We have started and have made a breakthrough. **I** have no doubt at all that it will be honoured and put into effect when there is a change of federal government. Then we shall see whether people have some faith in the future. Faith in the future is the very thing that has been lacking in Australia over the past two years. For example, when recently a Minister was reported as having been very sick, the stock market went up. Then, when he resigned, in complete shame, the stock market rose rapidly. If that is not showing faith, and showing that this man has been a damper on the initiative and incentive and the desire of people to invest in Australia's future, **I** do not know what is. The fact that he was about to die or resign made people have faith in the future, made them invest on the share market, whereas it has been depressed because of the attitudes of the federal Government in recent years.

Mr BREWER: What would happen if Mr Whitlam died?

Mr PUNCH: The stock market would go completely mad, and the people of Australia would be able to breathe in a little comfort again. **I** shall briefly touch upon another matter for the benefit of the honourable member for Broken Hill; **I** shall do this by quoting to him a passage with which **I** am sure he would agree. It says:

Do you believe that Australia can afford another three years like the last twenty months? Are you prepared to maintain at the head of your **affairs** a Government which has lurched into crisis after crisis, embarrassment piled on embarrassment week after week? Will you accept another three years of waiting for next **week's** crisis, next **week's** blunder? Will you

again entrust the nation's economy to the men who deliberately, but needlessly, created Australia's worst unemployment for ten years? The worst inflation for twenty years?

Those words were uttered by Mr E. G. Whitlam in 1972. How the wheel has turned. He spoke about inflation, unemployment, and crisis after crisis, week after week. Never before in Australia's history have we seen—and I hope we shall never again see—the problems that have arisen with the national Government, caused solely by the policies of Mr Whitlam and his incompetent band in Canberra.

I shall now turn to some of the basic reasons why the States, particularly New South Wales, have severe budgetary problems. It is not only, as the Treasurer said in his Budget Speech, because inflation is at an unprecedented level, or much of the private sector is literally struggling to survive, or as a consequence the rural community is seriously down, or that business confidence is low, and in consequence new investment is almost at a standstill. It is because of the philosophy of centralism rooted in the present policy. It is this above all that has caused so many problems in our Budget. For the past three years the States of Australia have been under siege. Since the Australian Labor Party gained office in Canberra in 1972, the federal Government has sought by every means in its power—and in some instances by means outside its powers—to destroy the sovereignty of State governments. Unfortunately, members of the Opposition in this House, led by the honourable member for Bass Hill, have not lifted a finger or raised an effective voice in protest against the increasing Commonwealth Government attacks on the State of New South Wales, particularly when one considers that the Prime Minister and many of his Ministers come from this State. Unfortunately, one can only form the conclusion that honourable members opposite are either fools, and they understand the ramifications of the political philosophy to which they are dedicated, and choose to remain silent, or they live in an abyss of political ignorance. I hope that their state of mind is attributable to political ignorance rather than to any of the other alternatives I have mentioned.

I shall refer to the attitude of the Prime Minister towards the sovereignty of the States. In a book entitled *Labor and the Constitution*, which is available in the Parliamentary Library, honourable members will find the following quotation by the Prime Minister:

Much can be achieved by Labor members of State Parliament in effectuating Labor's aims of more effective powers for the national Parliament and for local government. Their role is to bring about their own dissolution.

I emphasize the last sentence of that quotation, which states that Labor members of State Parliament must adopt the role of bringing about their own dissolution. That is what they are told by their own leader in Canberra. Could anything be clearer than that? No matter how much honourable members opposite might twist and turn, they have been instructed by their national leader to bring about their own dissolution, and consequently the dissolution of the Parliament of the State of New South Wales. In case honourable members opposite accuse me of taking Mr Whitlam's clear, concise words out of context, I shall give to them another quotation from their leader when, on 22nd May, 1970, he delivered an address to the Institute of Municipal Administration at the Australian National University in Canberra. He said:

Behind the problems of finance and imagination is the question of local government structures. If we were devising a new structure of representative government for our continent we would have neither so few State governments or so many local authorities. We would not have a federal system of overlapping parliaments and a delegated but supervised system of local government. We would have a House of Representatives for nation-wide and international matters, an assembly for each of our dozen largest cities and a few score regional assemblies for the areas of rural production and resources development outside those cities. It is not true, as some persist in claiming that: 'it would be virtually impossible to make these changes now and the real choice is between making a federal system work by giving the existing States the means to do their jobs, and starving the States into submission until the Commonwealth is left supreme.' It is not true that Australians are stuck forever with 6 immutable sets of boundaries devised on their behalf in Westminster more than a century ago and with more than 900 local authorities and 75 semi-government authorities which the State governments cynically and successfully manipulate through the technique of 'divide and rule'.

I am convinced that the decentralisation of power will be effected in this country not by shoring up indefinitely the existing States with their irrelevant and ineffectual boundaries but by providing local authorities with the means and incentives to associate freely one with another on the basis of shared urban and regional interests.

In other words, the Prime Minister and members of the Labor Party seek to abolish the 900-odd shire and municipal councils and the present States, and to replace them with, in his own words, an assembly in each of our dozen largest cities, and a few score regional assemblies in the areas of rural production and resources development outside those cities.

Again I quote the new federal policy of the Liberal and Country parties on local government. Local government will get the money it needs, which will allow it to make the decisions to carry out its own development. There will be none of the ridiculous, wasteful and scandalous occurrences that one observes with the RED scheme by which some character in Canberra sitting behind a desk is able to tell a council the priority that it shall place on its works. There will be none of the ridiculous situations such as one observed in Bourke where the council sacked ten men and had to sell graders as it did not have sufficient money to maintain roads in the area. The same ten men obtained a job under the RED scheme to build a set of stockyards. I admit that the provision of stockyards would probably be beneficial to that area but they would not be of much use if the district of Bourke goes kaput through not having any roads.

The new system which has been decided upon and publicized is to provide a per capita grant to all local government bodies with a weighted formula in contemplation, and an equalization or topping-up grant to be distributed through the State Grants Commission. In other words, this will be a basis on which local councils can levy their own taxes and carry out their own work as opposed to the present system where councils provide the base which is topped up by State grants or, in some cases, federal grants. The aim will be to give an adequate

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amount to councils to permit them to set the basis on which their whole financial problem can be overcome.

I believe that section 96 grants have brought about many problems. One has observed over the past three years a decline in the percentage of tax reimbursement to the States and an increase in section 96 grants. A few years ago taxation reimbursement to the State represented over 70 per cent. Now it is down to about 50 per cent. In 1971-72 section 96 grants to the States represented 28 per cent. Over the years the Commonwealth has endeavoured to obtain control of the States by the insidious method of section 96 grants. Previously the grants to New South Wales represented one-third and now they represent one-half. Here we see shades of the Hon. J. G. Gorton during his term as Prime Minister. He also was a centralist who did not believe in giving the States access to adequate money to carry out their responsibilities. He has gone. Then the Hon. E. G. Whitlam emerged and he is about to go. Between them they have tended to wreck the States, the Constitution and the development of this great nation. Mr Whitlam's policy in relation to section 96 of the Constitution is reflected in the following remarks he made in 1972:

My basic proposition is this: if section 92 is held up as the bulwark of private enterprise, then section 96 is the charter of public enterprise. It would be intolerable if a Labor Government were to use the alibi of the Constitution to excuse failure to achieve its socialist objectives—doubly intolerable because it is just not true that it need do so.

Mr Whitlam expressed his policy towards the States a little clearer at a later stage in the same speech when he said:

Any function of our society which can be hitched to the star of the Commonwealth grows in quality and affluence. Any function, or activity which is financially limited to the States will grow slowly or even decline. Further, a function will be fairly financed to the extent that the Commonwealth finds the money for it. A function will be unfairly and inadequately financed if the whole burden falls upon the States.

Those statements reflect the incredibly arrogant attitude that the Prime Minister has revealed on so many occasions. Where

does the Prime Minister, who big-notes **himself**, think that the money **comes** from, other than from the taxpayers of all the States? Does he believe that he has a divine right to govern in this way? His policy results in clumsy, inefficient duplication. Control of so many of the States' **responsibilities**, such as roads, education, health and anything else at all—you name it—has gone to Canberra, where the Government has set up and multiplied so many times the bureaucratic apparatus which has been established there that it has caused a great deal of difficulty for the States.

I provide the House with two instances within my own administration which illustrate clearly the problem I have emphasized. They both relate to the city of Newcastle. I refer to the dockyard and the coal loader. The coal loader is a fairly old story but for the sake of the record and for the information of honourable members opposite it is worth repeating. A wholly Australian-owned company wanted to develop a coal export business and to construct a new coal loader. The federal Minister for Transport, the federal Minister for Minerals and Energy and the former federal Treasurer, Dr Cairns, refused to allow the company to borrow money overseas. At the same time the federal Government's Ministers said: "No, you are not going to do that. We will develop the port for which we will give you, the State, the money, on the condition that we have a say in how it operates in future." That represents again the old system under section 96 grants. The federal Government wanted to take over the port.

These are the same men who at one stage condoned the immoral act of shipping unions blackmailing shipping companies by compelling them to pay **large** amounts, one of which was \$38,000 and others even greater. The payments were to ensure that the ships were manned and loaded or unloaded in Australian ports. The great communist leader, Mr Elliott V. Elliott, would say to a shipping company: "We want \$38,000 or else your ship does not leave port. You are not paying wages for the crew equivalent to those that the union demands in Australia." Originally the idea was for the money to go to the seamen

on a particular ship to overcome the inequality with the pay of Australian seamen. Further it would ensure that the crews of ships operating on the Australian coast would be fairly treated so far as the seamen's union was concerned. Mr Elliott of course did not say that there were not sufficient Australian ships to cater for the amount of coastal trade available. He did not say that was not the **companies'** fault and that we needed the ships in our trade. The money was not given to the seamen. It was put into the union funds. Of course a certain amount went into the union pockets themselves to enable them to carry on their activities in the future.

Mr QUINN: That was never demonstrated.

Mr PUNCH: There was a commission of inquiry on the **matter** and it was shown it did occur.

Mr QUINN: It was never shown that they put it into their own pockets.

Mr PUNCH: They put it into the **pockets**—

Mr QUINN: You said into their own pockets.

Mr PUNCH: No. I said it was put into the union pockets. I regard this as a totally immoral act. The Commonwealth's actions so far as the coal loader was concerned frustrated and delayed the approval to the company to get on with the job. Fortunately the company's leadership was sufficiently strong to overcome the frustration and the work is now proceeding. The other matter to which I wish to refer is the dockyard. The federal Minister for Transport with a great fanfare of trumpets announced that his Government would build the dockyard. There were to be no delays. I went to Canberra and saw them and they said, "We pass it over to you; you build it and control it." They said that basically it should be a federal responsibility because the whole viability of a dockyard is governed by federal Government policies. However, when the State presented the federal authorities with an engineering report they said, "That is not enough, we want to drill some more." When more drilling was carried out they said again that it was

not enough, that they wished to look at an alternative site. They said then that still was not enough and that they required some lateral drilling.

When the State Government suggested that an agreement be signed the federal authorities said that that could not happen until the drilling was finished. The State's engineering consultants had maintained that the earlier drillings were adequate and that there was no need to drill further. However the Commonwealth Government frustrated the State's attempts to proceed with the work by asserting that its engineers needed more drilling done. Again the State has been frustrated and its frustrations are still continuing. Because of the deliberate delays which the federal Government is throwing in the way of the dockyard, I am concerned for its future. I fear the worst: the work may not proceed. I conclude my remarks by commending the Premier and Treasurer for the Budget that he has introduced in time of difficulty. The Budget is most constructive and I am sure that in future years under a federal Liberal-Country party government the States will see greater prosperity.

Mr BOOTH (Wallsend) [4.40]: Education continues to be the most important aspect of the Budget of New South Wales as it is with the Australian Government, but it is interesting to note that the annual appropriation for education in New South Wales as a percentage of the total annual appropriations for 1973-74 was 37.6 per cent, for 1974-75 it was 34.03 per cent and for 1975-76 it is estimated to be 35.57 per cent. It can be seen that this year there is a slight increase of 1.54 per cent but compared to 1973-74 there has been a marked reduction of 2.03 per cent. These figures are most revealing in that they clearly demonstrate that New South Wales has not been sincere in maintaining its percentage of the Budget to be spent on education, as was the understanding when the Australian Government started funding education so heavily and so generously. In fact the Australian Government has quadrupled its spending on education over the past two years. That is a magnificent achievement

and one which has not received general recognition by the Minister for Education and his Government.

Surely grants provided by the Australian Government over the past two financial years and in this financial year's estimates which total \$135.6 million for government schools and \$33.839 million for technical education, making a total of \$169.439 million, would have warranted some major recognition of this major contribution towards education in New South Wales. To see examples of this lack of appreciation and acknowledgement one has only to look at last year's financial statement in which Sir Robert Askin said:

The additional funds being provided by the Commonwealth for education generally supplement the very large amounts allocated from State funds. However, I want to emphasise that they do not relieve the State in any way of the responsibility to maintain and increase its own level of support for our schools.

The Australian Government's contribution warranted a better description than "generally supplement" because this amount of money had never been available before. Of course we have had the much quoted statement by the Minister for Education that what the Australian Government had provided was just the icing on the cake and of little significance.

The Minister in his recent ministerial statement tried to create the impression that the so-called cutback in Australian Government spending on education was going to be catastrophic to New South Wales and yet he still maintains that the 11 per cent is only supplementary. The Minister cannot have it both ways. Any small reduction in a small percentage certainly should not have drawn that sharp reaction from the Minister. The New South Wales Government has never gone out of its way to pay any sort of tribute to Kim Beazley, the federal Minister for Education, for the magnificent record spending on education. In fact the New South Wales Government and the Minister have made it quite clear on many occasions that he is not even welcome in New South Wales. At functions that I have attended Mr Beazley has publicly stated this on more than one occasion.

Confrontation with the Australian Government has continued in spite of its generosity and over recent weeks has intensified. Suddenly the icing has almost become the whole cake. The New South Wales Minister for Education has turned a somersault and issued a ministerial statement criticizing and castigating the Australian Government for its recent Budget, with special reference to the allocation for education. Again, there is confrontation by the New South Wales Minister for Education. He could not get into the arena quickly enough to criticize the Australian Government. Certainly that was not in the interests of education of children. It was purely in the interests of politics and political advantage. All the Government of New South Wales was interested in was denigrating an Australian government which has done more for education than any other government in the history of the nation. No other Minister for Education in any other State has gone to the extremes of this Minister. No other Minister or government has earned the unenviable record of confrontation after confrontation which this Minister and his Government have earned over the past 10 years.

The other States, though expressing some disappointment that the recent impetus and initiatives were to be slightly delayed did not over-react. Indeed reactions in other States were in strong contrast to the reaction in New South Wales. In West Australia the Minister for Education, Mr Mackinnon, said yesterday that the State Government would go ahead with its school building programme despite the federal Government cut in education expenditure. The Victorian budget provided for 3 000 more teachers and the Victorian Director-General of Education, Dr L. W. Shears, was quoted in the Australian as saying:

We hire every qualified Australian teacher provided he or she is prepared to teach where there is a vacancy. We expect to lower class sizes even further in primary schools especially in the preparatory grades.

In the Victorian Budget this statement appeared:

Commonwealth recurrent funds are made available on the understanding that the State will devote to primary and secondary education each year not less than the percentage of its current account budget, excluding railways,

as is devoted to **primary** and **secondary** education in 1971-72. In our case this base figure is 28.4 per cent. As in past years, again in 1975-76 we will exceed this figure. Provision has been made for the appointment of 3,000 additional teachers bringing the total to a record of 48,400 and for the number of students in training to increase by 500 to a record of 18,300.

One should take note of those statements and compare them with the ministerial statement made recently in this House. Tasmania is a mendicant State. This item appeared in the Tasmanian *Mercury* on Wednesday, 20th August of this year:

Total revenue is estimated to be \$321.4 million, an increase of \$52.85 million or 19.6 per cent more than last year.

In the field of education, expenditure will increase from \$70.5 million to \$80.6 million. While these amounts include general purpose funds being provided by the Australian Government, the increased allocation of State funds is substantial. Provision has been made for additional teachers to be appointed in the fields of primary, secondary and technical education, and to the intake of student teachers. These increases will be financed wholly from State funds.

The amount included for grants to private schools is \$1,250,000 compared with grants totalling \$937,000 in 1974-75.

Tasmania does, however, with the rest of the States get an increase in Commonwealth grants for "recurrent" purposes for government and non-government schools.

People have classified Queensland as the backward State in Australia. It is not backward related to education in this financial year. In Queensland, once again, education takes the largest slice of State revenue funds and this year the provision to the Department of Education has increased from \$230,448,403 to \$329,081,878, an increase of 42.8 per cent. Provision has been made for an increase of 2 024 or 11.5 per cent over the 30th June teacher strengths in primary, secondary and special schools, bringing the teacher numbers to a maximum strength of 19 579 by February next. In South Australia there is a situation that is similar to the situation in all other States. The Minister for Education in this House quoted a statement made by the Minister for Education in South Australia. It so happened that members of the Parliamentary Labor Party education committee were in Adelaide on that day. The members

of the committee spoke to the Minister for Education in South Australia in the morning and he was at the institute of teachers on the afternoon of the same day. There was full consultation with the union with regard to establishing priorities related to education. There is no evidence of any real confrontation in South Australia, although there is evidence of it in New South Wales.

It is interesting to compare the percentage of increased spending on education by the Commonwealth and each State. The Commonwealth increased education expenditure by 14.2 per cent; South Australia by 21 per cent; Victoria by 28.4 per cent; Queensland by 42.8 per cent; Tasmania by 19.6 per cent and New South Wales by 28 per cent. Those figures reveal that what is happening in New South Wales involves no initiative on the part of this Government as compared with other governments, particularly Queensland. A further example of confrontation is what has happened between the New South Wales Minister for Education and the federal Minister for Urban and Regional Development, the Hon. Tom Uren, regarding delays to the building programme for Sydney Teachers College. Additionally, the statement by the Premier and Treasurer—not by the Minister for Education—in relation to the replacement of ancillary staff has caused concern. That statement was subsequently retracted, following threatened industrial action at Ashfield girls high school and the potential serious State-wide repercussions which were beginning to build up. Quite suddenly money was found to solve that problem.

This Government, with a background of almost ten years of confrontation with school teachers, might be expected to have reached the stage of wanting to co-operate not only with the teachers but with their union, the Teachers Federation. This sort of bad feeling and lack of co-operation does not exist in any other State of Australia, New South Wales, singularly, has that distinct honour. Indeed, the recent ministerial statement was meant to be provocative. Its very wording was meant to cause confront-

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tation. The Minister, in his statement, referred to, "The decree of the socialist planners in Canberra". He said also:

But it is now evident that the federal Government has pursued a policy of camouflage and deception to conceal the manner in which it has disregarded and betrayed its assurances on funding.

Later he said:

It is well known that in other socialist countries governments have re-written historical records and obliterated the past but our present federal Government intends to obliterate the future.

Still later, the Minister included in his statement these words:

. . . all the bally-hoo and propaganda about what the Commonwealth Government was going to do for education.

Those were provocative statements about education—statements which the Minister should not have made. If he were intent upon making a ministerial statement it should have been a bald statement of the facts. It is well to keep in mind that the Minister, instead of trying to build up a reasonable level of accord with the Teachers Federation, has been deliberately provocative. Only two days prior to that ministerial statement the Minister held discussions with officers of the Teachers Federation but made no mention of his intention to say any of those things. Unfortunately for education, and the children in our schools, this atmosphere will continue until a change of government in New South Wales takes place. I have not heard nor read of any statement made by the New South Wales Minister about the assertion of the leader of the federal Opposition that if elected he would reduce the federal deficit and reduce government spending, including spending on education to a lower level.

In May last the federal Opposition spokesman on education, Senator Margaret Guilfoyle, said that spending by the federal Government should be cut back as part of a reduction overall in government spending. The New South Wales Minister has not referred to that statement and he has not asked the federal Leader of the Opposition for an assurance that should the Liberal-Country party coalition gain office

in Canberra there will be no reduction in education funding. The Minister has not said he will fight tooth and nail to see that there is no such reduction in government expenditure. Following Senator Guilfoyle's statement the outcry from the community was such that she has not repeated it. Nevertheless, it is part of the Fraser policy and education would be included in the reduction overall. On this important point the New South Wales Minister has remained silent and the federal Leader of the Opposition has remained mute—not in the interests of education or children but in the interests of party politics. The Minister should be out fighting his federal colleague, not the Australian Government's Minister for Education, the Hon. Kim Beazley. Yet another confrontation, relating to the amount of money made available to New South Wales by the Australian Government for recurrent expenditure in education, is at hand. The Minister has said:

The federal budget's allocation of only \$71.6 million for recurrent expenditure on education in New South Wales government schools in the current financial year represents a considerable cut-back.

How can the Minister sustain his considerable cut-back statement and the subsequent threat of a reduction in the number of teachers college scholarships to be awarded and the suspension of the reduction in class size programme with statements made by the previous Premier and Treasurer, Sir Robert Askin and the present Premier and Treasurer? In 1974, in his Budget Speech, Sir Robert Askin said:

We have provided the maximum possible allocation for education with the assistance of the special Commonwealth funds estimated at over \$40 million this year.

In the 1975 Budget the Premier and Treasurer said:

The figures include an expenditure of \$87.5 million in Commonwealth recurrent grants for schools and technical and further education.

That represents during this financial year an increase on recurrent expenditure to the tune of \$47.5 million. How can anyone suggest that an increase of that magnitude represents a considerable cut-back, and will bring about reduced services in our schools? Yet, that is what the Minister said in his

ministerial statement. Let us now look at another aspect of funding of education in New South Wales by the Australian Government, which appears to be having an effect upon the estimates. The Opposition takes issue with the Minister on his analysis of the effect of Australian Government funding. The problem is the Minister's fault entirely. His rate of withdrawal of funds from the Australian Government has caused the dilemma in which he and his Government now find themselves. The plain fact of the matter is that New South Wales did not take advantage of the available money quickly enough. That is why the allocation appears to have been reduced. I repeat, the allocation merely appears to have been reduced. The Minister and the Government are to blame.

Looking at the situation in detail, the controversy is centred upon the \$71.6 million which New South Wales will receive this year for non-government schools and the way in which the Minister is drawing upon this amount. Under the former calendar year funding system \$38 million of the allocation is still available and will remain available until 31st December. That \$38 million is unspent at this time. On the recommendation of the schools commission the Australian Government has provided \$33.6 million for the first half of next year, bringing the total allocation to the recommended \$71.6 million. Had New South Wales expended more of its allocation earlier the amount remaining would have been considerably less than \$38 million. That early expenditure would have had the effect of requiring the Australian Government to top up to the suggested \$71.6 million by considerably more than the \$33.6 million that has been provided.

The New South Wales rate of calling on Australian Government funds has caused the Government embarrassment and has brought about unnecessary confrontations with teachers. The federal Minister for Education has said that New South Wales, without authority and without any indication from anyone, took upon itself the decision that the Australian Parliament would accept in its entirety the second report of the schools commission. New South Wales

took it upon itself that that would be the situation and, in my view, that is why the Minister is now encountering difficulties. Let us look at the real position with regard to the \$71.6 million. New South Wales chose not to draw its entitlement proportionately. In fact, for the period January to June, 1974, it drew \$7.108 million; for July to December, 1974, it drew \$20.548 million and for January to June, 1975, it drew \$23.5 million. That leaves \$38 million to be drawn by 31st December.

New South Wales chose not to plan and draw proportionately, and in the 1975-76 financial year an effective 62.5 per cent in recurrent expenditure for New South Wales government schools has resulted. This is how it was done. In July to December, 1974, New South Wales drew \$20.548 million, and in January to June, 1975, \$23.5 million. In the financial year that was \$44.048 million. In July to December this year the figure is \$38 million, and in January to June next year it will be \$33.6 million, making a total for this financial year of \$71.6 million. Whichever way it is looked at, it can be seen that the Government of New South Wales is getting more money for education than ever before in history, and the biggest proportion of the increase has been provided by Australian Government funding.

I shall now refer to what the Minister said on pages 18 and 19 of his press statement, which relates also to what the Minister for Public Works and Minister for Ports referred to a little earlier in this debate. They attacked the Australian Government on centralism. I shall refer specifically to education. The press statement declared:

Without any constitutional authority, the federal Labor Government has assumed not only the overall control but to a large extent the detailed direction of our education policies by its system of conditional grants and monetary pressure. In no other major federation does the central government have this all-embracing power over education.

At a seminar at the Australian National University, Canberra, recently, Professor John Neyes, of the Federal Provincial Relations Office, Ottawa, described the system in Canada—and I quote his words—"In the field of primary and secondary education the federal government has no role to speak of and in post-secondary education the only condition

Mr Booth]

attached to federal grants is that the money be spent on the operating costs of post-secondary institutions".

The Whitlam Federal Government, by distinction, has placed its belief in central planning and has extended its power over the educational policies of the states to an extraordinary extent.

I remind honourable members that centralization in education in Australia had its roots in what was done by Sir Robert Menzies, when he established the principle by setting up the Australian Universities Commission, which has continued as federal government policy ever since. Supporters of the Liberal and Country parties are the ones who made the initial move to appoint a commission, which in the early days went round the States, assessed the needs of every university in Australia, and made recommendations that were accepted by the Menzies Government. The triennium was based upon those recommendations of a commission that was instigated by Sir Robert Menzies. The Whitlam Government has merely expanded a policy that was initiated by a Liberal-Country party government in Canberra; it has established three other commissions.

Honourable members opposite talk about precedents. The Liberal-Country party government established not only the Universities Commission but also Commonwealth scholarships. Most of these things were done for political purpose, because in many of these issues agreement could not be obtained between the States. A classic political ploy was to have money funded from the Commonwealth Government for science laboratories and libraries; in that instance, specific grants for specific purposes were made to the States. This was started by the Liberal and Country parties, so honourable members opposite should not talk about who is responsible for centralism and who were the initiators of centralism in education. When agreement could not be obtained between the States, the Commonwealth stepped in to provide specific money for specific purposes, such as science laboratories and libraries.

An examination of the estimates discloses a number of matters that I should like to mention. One item in the education estimate relates to special equipment for the

education of migrant children. Although there was an appropriation of **\$190,000** in 1974-75 only **\$129,096** was spent. Despite the fact that migrant children throughout New South Wales have been calling for the provision of this special equipment, **\$61,000** was unspent. This is a ridiculous situation when there is a crying need for people to be provided with this special equipment. I refer also to the provision in the estimate for stores, provisions, furniture and equipment, minor plant, including maintenance and repairs, for secondary and primary schools. Any member who visits the schools in his electorate knows of the crying need for maintenance and repairs. The secondary school estimate provided last year for **\$6,466,863** for these purposes, and this year only \$5 million is provided—a reduction of **\$1,466,863**. Primary schools this year are reduced by **\$1,627,395** under this heading. The real classic is the provision for staff assistance to disadvantaged secondary schools. The appropriation was **\$1,497,000** but only **\$824,911** was spent.

I shall refer now to the Conservatorium of Music. First I, and then the Leader of the Opposition and myself visited this establishment. We were disturbed by the physical condition and lack of repairs; indeed, in many instances just a good coat of paint is all that is needed. However, the allocation for maintenance, alterations, additions and renewals for the Conservatorium of Music for 1975-76 is **\$75,000**. There was an appropriation of **\$50,000** the year before, but only **\$37,887** was spent. Surely the Minister for Revenue and Assistant Treasurer, who is now the Minister for Transport and Minister for Highways, should hang his head in shame when he considers that that money was unspent. If he visited the Conservatorium of Music I am sure he would be impressed by the urgent need for repairs and renovations to this building, which is really a stable. I was about to say it is a magnificent building, but it certainly is not that.

Finally, but still of no less importance—in fact it could be the reverse and be the most important statement in the Budget

Speech by the Premier and Treasurer—is his reference under the heading "Taxation Policy", where he said:

Receipts of the Consolidated Revenue Fund are expected to total **\$2,638** million, almost **\$530** million or 25 per cent more than last year. This includes **\$22** million from capital grants.

Capital grants are moneys provided for school buildings, but the Government once again is transferring it to consolidated revenue to balance its Budget. In the twenty-four years under a Labor administration in this State, never did we have to resort to such shady tactics. Anyone would think that we had no building problems in the schools. Of course, the Minister mentioned some in his ministerial statement. How can a government continue to take increasing funds from capital grants and transfer them to consolidated revenue? It is beyond all comprehension, and I am at a complete loss to understand this method of financing and running of this State.

How can any Minister condone the actions of this Government? How can the Government ever honestly say that it is short of funds for buildings when it is part of this policy decision? This Budget is providing expenditure only to keep pace with the inflationary spiral. It does not provide for new initiatives. This once again reveals the utter and complete dependence of the Government on the continued heavy and generous funding of the Australian Government for any initiatives and any major important improvements.

Finally, I make a plea to the Minister for Education and the Government. Let us have a truce in this ten-year war we have experienced between him and teachers. At least let us have a cessation of the hostilities, which are vitally affecting our children. Forget politics for a while, and get on with the job of providing the very best education for our children. Other States are doing it. Why not New South Wales? Everyone wants a period of co-operation, not confrontation. We are sick and tired of the present situation, which we shall rectify when we come to office.

Mr D. B. HUNTER (Ashfield) [5.19]: It has been my privilege, and not always an enjoyable one, to listen to the presentation of a number of budgets down the years. I was recalling something of the atmosphere that pervaded this Chamber and, indeed, this State when the first of them that I heard was presented back in 1940 by the Hon. A. R. Richardson. That Budget was presented against a background somewhat similar to that against which this Budget was presented the other day by the Premier and Treasurer. In 1940 the State was girding its economy for the needs and purposes of war. For instance, the State Government was overseeing the construction of the Repatriation General Hospital at Yaralla. It was building the Department of Labour and Industry towards the war effort with the creation of the Civil Construction Corps. It was ensuring that the transport system of this State met the demands of defence and military requirements. Consequently the Budget which was presented those long years ago was designed mostly with the idea that this State had to play its part with the Commonwealth in the needs and demands of war.

In the subsequent budgets that were presented to this Chamber during the war years we saw that need extended. The State had to forgo many of its public works and some of its political and social ambitions, which were set aside. The demands of war were so important, the needs of defence were so great, Australia's position was so parlous, especially after Japan came into the Pacific war, that State affairs were more or less at a standstill. It was in that period that the federal Government of the time saw its great chance to bring about some form of unification of the States—the eternal dream—by controlling the whole of the taxation system of this Commonwealth of ours. It was then that the federal Government brought forward plans whereby powers of the State would be transferred to the Commonwealth. Among them was the right to impose income taxation for the period of the war and for six months following it. It was fair enough that the power should be transferred for the duration of the war.

Also, it was equally fair that it be retained for six months thereafter, while rehabilitation was to take place.

Each year since then there has been this constant fight at Canberra, with the States claiming their proportion of tax so that they could have a place in the sun and carry out the things of which they dream and for which they work. But with the haggle between the States and the Commonwealth there have been all sorts of plans for a satisfactory split-up of the national income. For instance, the late Hon. J. J. Cahill suggested that certain people in this State should be taxed for State purposes. This was rejected. Now there is another plan, of which my friend and colleague the Minister for Public Works and Minister for Ports spoke a little earlier in this debate. Down the years I have seen an evolution take place and a constant war developing as regards the special needs of the State to look after the domestic welfare of the people generally.

Although there have been differences, although there has been an evolution in the relations between the two great governing bodies, and although there has been tremendous expansion in every phase of our life, whether it is industrial, social or economic, there is one feature underlying the Budget of 1975 that was present in the one brought down in 1940. Indeed, there are conditions prevailing in all parts of this country today that are very much in line with the concern and worry that existed then. This might be summed up in the one sinister word, unemployment.

I await with foreboding the middle of the month, conscious that Canberra will be releasing the latest figure on unemployment. I have waited with the same sense of foreboding in many months past: when each lot of figures has been released my fears have unfortunately been realized. With every release of figures it is found that the number of my fellow countrymen out of work is on the increase. As in 1940, the position becomes even more frightening and desperate when one realizes that with seasonal adjustments unemployment is even more grave than it had seemed to be. In this country of about 13 million people, with a work

force of about a quarter of that number, 300 000 people are officially out of work. This lines up with the position in 1940 and, even more tragically, in the preceding years when men would cut advertisements out of the *Sydney Morning Herald* and line up for an interview for a job, if they were not sent away before the line was formed. Then, with characteristic sardonic Australian humour, as they parted from each other, they would say, "See you tomorrow, mate."

I recall the dreadful need of relief work then, which is now referred to as schemes with special names. We saw the degradation of human beings because society could not give them work—and that is happening again in this year of grace, 1975. This applies not only to men who need work. Over the last generation there has been a marked social revolution, with women coming into the scheme of things and wanting to come more and more into the scheme of things. A good deal of the unemployment that is recorded month by month applies to women workers who had gone into employment because of the cost of living and of maintaining a home, with all the demands of time-payment on items they have had to buy. They are out of work. In an age that is becoming frightening in its permissiveness, young girls are finding that they cannot get jobs.

On the very verge of Christmas a large number of boys and girls leaving school will be faced with the alternatives of either returning to school, which most of them do not wish to do, or going on to some form of sustenance—at one time it was called the dole—as the economy of the country is unable to provide them with work. Even worse, the fascinating apprenticeships and all the various sections and details of trade, business, commerce and science that were once available to the youth of the nation will be closed to them. When that happens, as it did in the 1930's, a generation of the youth of this country will lose the opportunity to justify what we should be giving to them. Honourable members will be aware of the plight of many of the country's young people. They will know also that a number of them take advantage of the situation by receiving amounts of sustenance and eking it out with a bit of work and by not

communicating with any authority, taxation or otherwise. They are satisfied to mooch about and leave it at that. Honourable members would be aware also of the effect of drugs on the spirit and outlook of youth and of the anti-social atmosphere that is developing by their not being given a chance to take jobs which would bring as a follow-up a sense of responsibility, personal dignity and respect.

The other day a man who conducts some stables told me of circumstances, which I am satisfied are true, on two or three mornings a week when fellows arrive, do a couple of hours work, and for the rest of the time are satisfied to mooch about and live on the sustenance or dole which is handed out to them by the Commonwealth Government. These are not isolated instances. If they were, there would be no need to cite them. Because they are growing in intensity and an atmosphere prevails that encourages these people, truly something is rotten in the State of Denmark. As I said previously, it applies not only to young men. Because of the greater sense of liberation, young girls are becoming victims of this blight. In the days of the first Budget that I saw presented in this House the keynote was that the State, as an integral part of the Commonwealth of Australia, had to gird itself for war. I have informed the House that consequently certain departments under State control were transferred to the Commonwealth. I mentioned also that the State carried out certain work that the Commonwealth was not equipped to do. I instanced the construction of the great hospitals that were needed for the sick and wounded returned servicemen. At that time both the State and the Commonwealth had to make special provision to assist those who were not able to find work.

The same signs were evident 35 years ago as one observes now the closure of small businesses. In this time of enlightenment one can observe in any shopping centre and elsewhere the closing of shops that once flourished. In Ashfield, Summer Hill, Croydon Park, Hurstville, Bondi, on the north side of the harbour, in the Canterbury-Bankstown and country areas one finds the

small shopkeeper is closing down his business as the pressures of this day and age stop him from operating, with consequent effect upon our economic and social life which bodes no good whatever. One need not look only at the building trade, which is one of the riskier activities of all. I instance printing firms in this city that have closed over the yast twelve months as a result of the economic effects that they had to face and were no longer able to overcome. The same pattern has occurred in the rest of Australia. As each such business closes another avenue of employment is blocked. This is happening not only in broken England, in Canada with 7 per cent of its people out of work, in America with its coloured problem or in Japan; it is part and parcel of the economic and social life of Australia.

Crime is another factor that is as evident today in our society as it was when I first sat in this Chamber as a very meek young man listening to the presentation of the first Budget brought into this Chamber after I was elected. Many honourable members are old enough to recall the 1930's with the depression, terror and dread with which people had to face life. In those days hold-ups were a constant and increasing problem. Then war stopped their incidence. Following the war the country engaged in a rebuilding programme and catching up on things. Prices and governments were good. The boom was on. There were fewer hold-ups and less crime such as murder for a few bob or £1,000.

Newspapers reveal that crime caused by social and economic conditions of today is on the increase. Recently a policeman told me that in the area for which he is responsible a murder occurs almost every fortnight. The reason for these murders is the desire for quick gain—to get money. In depression times one saw this type of desperation developing. Honourable members are well aware of the persistent pattern of bank and TAB hold-ups that are constantly part of our society. Men resent being out of work and commit crime as a result of the pressures put upon them by the present economic conditions. Back in the early

Mr D. B. Hunter]

1940's when I first entered this House one learned of these things from the Sunday newspapers. Now the TAB is the progenitor and the instructor with which they work. In present times unemployment is not as obvious to the man in the street as it was in the 1930's when the country went through about twelve years of economic suffering..

During those difficult years moratoriums had to be introduced. Men went to work on perhaps two or three days a week and were considered fortunate to have that employment. Salaries of public servants were reduced; those of members of Parliament were reduced by 8½ per cent. Men lined up for the dole. Others were doing relief work which was mainly a waste of time and effort. Unemployment, as I said earlier, is perhaps not as obvious today but it is as real. The figure I quoted of 300 000 unemployed, tells the story of the proportion of the Australian population without jobs and drawing sustenance payments. The shame of it is that people draw those payments without any challenge. They do not have to do anything other than go to collect it. As a consequence a sense of responsibility is not kept alive in them. There is a need for people to have something to do. There so easily develops in people an attitude of not caring or a could-not-care-less approach which, unfortunately, is on the increase.

The cause at the root of the need for jobs in this country is not inflation alone, though that is potent enough. Inflation is as potent here as it is in other parts of the world which sold their futures such as England, the United States of America, Canada, Japan, West Germany and Italy, by indulging in long-term hire purchase or lend lease borrowings. Much of the inflation in this country can be attributed, as it can be attributed throughout the western world, to the shocking cost of government. I do not have time to go into that fully now but I have often wondered what would happen if a government cut its taxation by half and let the money flow into industry, to see what the ultimate result would be and what benefits from taxation the government would reap. It is likely that there

would be a greater turnover of money and that the income to that government would be as great as before. The present high level of unemployment is not due to bad relations, or lack of relations, between man and boss, nor due to the failure of society to adjust to machines that can so easily make inroads upon opportunities for employment.

Part of the genuine cause of unemployment is lack of confidence in financial circles. Anyone with even a couple of shillings to invest has a lack of confidence about what will happen because of the policies being pursued in Canberra. Proof of that lack of faith can be seen in the reaction on the stock exchange and in other financial institutions to the events of even the past two or three days. There has been a resurgence of confidence and a recognition that the policies of centralization and of too rapid socialization that are being employed by the Commonwealth Government are so affecting people that they are simply killing faith. When faith dies the world dies. Instead of capital being used for the general economic advantage of society it is simply being put into banks to obtain a satisfactory return by that means, or loaned to companies for financial support, but not spent for industrial expansion. During the years of the depression and the tragic years of suffering by everyone in society, a similar situation existed. There was the great timber strike in 1928 led by Jock Garden. Before the community got over that a worldwide depression hit Australia.

The history of that era has not yet been written but we had a glimpse of it the other day when tributes were paid to J. T. Lang. As the years of the depression advanced, the position worsened and it looked as though there was no hope of overcoming the plight that assailed men. Day after day, men and women just looked glumly into the future and said that the problem could not be beaten. Fortunately it was gradually beaten. It took a war to eradicate it completely.

The breaks began to come with the introduction of home building schemes that were brought back to Australia from England by B. S. B. Stevens, and by the Prime Minister of the day and by the Victorian Government. In 1935 building began once more. In the building of every home, great or small, 131 allied industries are concerned. That is going from the bare earth to the finished product. If building is stopped, inevitably it means that the whole of the economy is affected--especially the internal economy. Things may not be able to be exported as quickly as might be desired to keep the economy secure and sure, but if building at government and private levels is stopped and there is a lack of confidence to the degree that has been caused by the events flowing from Canberra in recent times, unemployment will persist. Until building commences again there will be no relief.

It is not just a matter of dealing with figures in millions of dollars. Can people understand millions? It is not a matter of thinking in the abstract about what the pressures are upon the economy. We are dealing with the lives of ordinary human beings. There are 300 000 ordinary human beings out of work in Australia. This has happened mostly because people everywhere have lost confidence in the present Government in Canberra. I hope that the Budget introduced by the Premier and Treasurer will be an attempt, not to sell our future but to pay our way and balance the budget. May it be a pointer to ensure a return to a state of affairs in which men will have work and be able to look their fellow men in the face with a sense of responsibility.

Mr ROGAN: Mr Speaker—

Mr N. D. WALKER (Miranda), Government Whip [5.38]: I move:

That the question be now put.

The House divided.

AYES, 49

Mr Arblaster	Mr Mackie
Mr Barraclough	Mr Maddison
Mr Boyd	Mr Mason
Mr Brewer	Mr Mauger
Mr Brooks	Mr Mead
Mr Brown	Mrs Meillon
Mr Bruxner	Mr Morris
Mr Clough	Mr Mutton
Mr Coleman	Mr Osborne
Mr Cowan	Mr Park
Mr Crawford	Mr Pickard
Sir Charles Cutler	Mr Punch
Mr Darby	Mr Rofe
Mr Dowd	Mr Razzoli
Mr Doyle	Mr Ruddock
Mr Duncan	Mr Singleton
Mr Freudenstein	Mr Viney
Mr Griffith	Mr Waddy
Mr Harrold	Mr N. D. Walker
Mr Healey	Mr Webster
Mr D. B. Hunter	Sir Eric Willis
Mr Jackett	Mr Wotton
Mr Leitch	<i>Tellers,</i>
Mr Lewis	Mr Fischer
Mr McGinty	Mr Fisher

NOES, 42

Mr Bannon	Mr Johnstone
Mr Barnier	Mr Keane
Mr Bedford	Mr L. B. Kelly
Mr Booth	Mr Maher
Mr Cahill	Mr Mahoney
Mr Cleary	Mr Mallam
Mr Cox	Mr Mulock
Mr Crabtree	Mr Neilly
Mr Day	Mr O'Connell
Mr Degen	Mr Paciullo
Mr Durick	Mr Petersen
Mr Einfeld	Mr Quinn
Mr Face	Mr Ramsay
Mr Ferguson	Mr Renshaw
Mr Flaherty	Mr Rogan
Mr Gordon	Mr Sheahan
Mr Haigh	Mr Stewart
Mr Hatton	Mr F. J. Walker
Mr Hills	
Mr M. L. Hunter	<i>Tellers,</i>
Mr Jensen	Mr Jones
Mr Johnson	Mr Wade

Resolved in the affirmative.

Question—That this bill be now read a second time—put.

Motion agreed to.

Bill read a second time.

**ELECTORAL DISTRICT OF
WAGGA WAGGA**

RESIGNATION OF WALLACE CLYDE FIFE, ESQUIRE

Mr SPEAKER: Order! In announcing earlier this day the resignation of the member for Wagga Wagga I stated that he had requested, in accordance with the provisions of the Parliamentary Electorates and Elections Act, that the issue of the writ for the election of a member to fill the vacancy be delayed until the result of the Commonwealth election had been declared. This provision of the Parliamentary Electorates and Elections Act had been discussed yesterday with Mr Fife and the notes from which I read had been prepared prior to Mr Fife handing his resignation to me in the House this afternoon. I inform the House that his resignation did not make any request that the writ be delayed until the result of the Commonwealth election had been declared.

APPROPRIATION BILL

IN COMMITTEE

Clause 5

[The Legislature]

Mr HILLS (Phillip) [5.47]: The matter of the Legislature referred to in the Budget estimates causes me a great deal of concern, as I am sure it does other members of this Parliament. Frankly, the conduct of the affairs of the Legislature over recent months must cause great concern to the people of this State—the electors. The Government, in the performance of its duties in the Legislature, is not acting in a way which is of benefit to democracy either now or in the future. It is obvious that the attitude of the Government is one of riding roughshod over the Opposition and not allowing it to maintain its proper place in the functioning of the Parliament.

Earlier today, on a motion moved by the Premier and Treasurer, a member of this Parliament was suspended for a period of two days merely because he was trying to protect his rights, in the interests of his electorate, arising from a matter of privilege. There was a misunderstanding between the honourable member for Heathcote and Mr Speaker. The honourable member was

attempting to raise a second matter of privilege but Mr Speaker misunderstood the situation and presumed that the honourable member was not complying with the Speaker's direction that he should desist from pressing a matter on which a ruling had already been made. Nevertheless, the Premier and Treasurer and his Ministers had an opportunity to point out to Mr Speaker that he had erred in his attitude towards the honourable member for **Heathcote**. In fact, it was incumbent upon them to do so. If this Parliament is denigrated in the way in which it was denigrated earlier today by the Government, because of its numbers, riding roughshod over democracy —

Sir CHARLES CUTLER: On a point of order.

[Interruption]

Sir CHARLES CUTLER: Why don't you have the guts to get up and say it.

Mr EINFELD: I said I do not think you are drunk: I think you are very stupid.

The CHAIRMAN: Order! I call the honourable member for Waverley to order for the first time.

Sir CHARLES CUTLER: The Estimate before the Committee relates to the administrative side of the Legislature. Under this particular clause the honourable member is taking the opportunity of questioning a ruling given by the Speaker in the House today. I suggest that the honourable member is totally out of order in doing this.

Mr F. J. WALKER: On the point of order. These estimates of expenditure provide for salaries of members of this House. Anyone who pays for these salaries, namely the taxpayers of New South Wales, is entitled to know whether he is getting his money's worth. This State is being run like a circus, and the people are certainly not getting their money's worth. What the honourable member for Phillip is putting is completely relevant. Indeed, I have never heard such a relevant contribution as the one being made by the honourable member for Phillip. I submit

that he is speaking completely within the clause. In fact, what he is saying bears precisely upon what the clause is **all** about.

The CHAIRMAN: Order! When the Deputy Premier rose I was about to rise to remind the honourable member for Phillip, whose conduct in the Chamber is **usually** immaculate, that he was in fact **reflecting**—

Mr HAIGH: He is dressed that way, too.

The CHAIRMAN: Order! I call the honourable member for Maroubra to order for the first time. I was about to say to the honourable member for Phillip that he **was** reflecting on a decision of the House. Standing Order **387** provides that on certain grounds a member may be named by the Speaker. It then goes on to say that the Premier or the Minister in charge of the House **shall** forthwith move It does not say "may move", but clearly says "shall forthwith move". The circumstances to which the honourable member for Phillip is referring can be canvassed in many ways. However, so far as I am concerned, he has been making a reflection on the decision of the House, and I ask the honourable member to proceed no further with that point.

Mr HILLS: I shall certainly comply with your ruling, Mr Chairman. Clause 5 of the bill deals with the Legislature, and relates to the expenditure of funds on **the** (Legislative Council and the Legislative Assembly, the Parliamentary Reporting **Staff** and the Parliamentary Library. I am concerned with the way in which Ministers are performing in the Parliament. Forgetting the matter that took place here earlier in the day, I am concerned that the Deputy Premier and leader of the Country Party, who is in this parliament for the time being, for he has indicated that he proposes to leave the Parliament in the near future, is attempting to use his ministerial office from time to time when answering questions in this Chamber, to threaten members of Parliament, particularly members of the Opposition, that he will throw certain papers on the table unless members of the Opposition do this, **that** or something else. That type of action only denigrates the Parliament, because **any** Minister **who** has taken the oath of ministerial office, particularly **a** Deputy **Premier** of the

State, should not **come** into the **House** and threaten members in such a way. If the Minister has some charge to make against members, there are provisions in the Standing Orders that enable him to move a substantive motion. Therefore, it is **improper**—

Mr FREUDENSTEIN: On a point of order. The honourable member for Phillip is again reflecting upon the administration of the House by Mr Speaker and of the Committee by the Chairman, whose duty it is to protect the rights of every member, irrespective of which side of the Chamber he sits on. Clause 5 of the bill refers to general expenditure, and has no relationship to the salaries of members of Parliament. The expenditure enumerated in this estimate relates entirely to the cost of administration and running of the parliamentary establishment by the parliamentary staff. The conduct of the affairs of this Chamber is in the hands of the Speaker and the Chairman of Committees. I suggest that the honourable member is out of order.

Mr HILLS: On the point of order. I was fully aware of the ruling you made, Mr Chairman, about the matter that was dealt with earlier today. You asked me not to reflect on a decision of the House, and I have not done so. The matter I was just referring to was the right of the Deputy Premier and Minister for Local Government to use question time and the rulings of the present Speaker as an opportunity, not to answer questions, but to attack members of the Parliament. I am not in any way reflecting upon the ruling of the Speaker, who has ruled that it is in order for a Minister to reply to a question in whatever way he thinks is proper. I emphasize I am not in any way referring to rulings of the Speaker. The matter before the Committee now is the adoption of the estimate for the Legislature. Surely the Legislature is the Parliament, and this estimate relates to the way the Parliament is conducted, whether it covers the expenditure on the staff associated with the Legislature or does not deal with the salaries, wages and allowances paid to members or any other persons associated with the Parliament. I submit that that is quite irrelevant, and I am in order when I raise the matters to which I was referring.

Mr Hills

The CHAIRMAN: Order! The point of order taken by the Minister for Mines and Minister for Energy has some substance. The salaries of members are not provided for in this particular vote, but are referred to in an earlier page of the budget papers. However, basically the Legislature does deal with the provision of salaries for the complete running of the Legislative Council and the Legislative Assembly, and I do not know where else the matters to which the honourable member for Phillip wants to refer can be raised. The salaries of members come under a special statute, which relates to part of the Consolidated Revenue Fund. I believe that the actual running of this Parliament, even though the salaries of members are not specifically provided for under the vote for the Legislature, can be referred to in this debate.

[The Chairman left the chair at 6 p.m. The Committee resumed at 7.30 p.m.]

The CHAIRMAN: Before the adjournment I gave a ruling on a point of order taken by the Minister for Mines and Minister for Energy on a matter that had been discussed by the honourable member for Phillip. During the dinner adjournment I have further studied the budget papers and the standing orders. I draw the attention of honourable members to the statement that was made by the Chair in relation to the scope of debate on the Budget in which the general financial policy of the State, legislative proposals as they affect the financial structure of the State and government policy are open to consideration. Conversely, debate in Committee on the clauses of the bill should relate to particular items included in the departmental estimates and to matters involving detail and administration. It is at this Committee stage that the more detailed departmental information of the budget papers is discussed as provided in Standing Order 221.

Salaries and allowances paid to Ministers and honourable members are not contained in the vote for the Legislature but are appropriated under special statutes as set out on page 29 of the budget papers. I have allowed the honourable member for Phillip a deal of latitude in discussing the behaviour

of other honourable members to date but I must point out that this subject is not covered by any item in the estimates of the Legislature. I feel that criticism such as that which has been expressed by the honourable member is more properly a subject for a substantive motion, which is provided for in the forms of the House.

Mr HILLS: Thank you for your ruling, Mr Chairman. Before the adjournment I made my position clear about matters that have arisen in Parliament during question time. I am concerned that the integrity of Parliament is maintained. The cost of the administration of the Legislature is an important element in the budget papers. It is not much good having a Legislature if honourable members are not able to perform their duties adequately and well on behalf of their constituents and the rest of the community of New South Wales. If the Legislature is to be a farce, it would be quite improper for the Parliament to approve funds that are proposed to be allocated. As a member of this House for some considerable time, during which I have occupied the ministerial benches and responsible positions on the Opposition side of the House, I am concerned that the Parliament is being denigrated.

As the Committee is considering the appropriation of funds to keep Parliament functioning, it is appropriate that I mention the effect that the operations of the Government are having inside and outside the Parliament. It is imperative that honourable members be free to come into the Chamber during the next twelve months after funds are appropriated and express quite clearly on behalf of their constituents a point of view that might demonstrate that the whole democratic process in this State is being undermined by the way the Parliament is functioning under the control of the present Government. On behalf of honourable members on both sides I protest about the way their rights and privileges are being undermined as a result of decisions made by the Government. For example, I have been concerned—

Mr FISCHER: About the number of urgency motions at question time?

Mr HILLS: —about the rights of members on this side of the Parliament which should be protected, including their right to move urgency. When honourable members have attempted to move motions under standing order 49, the Minister for Education has taken points of order similar to the one he took last week when the **Opposition** sought to discuss a most prominent and highly paid public servant in this State who had to resign as a result of pressure applied to him or for other reasons. The reason the debate on that matter was not allowed to proceed was that the former Minister for Transport and Minister for Highways was travelling by aeroplane to Wagga Wagga to inform the local branch of the Liberal Party of his intention to stand for election to a federal seat. In those circumstances the attitude of the Minister for Education represented a misuse of parliamentary power. I am concerned also that the privileges and rights of members of the Parliament on matters of less importance than the one I raised earlier are also being whittled away. I refer to the amenities being lost.

Mr FISCHER: Such as?

Mr HILLS: The honourable member for Sturt represents a country electorate and, by way of example, he cannot park his motor car in the precincts of the Parliament or obtain a place in the Domain parking area. That represents a loss of the right that previously existed to drive into an area adjacent to the Parliament and park his vehicle. A further example is the loss of the right of country members to play tennis. The tennis court no longer exists.

Mr FISCHER: The snooker room is still available.

Mr HILLS: Even that will not be available soon. These are minor matters that I am not anxious to raise but they come immediately to my mind. At a time when the Committee is considering the approval of funds to continue the functions of the Legislature, it is proper to remind it that every day there is an undermining of the rights and privileges of honourable members to come to the Parliament and properly represent their constituents.

[Interruption]

The CHAIRMAN: Order! There is too much audible comment. This occurs night after night following the dinner adjournment. I will not tolerate it. I do not intend to let it continue.

Mr HILLS: Some people outside the Parliament do not hold the same views about our democratic processes as honourable members and if it does not function effectively as a place where honourable members can raise issues without fear or favour, another nail will be driven into the coffin of democracy. All honourable members want to see the democratic processes upheld. There must be fairness in the way that matters are dealt with in Parliament. Unless there is this fairness, the hands of those who wish to bring down the democratic system will be strengthened, particularly if they are able to point to the things that have occurred in the Parliament in recent weeks.

Mr FISCHER (Sturt) [7.39]: I wish to speak in favour of clause 5. I draw attention to the big improvement in the conditions of members of Parliament by the Premier and Treasurer tossing out longstanding objections to their receiving adequate secretarial assistance. The Premier and Treasurer has grasped the nettle by introducing a scheme that provides for the first time a private secretary for each honourable member.

Mr WEBSTER: It was a major step forward.

Mr FISCHER: Yes. Such a scheme was talked about for years. I congratulate the Premier and Treasurer on his providing for the first time to honourable members secretarial assistance necessary for them to deal with the enormous amount of mail and electorate and related work associated with the duties of a member of this Parliament. I take the honourable member for Phillip to task for his comments which reflected on the fairness of the treatment that the Opposition receives in this Chamber. It was a reflection on the Chair.

Mr SHEAHAN: On a point of order. The honourable member for Sturt is dealing with a matter on which you, Mr Chairman, ruled

prior to the dinner adjournment. You elaborated on that ruling after the dinner adjournment. I submit that it is not proper or competent for him to comment on that matter at this stage.

Mr CHAIRMAN: Order! There is no validity whatever in the point of order. I adhere strictly to the ruling. The matters to which the honourable member for Sturt is now referring are those that the honourable member for Phillip discussed after I had given my ruling. I listened with keen interest to what he said. His comments were of a general nature. He was careful, because of his skill and experience, to tie it up to the clause and he just kept his foot inside the line. I shall allow the honourable member for Sturt to reply to that but I shall strictly enforce the ruling I gave in relation to unfair treatment by Ministers or unfair rulings by the Chair.

Mr FISCHER: I, and every other member of this House, receive fair treatment. The Government has, in recent times, provided administrative help such as the secretarial scheme for honourable members to which I referred earlier. I take the opportunity to pay brief tribute to the support provided by staff of Parliament House both in the library and elsewhere. I find them helpful. I support the allocation made to the Parliamentary Library and to the other services of the Parliament. Those services are absolutely necessary if this State Parliament is to carry out its work in a proper and correct manner.

Mr F. J. WALKER (Georges River) [7.43]: Expenditure in the past financial year on the Legislature was \$2,048,892. This year the estimate has been increased by more than \$1 million. Most of the increase provides for salaries, maintenance and working expenses particularly in respect of electorate secretaries, a subject on which I have precisely the same views as the honourable member for Sturt. I briefly mention a matter related to the Parliamentary Library. In the estimates a small amount indeed is provided for books, periodicals and papers. In 1974-75 \$17,618 was expended. The provision for 1975-76 is only \$20,000, that is, an increase of less than \$3,000, at a time when the cost of paper is rising rapidly. If

that is all that is to be provided for that purpose, there will be a substantial reduction in purchases for the library. The Parliamentary Librarian would be concerned about that and it should be given a lot of thought. It may be necessary to overspend in that area.

P should hate to see library services reduced. An effort should be made to increase services in this age of communication centres and other facilities. Honourable members should be able to receive the type of assistance that is available to primary school children in my electorate, including audio-visual equipment and equipment to replay video tapes. If the Premier and Treasurer can have a replay of current affairs and news programmes or other programmes, honourable members ought to be able to have that advantage as well. The time has come for the Parliamentary Library to be at least as modern as a library in an infants school in New South Wales. I am sure that the Parliamentary Librarian feels as I do about the matter. I trust that in the estimates next year there will be a substantial increase in that area.

Mr SHEAHAN (Burrinjuck) [7.45]: I support the remarks made by the honourable member for Georges River and the honourable member for Sturt. I support particularly what the honourable member for Georges River said about the Parliamentary Library. I am minded to say a few words on this clause because the honourable member for Sturt rightly paid tribute to the Government and to the Premier and Treasurer for the long overdue introduction of exclusive office and secretarial services for members. That was a major step forward in this Parliament. However, I shall present to the Committee an instance of how money could be saved. I refer to the criteria laid down by the Legislature when electorate offices were established. One of the criteria was that honourable members, wherever possible, should use available government space in their electorates or the venues where they choose to establish offices. In my electorate, right opposite where I have my temporary accommodation, there is a magnificent building that belongs to the State Government. In the past few days I received word that

another nine officers in the government service will be transferred out of that building. Already there are seven vacant offices there available to the Legislature for the establishment of an electoral office in Cootamundra for the honourable member for Burrinjuck.

Originally I approached the Speaker on this matter and I suggested that these offices were vacant and were more than eminently suitable for my needs and for the needs of my constituents in discharging my obligation as a member of Parliament. The Speaker said that it was outside his jurisdiction. He referred me to the Public Service Board. The Public Service Board said that though seven offices were vacant in the building, it did not mean that an office could be made available to a member of Parliament. I am paying, subject to government refund, \$100 a month in rent for temporary accommodation which is more than suitable, but is temporary. I wrote to the Premier and Treasurer on 4th August requesting that he give consideration to establishing my office in that government building. I could be situated in an office belonging to the New South Wales Government where more than sufficient vacant space is available to accommodate me. It is perfectly comfortable and suitable and would be free of expense. The Premier and Treasurer did not reply to my letter. He did not reply to a further letter that I wrote on 8th September.

It seems strange to me that the Opposition should be requested to use government space. There are certainly no Opposition office blocks in my electorate. It is remarkable that the opportunity should not have been taken to save government money. The estimate that honourable members are debating could have been reduced by allowing me to occupy vacant government office space. I feel strongly about this matter. It suits the Cootamundra shire council for me to spend \$100 of government money a month occupying its premises on a temporary basis but when government offices with photostating and other facilities are

available free of charge to me it seems remarkable that the Government should take two months to answer a letter that would save it money.

Clause agreed to.

Clause 6

[Premier]

Mr F. J. WALKER (Georges River) [7.49]: In the past financial year expenditure on the Premier's Department was \$12,143,348. The estimate for the current financial year is \$15,187,496. That covers the head office, office of the Ombudsman, Auditor-General's Department, Public Service Board, the Governor's establishment, and the ministerial motor services. In the past eighteen months or more the Government and its traitorous cronies on the Opposition benches in Canberra, have been screaming blue murder about the need to cut government spending.

Newspapers have been full of speech after speech made by Liberal Party Opposition members in Canberra and Ministers and Government supporters in this Chamber, saying that the Australian Government must cut back on government spending. They are hypocritical. At the same time as the Government is screaming for cuts by the national Government it goes on a spending spree of its own. This year salaries in the Premier's office will increase by almost \$1 million. This increase will occur at a time when the Government is screaming for moderation from workers in their pay demands. In fact, the Government is opposing increases in workers' wages. The 1975-76 provision for adjustment of salaries is \$205,568. The provision for supernumerary staff is \$45,749 and the provision for new appointments is \$57,700.

Staff numbers are to increase considerably at a time when the Government is continually talking about cuts. In fact, the increase will be from 126 in 1974-75 to 210 in 1975-76—a jump of 66 per cent. I repeat; this increase is at a time when moderation is on the lips of every member who sits on the Government benches. The

number of clerks in the Premier's Department will increase from 43 to 66. Stenographers will increase from 36 to 70. In all, 19 new positions are provided for. These include a director of federal affairs, at a salary of \$25,958; a chairman of the promotion appeals tribunal; a chief press secretary at a salary of \$21,612; two assistant directors of communication; one special projects officer; an officer in charge, advertising; and, most interestingly, three speech writers.

I am absolutely amazed at this addition to the Premier's staff. Sir Robert Askin, as Premier and Treasurer, managed to do particularly well without employing any speech writers, as such. Of course, he had other officers doing that job for him. The present Premier has the utmost difficulty in even reading a speech. He is most inarticulate. He bumbles and mumbles away, yet he employs full-time three speech writers. In fact, the Premier needs an elocution teacher. That appointment would have been a wise and more economical move. In addition to the three speech writers, the Premier has two journalists, a legal research officer, a personal assistant to the director of communications, two publications liaison officers, two television technicians and a videotape editor. The growth in the number of stenographers, typists and clerks is presumably to cover the new divisions of federal affairs and communication.

In addition to the 57 extra stenographers, typists and clerks, among the new appointments to which I referred earlier, disregarding the chief press officer, are two assistant directors of communications, at a combined salary of \$34,704; an officer in charge, advertising—\$11,290; three speech writers—\$32,946; two journalists—\$23,230; a personal assistant to the director of communications—\$8,840; two liaison officers—\$25,231; two television technicians—\$16,265; and a videotape editor on a salary of \$9,562. The total salary bill for those appointments comes to \$162,068. That amount does not take into consideration the director of the communications division who is under private contract—and so he ought to be.

Let us look at how much the communications division has cost the State so far. The salary bill alone has been more than \$300,000. The Auditor-General in his report said with regard to the communications division that payments made under arrangements described as being in line with fees normally charged by consultants consisted of \$25,367 for the services of the director up to 30th June, 1975. I remind honourable members that the director was appointed in January. Therefore, for a period of approximately five months he has earned \$25,367, which is more than the salary received by the Prime Minister of Australia. Undoubtedly, the director of the New South Wales communications division is the highest paid public servant in Australia. Only airline pilots would do slightly better. New South Wales has appointed a public servant on a salary of \$56,000 a year or even more at a time when the Government talks of little eke but restraint and cut-back on salaries. That is outrageous.

Why has the Premier and Treasurer gone to all this trouble to set up a communications division? That question is well worth examining. He has a low popularity rating. He has little capacity. He is not a good debater. He has little support in his own community. In fact, only 6 per cent of businessmen in Australia think the Premier of New South Wales is worth while, though 94 per cent think he is a hillbilly with no ability at all and would like to see him replaced by the Minister for Education.

If a Premier is popular with only 6 per cent of businessmen in Australia he must do something about it. The Premier has done something. He has spent millions of dollars setting up a communications division that is to provide a Goebbels-type propaganda machine to try to convince the electorate that in reality the king is clothed and in fact has some ability. No doubt we will hear and see packaged stories that have been fed to the press from this division so that the truth about this man's incompetence and stupidity and the hundreds upon hundreds of gaffes he has made in this Parliament will not be as obvious to the people as they are here. I do not ask honourable members to

accept my word for this. Let us look at what has been said in the media, which is not in particular support of the Labor Party. In fact, it is trying to pull down the Government in Canberra. Nevertheless, the press has referred to the New South Wales Government communications centre. An editorial in the Sun of 18th April last read:

WATERED NEWS FROM THE GOVT PUMP

The NSW Government is setting up an elaborate propaganda machine to pump out its message to the public.

Newspapers, radio and TV haven't been doing that to the Premier, Mr Lewis', satisfaction.

That's too bad.

His Government already employs an army of publicists.

He, himself, got off to a flying start as Premier.

What does he want now—total adulation?

That exhibits the attitude of the Sun newspaper. Let us consider the attitude of the Australian Journalists Association. The president of the New South Wales branch of that association, Mr M. Rue, was reported on 21st June last as having said:

The NSW Government's communications centre is unprecedented in Australia and will undermine democracy.

Though it existed in Nazi Germany and places like that.

Mr WEBSTER: And South Australia.

Mr P. J. WALKER: It is a very different process in South Australia. The report continued:

The centre, which is in the process of being set up, will be responsible for supplying government news to the media.

The AJA had placed a black ban on the centre because it fears it will dupe rather than inform the public, Mr Rue said.

He said the centre would be nothing other than a Government news agency to make and distribute propaganda to commercial television and radio.

He strongly suspected the motives of the NSW Premier, Mr Lewis.

Quite frankly, so do members of the Opposition. We believe that this expensive communications centre has been set up at least in part to dupe the people of New South

Wales and to try to persuade them that the Government does have some worthwhile policies. It has been set up to try to convince the people that the \$240 million deficit in transport finance is nothing to be concerned about. It is there to try to convince the people that this is a proper government when in fact it is falling to pieces. How can such a proposition be supported? How can a democratic society support an organization such as the communications division? On 11th March last the Opposition through its leader, moved urgency on this matter. On that occasion the Leader of the Opposition, speaking in this Chamber, said:

... such expenditure by a government cannot possibly be justified. All Government Ministers already have the services of highly qualified press officers and research officers. It is their job to inform the media of the Government's activities and to plan for the future. Until the change of leadership in the Liberal Party there was no indication of any dissatisfaction with their performance. It is urgent that this House be given the opportunity of considering the ramifications of the establishment of a propaganda machine paid for by the taxpayer. We argue that this is not the function of government; it is the responsibility of political parties to finance their type of propaganda. Why should the taxpayer be forced to pay for what undoubtedly be party-political propaganda?

The Government had something to say about a free press recently when the federal Minister for the Media proposed a press council. There were screams that the Australian Government was going to muzzle the press, but the New South Wales Government did the same thing in a different way. It tried to take the interpretation out of journalism and to turn journalists from free-thinking people, with their own point of view and their own interpretation, into mere editors of Government propaganda. That is what this communications centre does, with its elaborate staff and \$300,000 for salaries, and with millions of dollars worth of highly sophisticated technological equipment. So far as we are concerned, it is not only a waste of money but also an undemocratic process for the Premier of New South Wales—

Mr WEBSTER: The honourable member just made himself a laughing stock.

Mr F. J. Walker]

Mr F. J. WALKER: I might be a laughing stock in the opinion of the honourable member for Pittwater, but the point of view I am expressing has been expressed unanimously by Australian journalists. I ask the honourable member to name any prominent political journalist in this State who does not have the same point of view. I ask him to name any community organization, such as the Council for Civil Liberties, that has not taken the same point of view. In this country we have free elections, the basis of which is that the electors have an opportunity to make an honest, personal assessment of the merits of the parties concerned. How can the people of New South Wales be expected to come to a reasonable, just and fair conclusion if all that is being fed to them is propaganda, tailored to suit the Government's viewpoint? In this propaganda the faults and the omissions of the Government are carefully edited out, and no room is left for interpretation by journalists. That is wrong and undemocratic, and is the reason why we should be standing up and speaking against it.

Another ridiculous organization is provided for in this estimate. I refer to the Division of Federal Affairs, which is really a military portfolio, with a director whose task it is to carry on a state of verbal warfare against the Australian Government. Perhaps if there is a change of government in Canberra it will be closed down; I have no doubt it will be. All the New South Wales Government has done since November, 1972, is to launch attack after attack upon the Australian Government. It has not tried to do anything constructive, and it has brought no constructive policies into this Chamber to assist the people of New South Wales.

The only policies this Government has introduced have been destructive policies, designed to bring down the Australian Government. The Division of Federal Affairs is designed to prepare the bullets that can be fired in the war against Canberra. What a destructive war it is. It has cost the New South Wales people \$2 million a week over the late acceptance of Medibank. It is leading this country into political anarchy at the moment, and is creating a situation in Canberra that has never occurred before in

Australian politics, except perhaps in **the 1890's**, when there was a state of constitutional crisis. This could lead to democracy **being** cast aside in this country, and the forces of the right and the extreme left moving in to take over the democratic process as the constitutional crisis develops.

The Division of Federal Affairs has led, to a considerable extent, to the state of affairs that exists in the nation today. We think that the cost of this division is an outrageous waste of money. All in all, there is nothing to be proud of in the estimates for the Premier's Department, and I think history will show that the steps this Premier has taken with his communications centre and his Division of Federal Affairs will be a shameful episode in the history of New South Wales.

Mr FISCHER (Sturt) [8.7]: In addressing my remarks to clause 6 I should like to reply to some of the pious humbug that the honourable member for Georges River has brought here tonight. He concluded by saying, "All in all, there is nothing in the estimate of the Premier's Department that we can be proud of." In one sentence he dismissed even the allocation that has been made to the Leader of the Opposition, and in so doing he has indicated to the Committee what he thinks of the Leader of the Opposition and the allocation of funds to him by clause 6. Obviously the honourable member for Georges River has fallen out with his leader, for he is not prepared to be proud of the allocation of funds to his leader and the office of Leader of the Opposition. This is indicative of the new trends, the new ties, and the new pressures that are developing in the State Parliamentary Labor Party, with the re-emergence of the Kevin Stewart faction to challenge at the next caucus meeting, next week or some time shortly after, for leadership of the State Parliamentary Labor Party. This is now no secret, for it is heard around the corridors of State Parliament.

[Interruption]

The TEMPORARY CHAIRMAN (Mr DUNCAN): Order! The honourable member for Georges River was heard in comparative silence. I do not propose to permit this type

of chatter and interjection, and I should like the honourable member for Sturt to be given the same courtesy as was extended to the honourable member for Georges River.

Mr FISCHER: It is incredible that the honourable member for Georges River would make the statement in this Committee that he is not proud of the Leader of the Opposition or the allocation to the office of the Leader of the Opposition. At the conclusion of his remarks he saw fit to contradict a statement he made to this Committee just 25 minutes previously. He saw fit to pass a number of personal comments on the Premier—on his abilities in various aspects of his portfolio and his very demanding and complicated job of being the leader of the Government in the State of New South Wales, yet 25 minutes prior to making this attack, he praised the Premier and Treasurer for the action he took shortly after assuming his high office as the head of the New South Wales Government. That is indicative of his thinking, especially in relation to the communications centre that is dealt with under this estimate.

Surely a government has the right to communicate with the people it governs. Surely it is entitled to take the action necessary to make available to the media—the press, radio and television—copy and tapes pertaining to the enormous and gigantic complex of government decision, activity and development. Surely it is entitled to make available all relevant information, and ensure that it is circulated as much as possible. For example, this Liberal-Country party Government introduced a very worthwhile concession to provide pensioners who owned their own homes with a 50 per cent rebate of their rates. This was a recognition of the high proportion of pensioners, particularly in country areas, who own their own homes and today are faced with a heavy rate burden.

It would be a dereliction of duty for the Government not to communicate to the people involved the decision to provide that concession. It would be a dereliction of duty for the Government not to make

every possible effort to see that each pensioner eligible for that substantial concession was made aware of the steps he should take to receive it. That is one example of why the Government needs to communicate and to circulate information to the people it is elected to govern. There is nothing sinister in the setting up of a communications division. To suggest that it will muzzle the press or lead to Goebbels-like action reflects little credit on the honourable member for Georges River. It is a calculated insult to the members of the press gallery of this House like Paul Mullens, David O'Reilly and John O'Hara to say that they would be unable to pass independent judgment on copy or tape emanating from the communications division. It is an insult to the editors and sub-editors of the press throughout New South Wales to submit that because a communications division is preparing material, it will somehow——

The TEMPORARY CHAIRMAN (Mr DUNCAN): Order! There is too much conversation.

Mr FISCHER: ---override the normal controls that the media exercise. The communications division will in no way take away the rights of news editors of radio and television stations or editors and sub-editors of the press to decide what they will run or print or what they will not run or print. No one will interfere with that right, least of all the New South Wales Government. It must surely remain very much a decision for the media if freedom of the press is to be maintained. For the honourable member for Georges River to suggest to this House that somehow this communications division will take away the freedom of the press and the freedom of an editor to decide what he will print and what he will not print is arrant humbug.

I support clause 6 in the bill and in doing so I should like to draw attention to another section of the Premier's vote which relates to the New South Wales Government office in London. The \$1,512,418 allocated includes the vote for the engineering branch of that office. Earlier this year I had occasion to make a brief private study tour of England and Europe,

not involving the Government in expense, with a colleague from the Victorian State Parliament, the honourable member for Murray Valley, Mr Bill Baxter. I took the opportunity to look at procedures at Westminster on which many of our statutes and procedures are based, to look at railway systems in England and Europe, to look at five first division soccer matches while I was in London, and to look at many other projects associated directly and indirectly with the electorate of Sturt and the Parliament of the State of New South Wales.

Throughout that visit I was assisted in a very generous and appropriate manner by the office of the New South Wales Agent-General and the Agent-General himself arranged contacts with relevant officers in Westminster, with the British Railways Board, with the New Town Commission and various other associated projects I wished to inspect and familiarize myself with. The role of the New South Wales Government office in respect of this type of liaison is well known to honourable members on both the Government and Opposition sides of this Chamber and to many other people in this State. That liaison is a worthwhile and important function but it is only one part of the many duties carried out by the New South Wales Government office in London, which acts as a distributing point for information and promotion of the State of New South Wales, and the promotion of tourism and other related activities in this State to the people of London and the United Kingdom. I would go so far as to say that the work of the New South Wales Government through its Agent-General's office far exceeds the efforts of similar other State Government offices in London and indeed the activities of Australia House, in the area to which I have referred. I support the allocation to the New South Wales Government office in London for the many and varied works and activities it carries on, and I extend that support to the New York office and the Tokyo office of this State Government.

Finally, I should like to return to the criticisms made of the increase in the vote for the Premier's Department. It could be

inferred from the remarks of the honourable member for Georges River that he was not only opposed to the setting up of the communications division—which, incidentally, will save the Government money by co-ordinating the massive advertising programme of contracts for the Department of Public Works and other departments involved in compulsory advertising—but also that he is opposed to the expenditure of \$228,304 on the office of the Ombudsman. This is a new office designed to give electors and people of the State of New South Wales a chance to appeal against administrative decisions of departments. People are able to make a direct appeal to an independent agent in the Ombudsman, and that agent is able to investigate that complaint, to report back and, if necessary, take action through and by liaison with the public servants involved in the original decision.

I fully supported the appointment of an Ombudsman for the State of New South Wales and I fully support the expenditure allocated for that office. I hope that the work and role of the ombudsman will be extended because I have already collided with some of the guidelines and restrictions on his work that have prevented him from taking direct action on one matter that I referred to him. It is curious that the honourable member for Georges River should by inference oppose the expenditure on the office of the Ombudsman and curious that by way of inference he opposed also the expenditure on the Leader of the Opposition. I fully support clause 6 as yet another example of effective administrative action by the New South Wales State Government.

Mr MALLAM (Campbelltown) [8.19]: The honourable member for Sturt complained bitterly about the contribution of the honourable member for Georges River here tonight. The honourable member for Georges River made a timely contribution in bringing to notice the expenditure on this propaganda office—the Goebbel's office as it will probably be known. It is an office established at the expense of the State to publicize the Premier, and to do little else. As the honourable member for **Georges River** pointed out, there are three speech

writers in it. The Premier ought to send them down to Wollondilly because lately the electors there have not seen much of him. The three speech-writers he has are not doing very much for him, but the public is saddled with the expense of their upkeep.

Mr BREWER: You have your head in a drain and cannot get it out.

Mr MALLAM: You received your answer when you were defeated by Mr Wran, and you have not stopped crying since.

The TEMPORARY CHAIRMAN (Mr DUNCAN): Order! I ask the honourable member to address the Chair and to ignore interjections.

Mr MALLAM: The honourable member for Goulburn who interjected got such a licking that he cannot take it or stop crying.

The TEMPORARY CHAIRMAN: Order! The honourable member for Campbelltown should return to the clause.

Mr MALLAM: I notice that the rent of the Ombudsman's premises, which was \$48,000, is now \$86,460, representing an increase of 70 per cent. That is not a bad jump in rent. If the Australian Government had set up anything like the Ombudsman in New South Wales there would have been a cry to high heaven of jobs for the boys. I do not know of one Labor appointee. The wages bill for twelve people is \$188,847, representing an average of \$15,000 a person. I suppose that the girls employed on the staff would not receive that amount. The accommodation for twelve people must be like the Taj Mahal. The rent is equivalent to \$3,000 a person. That is a pretty expensive office—a bit too expensive really. I have never been one in favour of an ombudsman. I have always thought that this House is the equivalent of 99 ombudsmen if all the members do their work, particularly with the secretarial assistance provided now, about which I do not complain. I have felt always that Parliament is more effective than the efforts of any ombudsman.

In this House there is free speech, and I hope it stays that way. Honourable members are able to ask questions that **no**

ombudsman could ask. They are able to seek information, and obtain it, unless they receive the treatment that one honourable member receives from the Minister for Health. Fortunately I have not received similar treatment from him. The Minister for Housing and Minister for Co-operative Societies who is in the chair at the table of the House has been good to me. I have never been told that I would not receive any letters in my electorate. I regard the office of Ombudsman as an unnecessary expense. I know that the public feel that it is all right and that it has a certain amount of popular appeal among members of my own party.

I regard members of Parliament as the best ombudsmen that one can get because of their right to ask questions in the House. Over the years I have brought to light the H. G. Palmer and Barton cases into which no ombudsman could have looked. Even those honourable members who are in Opposition are able to do things, if they are active members of Parliament, that no ombudsman could possibly do. Irrespective of whether a member is on the Government side or the Opposition side I have always found public servants to be most co-operative. I consider the office of Ombudsman to be a political gimmick. It looks all right on the surface, but an ombudsman cannot achieve what a member can if he is doing his job. I regard the rental of \$86,460 to house twelve people as an inordinate amount. It must be most elaborate accommodation.

I turn now to the estimate for the Premier's Department. The honourable member for Georges River referred to the increase of staff from 126 to 210. This occurred at a time when the Government is crying for economies. I observe that the Leader of the Opposition has had an increase of only two in his staff. The expenses associated with the Leader of the Opposition are \$155,487 compared with a sum of \$4,262,736 for the head office of the Premier's Department. I do not think the Premier can suggest that he is being badly done by, when he has had an increase in staff of 66 per cent. The number of speech-writers was ably dealt with by the honourable member for Georges

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River. The number is astounding when one remembers that over the years the Premiers of New South Wales have managed without them. All of a sudden the present Premier sets up his Goebbels office and he has to have three speech-writers.

My electorate has twice as many electors as the adjoining electorate of the Premier and Treasurer, so I need two people to vote to one for the Premier to return me to Parliament. Yet his electors send urgent messages for me to represent them because they cannot find him. They never hear of him. Last Saturday morning when I was in Moss Vale people said to me that they had never met a member of parliament before. They did not think that they could talk to a member. The people in Moss Vale were quite surprised. Although the Premier has three speech-writers and the assistance of his own department, he still cannot go to his electorate. Today he said he would have me on at the next election when I challenged him to resign. I said that I would resign and I would contest his seat at the next election. If he wants to contest me in the next election for the seat of Campbelltown, I would be quite happy. I would not mind if he puts on six speech-writers. He could put his whole propagand machine in the electorate. It does not do him any good.

I have no quarrel with the Minister for Housing and Minister for Co-operative Societies. He has always received me with the greatest of courtesy. He has built a lot of houses in my electorate. Of course he has increased my work, which I do not mind really. Although I would have one of the heaviest electorates, I have not any speech-writers. I am lucky to get the secretarial assistance, which I appreciate. It is strange that the Premier and Treasurer can spend this large amount of money on this Goebbels office just to build up the Premier, yet achieve so little. A lady over 77 years of age described him as the laughable Premier. In other words she was saying nicely that he was the laughing stock in the community. I refer to the remarks of Lady Violet Bradon. She said that when she went into his office he was sitting like Mussolini on the other side of a great big table. She was not used to sitting at a table like that and

being looked at in that way. She suggested that the table might be a bit smaller. I suggest that the Premier's head should be a bit smaller.

Notwithstanding his big propaganda machine the Premier and Treasurer does not go into his own electorate; it is neglected. Recently sixty people whom I did not know asked me to come to the electorate of the Premier and Treasurer. They were desperate and carried a resolution condemning the Premier and Treasurer. So his propaganda machine is not doing any good in his own electorate. However, the taxpayers are saddled with the expense of it. I have 6 000 names on petitions from people there. I have been dropping them here. They will be in again tomorrow and the next day. The propaganda machine cannot placate the people in the Wollondilly electorate. It is a wicked waste of money.

I notice that the wages for the staff at the New South Wales Government office in London increased by \$250,000, although only two extra staff were put on. I wonder whether they have a couple of Mr Shirleys over there. I would not be surprised if that were so. Perhaps someone might explain that increase in salaries and wages.

The Premier is running wild. There are jobs for the boys everywhere. When the Labor Government put Mr Spigelman on he was a Labor man and that was frightful. Now with the Ombudsman there are people on salaries that average \$15,000 but no one says a word about jobs for the boys, though it looks like that. The Premier has his speech-writers—jobs for the boys again. This is a real jobs-for-the-boys government. I have not heard about any Labor supporter being appointed to these offices. The honourable member for Georges River did a fair job with this aspect. I shall not repeat everything he said but I point out that there is the director of federal affairs, the chairman of the promotion appeals tribunal, the chief press secretary and so on. There is a senior research officer and two research officers. The estimate for those three & cers is \$40,613'. They must be good mates of somebody to get those jobs. I do not

suppose they are in the Labor Party. There are two assistant directors of communications. The estimate for those two officers is \$34,704. There is the special projects officer who will receive \$17,292.

The officer in charge of advertising cannot be a good party member as he will receive only \$11,290. He must have held a Liberal ticket for only a few months. Apparently the three speech-writers do not rate highly either as they will get \$32,000 between them. No wonder the Premier is collapsing. They will receive less than \$11,800 each. Apparently the Premier does not think much of his legal research officer. He does not think much of lawyers and that could worry the honourable member for Georges River. The legal research officer has a salary of about \$9,000. The personal assistant to the director of communications will receive \$8,840. The publications liaison officer and the assistant publications liaison officer between them will receive about \$25,000. The two television technicians will receive \$8,000 each. No wonder the Premier's television image has not been good. I thought they would be worth \$16,000 each. There will be twenty-two car drivers, and so on. The Premier and Treasurer is running wild with finance. He condemns the Australian Government for spending money but in his department he spends money as if it is going out of fashion and he does not seem to care. I should have liked the Premier and Treasurer to be here to answer why he is spending that sort of money.

Clause agreed to.

Clause 7

[Minister for Transport and Minister for Highways]

Mr ROGAN (East Hills) [8.34]: I shall discuss the whole operation of the transport ministry and how it has had an effect on my electorate. Over the past eight years a succession of savage fare and freight increases have resulted in a staggering loss of some \$245 million in the operations of the Public Transport Commission of New South Wales. One has only to look at the history over the past eight years to see the appalling loss of passenger journeys that has come about through a succession of fare

increases and the total rundown of the service generally. The record of the Public Transport Commission, under this Government, is one of a loss of 35 million passenger journeys on government bus transport and 56 million passenger journeys on the railways. A total of 91 million passenger journeys have been lost in eight years. In the annual report of the New South Wales Auditor-General which was recently tabled in this House it is stated that the fare increases in bus services during September last year and June this year amounted to 50 per cent. That resulted in an 8.3 million fall-off in passenger journeys. I know only too well the bungling of the ministry which is part and parcel of the operation of the Public Transport Commission of New South Wales.

The East Hills line serves my electorate. It was most seriously affected during the recent fiasco when there was a change of train timetables. I received literally dozens of telephone calls and letters following the invitation I issued through the local press for people to voice their complaints. Typical of those letters was one from a constituent of mine who stated:

Upon reading your comments in the local papers I must whole-heartedly add my support to your campaign against the inadequacies of the rail transport on the East Hills line. As a commuter who patronises public transport, especially trains, I have finally been shaken from my apathetic torpid state by the rapidly increasing squalor of trains and the poor service. In the last two weeks, not taking into account the last industrial dispute, there has been a marked decline in following areas.

He then went on to list the poor service, trains cancelled or running late without any explanation, seven-car sets instead of eight-car sets which cause overcrowding, filthy and run-down archaic carriages and inadequate lighting in many carriages. He said that patrons have to contend with these inconveniences and there is no likelihood of improvement. Is it any wonder that rail commuters faced with this sort of service and a succession of fare increases are deserting the rail service of this State in their millions? Instead of seeing initiatives taken, all we see from the Government is an attitude of damn the customers and a succession of fare increases. Fares in New South

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Wales are now the highest in Australia. They have been increased in an endeavour to overcome the mess that the Government has allowed to develop in the New South Wales transport system. All of this has come about during a period when there has been an unprecedented amount of federal Government aid to the urban transport system in this State. The recently retired Minister for Transport last week in this House, when answering a question I asked, stated that the programme to duplicate and extend the East Hills line to Glenfield—

The TEMPORARY CHAIRMAN (Mr DUNCAN): Order! I am reluctant to interrupt the honourable member for East Hills but the remarks he is making at the present time are more appropriate to clause 28. At this time he should be directing his remarks to the secretariat.

Mr ROGAN: I have raised the matter in this debate because incorporated in this clause is the urban transport study group, which is charged with the responsibility of looking at projects such as the duplication of the East Hills line. The group would advise the Minister on that aspect. I shall deal with it quickly.

The TEMPORARY CHAIRMAN: Order! I shall allow the honourable member to continue but not to go into detail in the way he appears to have been heading.

Mr ROGAN: I accede to your ruling, Mr Temporary Chairman. The former Minister for Transport, in answer to a question I asked, said that the extension of the East Hills line to Glenfield was not a high priority project this year, due to lack of funds from the Commonwealth Government. I am given to understand, however, that the project was approved as one that would qualify for federal Government assistance under the urban transport policy and this year in the federal Budget \$690,000 has been allowed for it out of a total estimate of \$1,045,000. The balance of the amount would have to be met by the State. It is now obvious that the State will divert its share of those funds to other capital works such as the purchase of new rolling stock and the upgrading of signalling equipment

all of which, if the Government had followed a correct and proper transport policy, would have been carried out over the past ten years.

Mr **RUDDOCK**: They are vital to the railways. The honourable member does not oppose that, does he?

Mr **ROGAN**: No. It is now perfectly obvious that the policy of the Government to proceed with the eastern suburbs railway without correct costing has resulted in money that should have been expended in the purchase of new rolling stock, carriages and generally upgrading equipment being diverted to the eastern suburbs project and to make up for the lack of planning for that project. As a consequence, projects such as the East Hills rail duplication and extension must suffer and the people in this area, who during the past twenty years have put up with a second rate rail service to the city because of the bungling of the Government, will have to wait a further period until funds are supplied. As the Minister has stated, there have been no new projects approved this year by the Australian Government. It is equally true that the East Hills to Glenfield extension and duplication programme was approved last year and money was allocated for it in the federal Budget. That money has again been allocated in the Budget this year. It is equally true that the State Government has not lived up to its responsibilities and now the whole programme of the East Hills-Glenfield rail duplication and extension must suffer, and also the people in the area must suffer.

We are yet to see the full effects of the cuts in rail services foreshadowed by the Premier in an endeavour to save \$35 million. There is no doubt that when the ultimate defeat of this Government comes about that downfall will have been caused principally by its dismal failure in transport service. I should like the transport study group to study my proposals relating to the East Hills line, the extension of which the Government has decided not to proceed with during this year.

Mr **DAY** (Casino) [8.41]: I invite the attention of the Committee to a statement relating to the petrol tax made by the Premier and Treasurer in his Budget Speech. He said:

We were reluctant to move again in this field but found it necessary in order to close the Budget gap. The increase has enabled capital funds which would otherwise have been needed for the Budget to be released to the Department of Main Roads. This will assist the department to meet the increased matching requirements imposed by the Commonwealth in relation to additional Commonwealth grants for roads.

The alternative to adding 4.3 cents a gallon to the price of petrol would have been to impose a steep increase in motor vehicle registration charges which are already quite high. Because of the increase in petrol tax, it now seems unlikely that the government will have to increase charges this financial year.

In the appropriations there is no allocation whatever to indicate that the Premier's comments might lead to some of this money being applied to road funds. In past years, the appropriation made by the Commonwealth for works of a capital nature have been knocked off to remedy budget deficits incurred by the State Government. Last year \$30 million was knocked off in this way from a special appropriation grant by the Commonwealth. The State Government did this to reduce its budget deficit. In this year's estimates \$22 million has been allocated to reduce the budget deficit. That means in effect that the appropriation by the Commonwealth for works of a capital nature will not be so used. They will be used simply to reduce the budget deficit. Therefore, the words of the Premier in relation to main roads actually deceive the people into believing that there is to be an appropriation from the petrol tax funds to main roads construction and maintenance. That is a blatant deception. There is no such allocation. In fact, the allocation to roads by this Government is appalling.

It is not possible here to debate the allocations to be made this year. They are appropriated under a special Act and are not part of the budget papers. I point out that it is necessary for this Government, if it is sincere in its statements about increases in rural road funds, in which I am particularly interested, to disclose the amount

which it will vote for this purpose. Unfortunately, if past experience is any guide there will not be any vote at all. It has been said that because the Commonwealth has altered its priorities in relation to road funds somehow or other **this** ought to militate against the amount made available for rural roads. I point out to the Committee that in fact the national Government has increased by quite a significant amount the amount of road funds made available to New South Wales. In fact, road funds have increased from what appears in the budget papers as \$107 million last year to no less than \$137 million this year. That is a significant rise in anyone's language. Although the allocations and the priorities have been altered by the national Government, the State may alter its own allocations to make up any difference that it may feel necessary. I should like now to quote from a statement made by the federal Minister for Transport, the Hon. C. K. Jones, and reported in the *Northern Star* on 18th September. He said:

Where the Australian Government has provided \$16.87 million or 14.5 per cent of its 1974 grant to New South Wales for rural local road, the New South Wales Government has provided only \$1.4 million or 1.2 per cent of its total funds for this category.

It is disgraceful that any government should weep crocodile tears about rural roads when it is willing to allocate only a little more than 1 per cent of its own road funds to that category of work. It is not valid to argue that this responsibility is not that of the State Government. However, that is what some Government supporters are prone to say. If it is not the responsibility of this Government to provide for rural roads, it cannot be argued that it is the responsibility of the national Government, which gives priority to national roads.

Mr RUDDOCK: Let us get back to the clause.

Mr DAY: I am dealing with the appropriations to the Minister for Transport and Minister for Highways. I pointed out earlier that it is not possible to debate here in detail those allocations for the Department of Main Roads so I am dealing with them on a general basis. They appear in the Budget and in these appropriations. I have

referred to no less an authority than **the** Premier and Treasurer who said that he had made an appropriation from the capital funds for roadworks. However, I cannot find that appropriation anywhere in the budget papers. I defy anybody to find it. It is a blatant deception.

Mr CLOUGH: The honourable member did not look at the right book.

Mr DAY: I am quite prepared to be guided by the new Parliamentary Secretary.

Mr CLOUGH: Come and see me in my room tomorrow and I will show you.

Mr DAY: That is not the place to **tell** me. I should be told here, and not in the Parliamentary Secretary's room. The honourable member is acting as secretary to the Premier and Treasurer so he should **tell** us if what I say is true. I am sure that the Temporary Chairman would give the honourable member the call should he seek **it** and he could then tell us whether I am right or wrong. I cannot find the appropriation anywhere. I notice that the Minister, too, is thumbing frantically through the budget papers. Obviously he cannot find it.

I consider it appropriate that I discuss this matter under this heading. This is the heading the Premier said it should be included under, but it is not there, because this Government has no intention of increasing its appropriation from capital funds for this purpose, and in particular it has no intention of increasing the miserably insignificant amount it is prepared to allocate to rural local roads. At the same time honourable members opposite have the hide to criticize another government that votes over 14 per cent for rural local roads. What hypocrisy. There is no doubt that this Government has the power, indeed the duty, to provide the funds necessary for the maintenance of rural local roads. There is **no** doubt in the mind of any rational person that a national government must place greater emphasis upon national roads, which the present federal Government is doing.

However, because of the increase in allocation it would be reasonable to assume that this State Government would place emphasis upon rural roads when it has been in

large measure relieved of the responsibility to finance the construction and maintenance of the national roads system and the highways of New South Wales. In the past week this Government announced grants of Commonwealth Aid Roads funds to local government areas throughout the State. There is no doubt that the funds provided are insufficient to enable the councils concerned to provide the services that they have previously provided. It is essential that this Government measure up to its responsibilities in the manner I have outlined, which the Premier indicated could be expected, so that the country people of this State and local government in country areas may have the funds to which they are entitled and which should be provided in this Budget.

Mr PICKARD (Hornsby) [8.53]: I wish to speak for a few moments on this clause because it deals with the research section which is concerned with the development of roads, the types of equipment to be used for that purpose and the ways of paying for roads. For some time the people in my electorate through their local council have been asking the department to research the topography of the area and the cost of the extension of the roadway either in one or several stages. I trust that the Minister will request the department to continue the studies it has undertaken with a view to presenting as early as possible a report to the Minister based upon that research and investigation. I should also like to see the department continue its research and investigation into the flow of traffic in the Hornsby area, particularly between Hornsby and the Berowra toll gates. I understand that some of this work has already been done and I am anxious to see the reports that will be based upon the information collected.

Mr RUDDOCK: I am anxious to have a look at it with the honourable member.

Mr PICKARD: I thank the Minister. I am anxious also to see what the studies reveal about the flow of traffic in this area. There has been a good deal of talk about the matter and certain people have made statements without evidence on the subject. I prefer not to make any statement until

the evidence has been provided. I therefore support the allocation to this department. It will enable officers of the department to continue the studies of traffic flow on weekends and during the week to provide statistics which may be analysed so that consideration of the road problem may have a scientific basis. It will be interesting to see what is happening on adjoining roadways and to consider the development in surrounding areas. It will enable the road system in the area to be planned to take care of the natural growth of the electorate in the vicinity of the present highway. [Quorum formed.]

Although I would be happy to see research and investigation carried out I should hope that the research programme that will be maintained under the allocation would include the effects of development in the Hornsby region on the traffic flow patterns and upon roadways generally. I should hope also that the Department of Main Roads in association with other departments would look at the effect that any increase in motor vehicles would have upon the development of future roadways leading particularly into the Hornsby area. The department in terms of its research must attempt to predict what the next fifteen years may bring forth in terms of a possible enemy attack upon Australia. This consideration would involve an estimation of the traffic that roadways would be required to carry and of their capability of being defended in times of war. The research department should consider also the economic effects of having one roadway with one major bridge to carry traffic moving both north and south. I refer to what is often called the jugular vein between Sydney and Newcastle. Research should be carried out to ascertain the economic effects from the number of commercial vehicles that use this main highway. At the moment there appears to be no research carried out on these matters.

Frequently people speak in ignorance about traffic flows. The findings of the research that is taking place may in fact surprise us all. Some local research has been carried out and the information sent to the Minister in the hope that it would assist the research department. We have looked at the

question of the flow of traffic and priority roads. Further, we have looked at the possible ways in which the expressway or freeway, which in accordance with the new terminology will be called an urban arterial road, will be introduced either in one, two, three or four stages. Several possible plans could be implemented if traffic research confirms them and if economic research shows that finance could be available. Any research programme would need to ascertain the money that would be available, which would condition the standard of roads and the choice that would be recommended.

These days money conditions the whole of research programmes and the recommendations that may be made as a result of the research. Honourable members have mentioned the increased money that flows to the State for roads generally. However, the allocation of money to certain roads has decreased. The research department should consider the information that has been forwarded to it from the Hornsby area. It should also research the possibilities of the roadway in taking pressure off the Hornsby area so that the area may develop without paying a penalty on behalf of the whole of Sydney. If a research programme is to be carried out into the feasibility of the road, consideration must be paid to the moneys that would flow by way of Commonwealth grants to urban arterial roads. That term appears to cover a multitude of sins but certainly it embraces what we used to call the Newcastle to Sydney freeway.

I observe that in 1974-75 the federal Government granted an amount of \$42.8 million, supplemented by a special grant of \$3.79 million, making a total of \$46.59 million. For the year 1975-76 the total amount available has dropped to \$37.6 million. Any group researching road construction and road implementation with a view to making recommendations to Ministers must have in the back of its mind that money available for certain roads is being decreased by a decision of the Commonwealth Government, which claims that it is giving an increase in another way. For the year 1976-77 the amount available will drop further to \$36.6 million. Research pro-

Mr Pickard]

grammes would face the difficulty of predicting road programmes when money available is decreasing and inflation is occurring at a rate of 15, 16, 17 and up to 20 per cent. How can researchers predict what roads can be built? How can they recommend the possibilities to a Minister? If they are not sure that the money will be available, or what the inflation rate will be, they would be unable to determine the economic feasibility of a programme.

One must be thankful that this position will soon be changed when a new federal government will bring a return to normalcy and the State and particularly the research department will have money to spend for planning without the ties that have so far been applied by that monster who will soon find his way somewhere else. I live in an area where research is tremendously important. All our programmes are researched locally. We do not make dubious statements based on nothing.

Mr DAY: Who is "we"?

Mr PICKARD: The people of the Hornsby electorate.

Mr DAY: The congregation?

Mr PICKARD: There are congregations. Has the honourable member for Casino anything against congregations?

Mr DAY: I was just checking.

Mr PICKARD: Is the honourable member for Casino anti-religious?

The TEMPORARY CHAIRMAN (Mr DUNCAN): Order! The honourable member for Hornsby will ignore interjections.

Mr PICKARD: When I speak of "we" I refer to progress associations, road protection groups, parents and citizens associations and Liberal Party branches, a number of which are sending in statements. I refer also to the local council. All these groups have gathered together and in their own areas have made research programmes about traffic flow. They are beginning to build up a mass of information that will be most helpful. The council has at its disposal a thorough traffic research programme, which

was the first step. This information has been available to all, including the Department of Main Roads and the Police Department should they want it. The outcome of some of the research has been notified to these bodies. We are building up on fact, and on research evidence, information that we should like the department to have and to receive a feedback from it locally.

I support this research department. Too frequently in Australia in all areas of life we fail to research programmes and investigate them before we make statements. One of the most important things that must be done related to transportation and all forms of transport in Australia is to commence thorough-going research programmes. Efforts in my area will supplement what the department has done and is doing. It is hoped that the benefits to both parties will be beneficial and instructive. Maybe then we will find that those people who talk with forked tongues will at first make sure that their opinions are right or that they will at least consult the local people about matters before making statements on them. I hope that the research will continue and be expanded in the future when the Government is free to do that without control, so that the research department can come into its own with logical information that can be used for the benefit of citizens of this State, and particularly those in my electorate.

Mr ROGAN (East Hills) [9.12]: I rise a second time because strangely enough, until the honourable member for Hornsby got to the end of his speech I was in agreement with him. I agree that research should go into these programmes before money is allocated to them. Only research can bring about a logical pattern of traffic flow and co-ordination. Money allocated to this urban transport study group will pay handsome dividends if that research is put to good effect and if the allocation of funds from the Ministry is utilized in the manner that the study group recommends. I have a road problem in my electorate and it seems that I share that problem with the honourable member for Hornsby. I have also problems with trains and the rail track. To get to the city from my electorate, one has to go either along Canterbury Road or along Henry

Lawson Drive. Early in the piece a two-lane bridge was built over Henry Lawson Drive but now the traffic flow, due to the building of Alford's Point Bridge, has increased. I applaud the initiative in building that bridge but it has resulted in a greatly increased traffic flow through my electorate.

In the peak hours, but not only then, there are great back-ups of traffic on Henry Lawson Drive. If one wants to take the alternative route along Canterbury Road, which must be becoming the most congested artery feeding into the city, one can do so. The ring road should provide a smooth pattern from Stacey Street, Fairford Road and Davies Road. It is one of the main priority roads running from north to south and linking those areas. Because of the number of sets of traffic lights in series, one after the other, one section of Canterbury Road between King Georges Road and Gibson Avenue is now like Luna Park. It was made a priority road and I applaud the initiative displayed in making roads priority roads, but the number of traffic lights there now is such that there are queues of traffic several miles long. One has to queue at the lights for up to twenty or thirty minutes before getting through.

If the research of the study group could be put to good effect, it would recommend to the Minister that funds should be allocated to that section of Canterbury Road as a top priority measure. Therefore, I support retention of the study group. I hope that through its efforts the great congestion that is now commonplace in my electorate will cease and money will be allocated to the area. Any suggestions emanating from the study group which assist people in my electorate will be greatly appreciated.

Mr MALLAM (Campbelltown) [9.15]: I have heard a lot about the research section of the urban transport study group tonight. It was interesting to me because recently I placed a question on notice on the *Questions and Answers* paper in an endeavour to ascertain how much was being paid to W. D. Scott and Company Pty Limited. I was brushed off smartly. It was said that it would cost too much to tell me what the Government paid to W. D. Scott

and Company for transport and other studies in the metropolitan area. The Government was too ashamed to tell me the figure. It was the old story—it would cost too much—and I could not get the information. There are twenty-two people in this research group. The total wages bill is \$175,000. It works out at about \$8,000 each.

In my opinion W. D. Scott and Company has received millions from the Government. It has done research studies of various matters because it is friendly with the Government. Research into urban planning has been done and W. D. Scott and Company would not even get started with \$175,000. The company would not open its door for that amount of money. Before long the Minister will find out that there is no need to go outside for experts. There are experts in the railways.

Mr PICKARD: I was talking about roads.

Mr MALLAM: I shall talk about roads in a moment. By sending for outside experts over the years the railways have deteriorated. When a soap salesman, Mr Shirley, was brought here to run the transport undertakings—he worked for Lever Brothers—he was given a tremendous salary. I said then that he walked the plank from the Cunard line. I hope the Minister has enough sense to use experts from the railways or from the main roads. These people have been trained on the job. The Minister should not send for some outside persons. The total salaries bill of the research group is \$175,000, yet the Goebels department of the Premier and Treasurer is having nearly \$1 million spent on it. There is nearly that much going in salaries. A most essential thing in the community is transport and yet we find that the Minister can produce only \$8,000 for each of these people. That is what it averages. Many clerks are getting that much by way of salary today, and a lot more.

The Minister should look at what was done in London when an effort was made to solve road problems there. Practical people were used. Dead end streets were opened up and bridges were put over railway lines and canals. The authorities did

not worry about freeways for a long time. That is why people can move around in London. I make that suggestion.

Mr RUDDOCK: Some parts of London are rather congested.

Mr MALLAM: I have driven around London where there is far more traffic than there is in Sydney, but practical things were done there. For years there were twenty-two miles between bridges on the Georges River. How many bridges are there across railway lines around Sydney while there is continuing talk of spending more money on freeways? The concrete manufacturers will make millions from that. What was done in London was simple enough, and it meant that every road was used to its maximum. A survey was taken and the roads to be used were designated.

The honourable member for Hornsby has spoken about bottlenecks and the honourable member for East Hills referred specifically to Canterbury Road, a highway which I use regularly on my way to and from Campbelltown. The proposed urban transport study group must look at the real problems. It should open up bottleneck roads so that they may be used to their maximum. Some sections of the Liverpool area are accessible only via one bridge. Admittedly, there is another low level bridge across private property, which the military forces leased during the war years, but that is not always negotiable. The Government is talking about housing 500 000 people in an area beyond Liverpool yet there is no road access other than across the Liverpool bridge. Practical people should look at these things.

People from the railways should consider the railway problems. In the 1930's I saw the railways in just as big a mess as they are now. However, in those days a man of courage took over and he prevented the road hauliers from milking the State. He had to avoid a deficit. He introduced the Transport Co-ordination Act which saved the railways. He did not bring in outside experts. He found someone in the railways who knew what to do. The Liberal Government had had a former brewery manager running the railways. The new Minister got rid of him and appointed in his stead a railway

man who knew how to **run** the railway system. I hope the **Government** will find a railway man now to run the railways. That is the way the **Government** will get the **right** answers. The study group might look at this suggestion.

I should have liked to see the Government set up an authority in conjunction with the Australian Government which offered to take over the railways. There should be proper research and co-ordination. Some of the things we see nowadays are ludicrous. The uncontrolled mixture of goods **trucks** causes untold problems. The Minister, an accountant, would understand what I mean. Many of the railways' activities in relation to goods trucks are governed by guesswork. Railway men have to work out how many trucks are from Victoria, how many from Western Australia, how many from the **Commonwealth** and so on. It is a matter of guesswork to balance the books. The railways throughout Australia should be nationalized. I hope that the study group looks at that suggestion, too.

The **Commonwealth** should set up for the railways a body such as the organization that runs Qantas. The **State** Ministers for Transport should be members of the commission or the board. In this way we would have a good national railway system and New South **Wales** would not lose \$200 **million** annually. Additionally, the ordinary worker would not be slugged heavily for fares. Transportation problems in Sydney are purely mathematical. I hope the Minister will look at them in this way. If one person can be carried to the square foot of capitalized area in a train compared with 14.5 square feet in a motor vehicle and 4.5 square feet in a bus, obviously the train is the answer. However, there must be an alternative and the study group should consider what that should be.

Mr RUDDOCK: That is what the group will do.

Mr MALLAM: I am glad to hear that. Dr Bradfield worked it out a long time ago. It would make one cry to see what has been done with the railways since his report. Even the way that the doors have been fitted to trains is disgraceful. I commend the

Bradfield report to the Minister. If he follows its recommendations he will be quite successful in his job, and I wish him every success. Dr Bradfield worked out these things mathematically. He estimated how long it took passengers to get in and out of trains and how long a train should stand at a station. Outside experts have come in and blocked the doorways and now it takes people longer to get in and out of trains than it did previously.

Nowadays, timetables do not mean anything. I have had questions about this on the *Questions and Answers* paper for a long time. I hope the study group will look at this matter, too. More than 30 per cent of journeys undertaken by the *Southern Aurora* result in a late arrival. In fact, last year more hours were lost through late arrival of trains in the Sydney area than were lost through strikes in the whole of Australia. Yet, if tomorrow there were a strike among steel workers at Port Kembla, the Government would brand them as dreadful people for going out on strike. I repeat, more man hours are lost through trains running late in Sydney than through strikes over the whole of Australia. The principal problem is that outsiders have been called in to run the railways. The study group should look at this.

From Campbelltown there is one main road to Liverpool, across one bridge. There is an alternative private bridge through a military area but it is low-lying and subject to flooding. Additionally, a low level **causeway** offers alternative access in good weather. I ask the study group to look particularly at the Campbelltown problem. I hope the group will comprise practical people from all departments concerned. My experience has been that if one wants information one goes to the appropriate department to seek it.

The honourable member for East Hills referred to the proposed extension of the East Hills railway line. If people are to be transported from Campbelltown to the city the extension of the East Hills line is a must. Within perhaps three years a \$46 million coal industry will be in full operation in the Campbelltown area. Despite the

pleas of my friends, the honourable member for Kogarah and the honourable member for Georges River, the coal loader at Botany Bay is also a must. Eventually about 40 coal trains a day will go to that port from Campbelltown. If those trains cannot go through East Hills they will have to proceed through Birrong, inevitably causing delays.

The TEMPORARY CHAIRMAN (Mr DUNCAN): Order! I am reluctant to bring the honourable member to order but I suggest it would be more appropriate if he were to speak to these matters when clause 28 is before the Committee. I ask the honourable gentleman to come back to clause 7, which deals basically with the transport secretariat.

Mr MALLAM: I was dealing the the study group and giving it hints on what it should look at. This is an important matter. The working approach of this group is most important. The Government intends to spend \$175,888 on this group so it is necessary that it should look at the real problems. The Minister has already run into trouble in coming to a simple decision. He could not decide on an appropriate colour for transport commission vehicles. Perhaps the study group could advise him. A lot of money will be spent on this group and we should ensure that it comprises selected men from the railways, the buses, the main roads and the police, all of whom are experts and involved in these matters every day.

I hope the Minister will co-ordinate the services on which the study group spends its money. I mentioned coal trains because I can see what is happening out in my area. I suggest that before the Minister closes the loopline from Picton to Mittagong, he asks this study group to have a good look at it. He is allocating \$175,000 to this study group. That line is a great national asset on the border of an area that is intended to hold half a million people. Surely it should not be closed. Surely the study group could come up with some solution other than the closing of a line that has been in existence for a hundred years. I trust the Minister will have a good look at that matter. Every day people are calling for a new railway to Pittwater or somewhere else. Before the loopline is closed it should be the subject

of a feasibility study. The people of Campbelltown have to wait an hour to go from Campbelltown to Liverpool during the day while the train is standing there doing nothing. If that train ran from Campbelltown to Picton it would be a paying proposition. The people of the area are screaming for transport. This is something else this study group should be looking at.

If the men on whom the Government is spending this money are all railway men, traffic men and men from the department, the Government is getting them on the cheap but if they are from W. D. Scott and Company Pty Limited, the Government is paying too much for them because they do not know anything about the matter. In my view it would be a waste of money to spend it on outside consultants, but if they are the right men on the job it works out at \$8,000 each which is not much.

Mr RUDDOCK: These are men on the secretariat, drawn from the services.

Mr MALLAM: All of them?

Mr RUDDOCK: They are not from W. D. Scott.

Mr MALLAM: They are all railway and transport officials—public servants? If that is the case—and I take the Minister's word for it—the Government is robbing them and not giving them a fair go. They are the men with the knowledge and if the Government took notice of them it would not be in such a mess. I advise the Minister to have a talk to the Premier and take some money out of the funds he is wasting in the communications division. He is doing no good in his own electorate. It would be better to hire a few railway men and put them on the job. If the Minister wants a few suggestions, I intend to publish a few in my local newspaper next week and I shall post a copy of it to him telling him what is needed in Campbelltown. I have asked the people out there to give me a few suggestions in the local newspaper. The Minister could pass them on to this study group to have a look at them. I hope he does.

Mr BANNON (Rockdale) [9.34]: The Minister has been in the position that he holds today for a few days only, but I take

this opportunity to offer him a few suggestions that he might look at if he intends to take the trouble to overhaul the department of which he has now obtained ministerial control. I relate everything I am about to say to the fact that surely the overall administration and control of the ministry will derive from its head office. I should hope that the Minister will have a strong control over his head office and, through it, his department, and the various officers who are administering the higher echelons of the department.

I rise to speak because of the remarks of the honourable member for Campbelltown. Whether the former chief commissioner or the former minister believed it or not, it is my belief—and I think it is the belief of most people who have had experience in these things—that the department has within it experts capable of efficiently administering our transport services. The Government has told the Public Transport Commission that it has to reduce its deficit this year to \$240 million. The Minister in his early days of administering his new portfolio would be well advised to look at the efficiency of the top administrators in his department. I remind the Minister that the chief commissioner, lately retired, came into office on 20th October, 1972, for a period to run until 3rd October, 1977. Let me draw attention to some of the recent reorganization in the commission. I refer first to the appointment on 16th July, 1973, of a director of personnel who came not from within the service but from Cottee's, a private firm. My information is that that gentleman was perhaps redundant in that firm at the stage he was appointed to the commission.

In October, 1974, a manager of training and development was appointed to the commission. Where did he come from? He was appointed, of course, by the administration and I am sure that the former Minister had a hand in his appointment. He came from the Canberra technical college. A manager of freight development was appointed in 1974. Where did he come from? He came from Woolworths Limited. Where did the purchasing manager, who was appointed on 23rd September, 1974, arrive from? He

came from Queensland Nickel Pty Limited. Where did the director of planning, who was appointed on 12th March, 1973, come from? He came from the CSIRO. Where did the marketing services manager, appointed on 8 October, 1973, come from? He came from Thomas Nationwide Transport.

Mr STEWART: What sort of salary is he on—\$6,000 a year?

Mr BANNON: I am coming to that. Where did the director of information, who was appointed in April, 1975, come from? Where did the director of finance, the most recent appointment, only a few days before the compulsory or voluntary resignation of the former chief commissioner, come from? He came from A. E. Goodwin Limited. What salary is he on? \$29,500 a year. These appointments have been made while the commission is in the mess that we have been hearing about from the Government. What was the advice that went round the department in relation to the appointment of the director of finance? "We are pleased to announce that we have a director of finance. We have found him after a search lasting a little over two years." In the meantime the place was collapsing around their ears.

The TEMPORARY CHAIRMAN (Mr DUNCAN): Order! I should like the honourable member to come back to clause 7. His remarks are more appropriate to the Public Transport Commission which is not involved in this clause. Unless he can tie his remarks to this clause, I shall have to ask him to resume his seat.

Mr BANNON: I intend to tie this in with a couple more examples to show where the decisions are coming from. I want the Minister to understand that these decisions are made in his head office, because these are the top policy decision-makers in the department. These decision-making officers are responsible to the Minister. In my opening remarks I said that I wanted to make a few suggestions that the Minister might care to look at when he is reviewing the efficiency of the department. I suggest that the Minister have a look at the top-heavy, lopsided administration that he has to put up with in the department he has taken over in the past couple of days.

The TEMPORARY CHAIRMAN: Order! To which department is the honourable member referring—the Public Transport Commission?

Mr BANNON: I am referring to the overriding responsibility of the Minister for Transport.

The TEMPORARY CHAIRMAN: Order! I am asking the honourable member to tie his remarks to this estimate. If he can do that, I shall allow him to continue.

Mr BANNON: The Minister has responsibilities in relation to every one of the matters I mentioned. I am referring to the appointments in the past couple of years involving salaries of between \$20,000 and \$30,000 a year. Members of this Parliament must be looking to ministerial responsibility, to ensure that these sums of \$20,000 and \$30,000 are being spent efficiently, effectively and in the interests of public transport in New South Wales. Matters I am mentioning are of interest to the people of New South Wales, who want to know whether they are getting efficient administration—which they are not getting at the present time. I have no doubt that the present Minister, with his economics ability, is most desirous of trying to implement an efficient administration in the public transport system of this State, and I am suggesting to him that, for a start, he looks at some of these things within his ministerial authority, to make sure that there is efficient administration in this State.

For instance, the Minister can look at who authorized and what value has come out of the expenditure of \$8 million on new uniforms for personnel in the transport services. He should inquire to see whether this has led to more efficient transport. In only the last few days the Minister publicly announced that he is not happy about the colour of the trains. The Public Transport Commission changed the colour to blue and white, which I am sure resulted in much of the paint that was used before the change being stored away somewhere. Of course, the blue and white has proved to be unsatisfactory, and the inefficiency and bungling on this particular issue is something that the Minister should examine. Also, he

should examine the expenditure on advertising the railways. I should have thought that there would be someone in the Department of Railways or in the Public Transport Commission who could efficiently prepare adequate advertising to encourage customers to use the system. The Minister might inquire to see what relationship or friendship there might be between the Government and any of the appointees from outside in the past couple of years. He might ask what relationship or friendship there might be between the Government and the people who have the contract for advertising the New South Wales railways.

I was prompted to rise when the honourable member for Campbelltown referred to experts in the department. I know that the Minister insists on the full use of expertise, and I am sure that he will direct that expertise to the best benefit of transport in this State. However, I suggest that he will be best served if he examines the results of the efforts of the people who have been appointed by the former commissioner to these highly qualified positions. He should ensure that they have been appointed to positions in which they can use the full range of their abilities. Further, he might examine the methods of examination and selection that have been used by the W. D. Scott organization for the appointments to the Public Transport Commission; indeed he might find out to whom they are related. He should examine the whole ambit, to see whether many of these appointments have been based on not ability but perhaps patronage. I am sure the Minister will do a great service to the State if he examines matters such as these in the early days of his administration.

Clause agreed to.

Clause 7

[Minister for Police and Minister for Services]

Mr JONES (Waratah) [9.46]: I wish to mention a number of matters relevant to this clause that affect my electorate, and I shall suggest some improvements that will benefit the people in the Newcastle area. About two years ago the Commissioner of Police decided to extend the metropolitan

police district to Doyalson, which was formerly in the north-eastern district, with headquarters at Newcastle. I made representations to the commissioner and suggested that, because the change resulted in a number of police being moved away from the Newcastle district, the safety of the Newcastle people was adversely affected. I suggested that the matter be reviewed in the interests of the safety of the people of Newcastle, where additional police were needed. Indeed, I suggested that the Newcastle district should be combined with the metropolitan district. A further suggestion that I have made is that a new inspectorate should be created with headquarters at Mayfield. I ask the Minister to examine this aspect as well as the problem I have mentioned in regard to the changing of district boundaries.

Another matter that concerns me is the action taken by Assistant Police Commissioner Stackpole, who came to Newcastle a couple of years ago, addressed a number of police who had been notified of their transfer, and suggested to them later that there was no need for them to approach their local members of Parliament. I believe that this action, taken by a police officer, was incorrect. Assistant Commissioner Stackpole's name has been mentioned as a potential commissioner of police, and when one takes into consideration that he is the brother-in-law of Sir Kenneth McCaw, the former Attorney-General, I am concerned that his close association with the Government might lead to his appointment as Commissioner of Police. If a man in his capacity acts as he did at Newcastle, by advising police officers that they will do no good by approaching their local members of Parliament, I think it would be a retrograde step for the Government to upgrade him to the position of Commissioner of Police in this State.

Mr FACE (Charlestown) [9.50]: I regard the part of the estimates relating to the expenditure on salaries, maintenance and working expenses and other services of the Police Department to be most important. At the outset I express the hope that the Minister for Police and Minister for Services, whom I hold in high esteem, will not think

that I am critical of him in the remarks that I make. He appears to consider that as I was a member of the Police Department I should not have the right to comment on matters affecting it. Honourable members on the **Opposition** side of the **Chamber** have a right to express views different from those of Government members. When I asked a question recently concerning members of the New South Wales police force the Minister inferred that I held them in low esteem. In view of my former position and the friendships that I made, that should not be suggested. Debate that brings forth different ideas must be considered constructive. The fact that certain procedures have been carried out over many years does not mean that they are correct. I am proud to have been a member of the New South Wales police force and I resent any innuendo to the contrary. I hope that those who believe that I hold the police force of New South Wales in very low esteem accept that they are mistaken in their view.

Extra expenditure is necessary to foster public relations in the Police Department. I do not suggest that the department is on the brink of collapsing through bad public relations but in a modern society in which members of the police force come under criticism, public relations must be maintained at the highest level. In recent times one has observed the results of police officers carrying out police duties within a few months of entering the service, which is contrary to the procedures of some years ago when they spent a considerable time working under the supervision of senior officers or performing station duties. Now it is easy to find police officers who, after a few months in the service, are on motor cycles patrolling the highways of this State in what is called clearway work. This is an area of training that has fallen down considerably. In other States eighteen months or two years elapse before a police officer is allowed to work on his own. Now young constables with only two months' service are dealing with the public. They cannot be blamed if they are left to go wild on the public. I consider that they learn a deal about compassion and tolerance by being under the supervision of senior

officers. In recent years their being permitted to carry out police duties in a **short** time after their entrance to the service has led to a **breakdown** in public relations.

Young constables have carried out highway patrol work after spending the bulk of their probationary period on clearways. They lack the general knowledge of police work which is so important in the early stages of their training. Good training is an indication of a good police force, or of any other organization. The standard of the intake is of considerable importance. Entrance standards for training courses have been most elementary. An adult constable applicant is allowed twenty spelling mistakes and a cadet some ten mistakes. In addition he has to do ten elementary sums. One could regard this as **only** the barest essentials of education. In a modern **technological** society something better than rudimentary or elementary educational qualifications should be looked for to equip future policemen for the complex tasks they will be called upon to **carry** out. In previous years initial training extended over six weeks with a further one week at the end of the intermediate training. I understand that in recent weeks there have been moves for a 10-week initial training period. Its implementation would be to the credit of the department and I wait hopefully to observe the effect of it in the years to come.

The complexity of the law has become more evident from the bills that pass through this House. Over recent years crime has become more sophisticated. Of prime importance to training courses of depth is a new academy. This has been a long-standing need, which becomes apparent when observation is made of the present training facilities and system in New South Wales. A new academy should be provided at an early date. The training establishment at Bourke Street is out-moded. It dates back to well before 1930. My father-in-law attended the establishment in the mid-1930's when it was called the depot. It has not changed a great deal since that time. The residential accommodation is no longer available. It is an essential part of a training establishment. Experience throughout the world has shown that residential accommodation assists trainees to be good policemen.

Mr Face]

Recently I had the pleasure of seeing training facilities in South Australia that I consider are needed in New South Wales. I saw a great complex in Adelaide which is called Fort Largs. I found it an eye-opener to observe the training system that has been established there, not only for adult training but for cadet training, which is the ideal system. This establishment and the new facilities in Tasmania are the best in Australia. The trainees live-in all the time and this makes a great deal of difference to the standard of those who come out of police academies. Part of the training is in survival and similar courses. The cadet training system in New South Wales, which was instituted many years ago, permits the students to leave the academy each night. It presents many problems. I cast no aspersions on the cadets but I cast reflections rather on the system which should be designed to make better policemen of its new recruits.

At the police academy in South Australia the cadets live in during their nine months' initial training. They then are trained for nine months at city stations before returning to the academy for a further nine months of training. After that they spend six months in the country. After a period of revision for three months they are sworn in as constables of the South Australian police force. The length of time spent in training is similar to the period in New South Wales but training is undertaken in entirely different conditions. Cadets in South Australia are at the academy for part of the time and are also put into police stations where they receive elementary training in police work which they will ultimately undertake in their duties as policemen. New South Wales police force cadets miss out on an ever-important section of training in that young cadets entering the police force straight from school have never had experience in industry or in other places. They do not know how to **deal** with members of the public.

Adult persons entering the force probably will have knocked about a bit and have worked in industry somewhere along the line and have learned to weigh up their fellow men. At the age of 16 the cadet goes to the academy and at age 19, on leaving, he is expected to be able to contend with any

problem that comes his way. Within a quarter of an hour of leaving Bourke Street I struck an accident. **As** a policeman, I had to assess whether there were multiple injuries occasioned and such matters. **Any** other policeman could encounter the same problem. The South Australian system is one in which cadets receive a rounded education in current affairs. They gain experience in the community during vacation periods. Cadets there are encouraged to participate in sporting activities. They live and share their experiences with their fellow cadets. The experiment proved worthwhile in South Australia. The State should look most urgently at the possibility of a new training centre, other than the one at Bourke Street where there is a hodge-podge of buildings that were never designed for the purpose for which they being used. Also, the training centre is situated in the heavy traffic area of Redfern.

Promotion of police in the New South Wales police force is a great **problem**. It all goes back to initial training. In recent times there has been a move away from the outmoded method of promotion by seniority. There is a need for a comparable alternative system. Salaries and wages are tied to a ranking system, which is a tiered system. There is a commissioner, assistant commissioners, superintendents, inspectors, sergeants, and constables. A ludicrous situation has arisen in New South Wales. To illustrate it, a person who is now an inspector of police, when he was a first-class sergeant was engaged in the scientific field in which he was expert. He reached the stage where, according to the present system, he was unable to be promoted in his own sphere.

Contrary to public opinion some policemen have considerable educational ability. Some officers undertake courses of education in their own time. The officer to whom I have referred, though he had a young family, underwent further education, gained his higher school certificate, received his Arts degree and became the recipient of a Churchill Scholarship to study overseas with the FBI. It could be said that he had considerable knowledge on the scientific side. There was no allowance for him to become

an inspector in scientific work. The same sort of thing has happened with other officers. It happened with a ballistics expert in the criminal investigation branch. He was acknowledged as a worldwide expert in his sphere. He was appointed to do the rounds marking the notebooks of constables stationed at city stations. I am not having a shot at the Police Department but at the system. People do not receive their just desserts. **Though** an officer **may** have studied a particular facet of his work, because of the tiered system of promotion he may be unable to continue working in that area, if he seeks promotion.

Mr WADDY: YOU think there should be promotion by **merit**?

Mr FACE: I shall come to that aspect. In the past few years in South Australia a system of promotion by tiers to sergeant has been in vogue. In other words, to that level there has been promotion by seniority. On reaching the position of sergeant third-class a system of promotion by merit replaces the seniority system. **A** man might **find** himself in a station at the back of Bourke where he will not come under scrutiny. He could be at a disadvantage. One good thing about the New South Wales police force is that unlike the United States of America where there are thousands of police forces from county to county, there is only one police force in New South Wales. I hope that that system is continued. By the time an officer reaches the rank of sergeant he would not be at a one man station. He would be at a big country or city station. He can be assessed there and can undergo additional courses of study. Some officers will probably never want to be more than a second-class or first-class sergeant. The system has worked well in South Australia. The officers sit for examinations in order to meet specific requirements.

The system I have proposed is better than that advocated by Assistant Commissioner **Newman** of promotion by merit with assessments of ability from the time a constable joins the force. Though there are 8 000 policemen in stations stretching from border to border in New South Wales, at a particular station the constable and the sergeant might not be compatible. A friend of mine

had that experience. He could not get on with his sergeant, nor could earlier or later occupants of the position. A merit system with a complementary seniority system will be good for the New South Wales police force.

Progress reported and leave granted to sit again tomorrow.

BILLS RETURNED

The following bill was returned from the Legislative Council without amendment:

Miscellaneous Acts (Administrative Changes) Amendment Bill

The following bill was returned from the Legislative Council with amendments:

Crown Lands and Other Acts (Amendment) Bill

JOINT COMMITTEE UPON DRUGS

MESSAGE

Mr SPEAKER: I have to report the following message from the Legislative Council:

Mr SPEAKER,

The Legislative Council, having taken into consideration the Legislative Assembly's Message of 9 October, 1975, concerning the Joint Committee of the Legislative Council and the Legislative Assembly upon Drugs, has, in this instance, suspended so much of its Standing Orders as would preclude agreement with the Legislative Assembly's Resolution contained therein. The Council concurs in the Resolution, subject to the proviso that the Committee shall meet as a Joint Committee at all times.

The Council requests that its concurrence on this occasion shall not be drawn into a precedent.

*Legislative Council Chamber,
Sydney, 15 October, 1975.*

HARRY BUDD,
President.

ADJOURNMENT

GEORGES RIVER

Mr WADDY (Kirribilli), Minister for Police and Minister for Services [10.12]: I move:

That this House do now adjourn.

Mr ROGAN (East Hills) [10.12]: The Georges River borders along more than half my electorate of East Hills and naturally the state of this great waterway has always been of paramount importance to me as the local member. The condition of the river is not only of great concern to myself but also to many other people. It has been estimated

that by the turn of the century between 1.5 million and 2 million people will reside within the Georges River basin.

The pending classification of the waters of Georges River is therefore of vital importance to the constituency of East Hills and all of those people who increasingly look forward to using the river again as a recreational resource. The Georges River is as rich to our way of life in that area as are mineral resources to the financial wealth of the nation. I turn now to an answer given by the Deputy Premier, Minister for Local Government and Minister for Tourism on a question placed on the *Question and Answers* paper by my colleague, the honourable member for Georges River. That question in part, was:

(1) Is the fundamental concept of the Clean Waters Act a system of classification of waters on the basis of existing and likely future uses and the formulation of desired water quality criteria in respect of each classification?

(4) What waters remain unclassified and why haven't they been classified as the Act prescribes?

The Minister, in his reply to those two parts of the honourable member's question, said:

(1) Yes. A fundamental concept of the Clean Waters Act is a system of classification of waters on the basis of existing and likely future uses and the formulation of desired water quality criteria for each classification. These criteria are prescribed in Regulation 8, Clean Waters Regulations, 1972.

The broad objectives of classification are to prescribe the degree of protection required for particular water uses so as to achieve purity of waters consistent with the demands of prospective users.

(4) The commission intends to progressively classify all the waters of the State. However, this may take several years to complete.

In addition to the Areas already classified, action is currently in progress to classify the Georges River, Parramatta River and Sydney Harbour.

That answer conforms with a press release by a Minister in another place in June last, who said:

The Parramatta, Georges and Lane Cove Rivers will be classified by the end of the year in an attempt to encourage the return of fish and wildlife to Sydney's waterways.

I wish to devote my speech during this adjournment debate to specifying the urgent need for the highest possible classification of the waters of Georges River. On previous occasions I have spoken in this House with respect to the urgent need for the Government to bring down pollution control measures. I was pleased to note in the Governor's Address to both Houses of Parliament on the occasion of the opening of the third session of the Forty-fourth State Parliament that the Government proposed to introduce legislation to control the operation of sandminers at Chipping Norton. Provided that that legislation contains sufficient controls it will be a positive step forward and will be applauded not only by environmentalists who have become increasingly concerned with the effects of sandmining upon the ecology and physical make-up of the river but also by the thousands of people who look to this river and its environs for recreational enjoyment. The Opposition awaits the measures incorporated in that legislation before expressing any further views as to the legislation's ability to control this problem.

Without going into a full technical explanation involved in the various classifications, basically waters throughout New South Wales may be classified in six categories—class S, specially protected waters; class P, protected waters; class C, controlled waters; class R, restricted waters; class O, ocean outfall waters; and class U, underground protected waters. The first two classifications, S and P, are related to water supplies in reservoirs and catchment areas. Classification O and classification U speak for themselves. Therefore, we are left with classification C and classification R as the categories under which the waters of Georges River are most likely to be classified.

I wish to make it clear from the outset that I as the State member—undoubtedly supported in this contention by other State members whose electorates border this great waterway—will expect nothing less than a class C classification for all of the Georges River. That classification is absolutely necessary for several reasons, the main one being the discharge into the river from the

Glenfield and Liverpool sewage treatment plants. Unless the river is class C, regulation 5c which refers to infectious wastes and regulation 4c which refers to wastes will preclude effective control of the discharge of effluents such as phosphates and nitrates which contribute to the algae and waterweed growth. Paragraph (f) (ii) of regulation 5c provides:

. . . in the case of waters likely to be used for bathing or recreational purposes the faecal coliform density in representative portions of the waters must not exceed 200 per 100 millilitres.

That is the accepted level for safe swimming and therefore that would be the level that we would seek. Classification R allows 1000 coliforms per 100 millilitres, which is five times the allowance under class C and is therefore not so unpolluted as water classified as class C. With regard to nutrients that go into the river, regulation 4c provides:

Wastes are not to be discharged unless the concentration of plant nutrients in the wastes is controlled so as to prevent excessive plant growth in, abnormal variation in dissolved oxygen or pH levels in, or degradation of the appearance of, the waters.

Under classification R there is no such specification. Therefore I seek particularly for the Georges River classification C. Paragraph (g) (ii) of regulation 6R provides:

Wastes are not to be discharged if the resulting concentration of the wastes in the waters give rise to or is likely to give rise to abnormal concentration of the wastes in plants or animals.

It is expected that eventually the Glenfield and Liverpool treatment plants will cater for a population of somewhere around 800 000. Consequently, the discharge into the river will be significant. The Metropolitan Water Sewerage and Drainage Board has said that the ultimate combined load on the Liverpool and Glenfield waste water treatment works could approach 800 000 and that consultants have not yet concluded that the immediate inclusion of nutrient removal processes will be required at either works. However, it has announced that provision has been made in the design of the works to allow the extra treatment units to be installed later should the need be

shown as the contributing population increases. This potential development and expansion is necessary because the nutrient discharged from the treatment plant into the river can have substantial affect upon the fishlife.

In 1972 there occurred in this river a catastrophe known as a fish kill, resulting in thousands of fish dying from lack of oxygen in the river, brought about by the algae growth suddenly dying. This phenomenon was preceded by nutrient entering the river. The dead fish floated to the top of the water in their thousands. The people of my electorate and electorates situated along the foreshores of the Georges River demand that with the operation of the Clean Waters Act the subsequent classification of this great waterway should be such that it may again be utilized to its fullest potential, which will include a clearance by the Health Commission for swimming to be permitted, hopefully in special swimming areas. I have no doubt that Bankstown council, together with other local government authorities in the area, will be only too delighted to re-erect community swimming enclosures. I know that the Georges River State Recreational Reserve trustees will be delighted to give approval for the erection of such swimming pools.

The classification of these waters will be a test of the true effectiveness of the Clean Waters Act and its associated regulations. I say, on behalf of my constituents, that anything less than classification C will not be tolerated. The operation of the Clean Waters Act and its regulations which come into effect at the end of this year must be

such that the Georges River may once again be used for swimming and recreation purposes and will revert to its former state, as it was prior to the advent of the serious pollution which has occurred over the past twenty years.

Mr WADDY (Kirribilli), Minister for Police and Minister for Services [10.21], in reply: We have listened to a long exposition of the problems of the Georges River by the honourable member for East Hills. He has included a great deal of technical detail in that exposition, which I could not hope to answer because it is not within my portfolio.

Mr SHEAHAN: Why didn't the Minister come in?

Mr WADDY: Why don't you be quiet? You are always twittering. There is someone here who has brought up a serious problem about which he wants something done. You add neither lustre nor intelligent comment, so be quiet for a while and let me talk to someone intelligent who has a problem and has brought it up in an intelligent way in the House in the interests of his constituents. Obviously he is trying to get a proper answer to a problem of which he has made a study. I shall certainly refer the matter to the Minister and ask him to have a look at it, and give the honourable member a reply if and when it is found necessary. I cannot answer the honourable member and I would not attempt to answer him because it would not be a proper answer.

Motion agreed to.

House adjourned at 10.23 p.m.

QUESTIONS UPON NOTICE

The following questions upon notice and answers were circulated in *Questions and Answers* this day.

MILK—ANTIBIOTIC TRACES

Mr MAHER asked the MINISTER FOR AGRICULTURE—

- (1) Have any investigations been conducted into the effects on milk-drinkers of antibiotics administered to cows?
- (2) Do present controls completely exclude the possibility that substances administered to cattle would be passed on to humans through milk?

Answer—

(1) Factual information on the effect of antibiotic residues on humans is scant. The opinion has been expressed that less than 10 per cent of the population of the U.S.A. was likely to be highly sensitive to penicillin. Reaction could occur in these individuals and range from very mild to serious reactions in individuals who were 'equisitely' sensitive. (Welch H. Amer. J. Public Health 1957, 47, 701.) According to numerous medical authorities penicillin is the antibiotic most likely to stimulate sensitivity reactions.

The Dairy Industry Authority of New South Wales has received no reports of reaction caused by antibiotics in milk and its predecessor, the Milk Board, had only one report, relating to a case in 1965.

(2) The possibility of any significant incidence of substances administered to cattle being passed on to humans through milk is negligible. This is due to the stringent standards prescribed for the purity of milk in the Pure Food Act and the continuous surveillance maintained by the Authority over milk quality. Extensive testing of milk for the presence of antibiotics or any other inhibitory substances is carried out by the Authority and its agents on individual dairy-men's supply, on consignments arriving at treatment plants and on pasteurised milk at various stages of distribution.

Dairymen are kept constantly aware of the minimum margin of time for withholding from supply milk produced following a cow's treatment and also of the unlikelihood that any breach of this requirement might go undetected. The latter aspect, plus the sure prospect of penalty upon detection, would provide a sufficient deterrent against risking breaches of the Authority's stringent precautionary requirements, even if a dairyman were inclined to take such risks. However, test results indicate that dairymen are adopting a most responsible attitude in this regard.

REVENUE FROM POKER MACHINES

Mr DURICK asked the MINISTER FOR REVENUE AND ASSISTANT TREASURER—

For each of the Gaming and Betting (Poker Machines) Taxation periods of 12 months ending on 31 May of the years 1972, 1973, 1974 and 1975, how many clubs had a net revenue from poker machines of—

- (a) less than \$30,000;
- (b) \$30,000–\$40,000;
- (c) \$40,000–\$50,000;
- (d) \$50,000–\$100,000;
- (e) \$100,000–\$200,000;
- (f) \$200,000–\$500,000;
- (g) \$500,000–\$750,000;
- (h) more than \$750,000

Answer—

The statistics for the classifications up to \$100,000 are kept in respect of a year ending 30th November and relate to the levels of revenue derived from poker machines less the amounts paid on account of the basic machine licence tax

and prizes and also less the amount allowed in respect of **maintenance/** depreciation. The statistics for classifications above \$100,000 are kept on the same basis except that they relate to a year ending 31st May.

Classification	Number of Clubs			
	1971-72	1972-73	1973-74	1974-75
(a) less than \$30,000	540	513	440	357
(b) \$ 30,001—\$ 40,000	147	153	147	137
(c) \$ 40,001—\$ 50,000	102	109	126	101
(d) \$ 50,001—\$100,000	267	281	299	334
(e) \$100,001—\$200,000	185	186	219	247
(f) \$200,001—\$500,000	157	175	193	217
(g) \$500,001—\$750,000	29	34	48	57
(h) More than \$750,000	29	34	53	77

CORRECTIVE SERVICES ADVISORY COUNCIL

Mr PETERSEN asked the MINISTER FOR POLICE **AND** MINISTER FOR **SERVICES**—

- (1) Who are the present members of the Corrective Services Advisory Council?
- (2) How often has the Council met in the past twelve months?
- (3) Which members attended these meetings and when did they attend?
- (4) On what topics has the Council deliberated in the past twelve months?
- (5) When will the Council's second report be available for perusal?

Answer—

- (1) Department of Corrective Services Advisory Council.

Chairman: The Hon. Mr Justice R. M. Hope, Supreme Court

Members: Mr H. **Berman**, Stipendiary Magistrate, Central Court of Petty Sessions

Assoc. Professor **J. E. Cawte**, M.D., B.S., D.P.M., **Ph.D.**, School of Psychiatry, Prince Henry Hospital

Mr **S. C. Derwent**, **B.Ec.** (Syd.), Director of the Institute of Administration, University of New South Wales

The Rt Rev. **F. O. Hulme-Moir**, **Th.L.**, E.D., Bishop Coadjutor of Sydney (retired)

Professor **L. J. Kramer**, B.A., **D.Phil.**, Professor of Australian Literature, University of Sydney

Professor **S. H. Lovibond**, B.A., M.A., **Ph.D.**, School of Applied Psychology, University of New South Wales

The Very Rev. Monsignor **J. F. McCosker**, P.P., P.C., O.B.E., Representing the Roman Catholic Archbishop of Sydney

Mr **E. J. Nicholls**, Former General Secretary, Public Service Association of N.S.W.

Professor **K. O. Shatwell**, M.A., B.C.L., Dean of the Faculty of Law, University of Sydney (retired)

(2) Eleven occasions

(3), (4) and (5) The information sought in these parts of the question is privy to the Advisory Council and myself. The Council's function is to **furnish** the Minister with expert advice on matters of policy within the Department of Corrective Services.

CLEAN WATERS ACT

Mr F. J. WALKER asked the DEPUTY PREMIER, MINISTER FOR LOCAL GOVERNMENT AND MINISTER FOR **TOURISM**—

(1) Is the fundamental concept of the Clean Waters Act a system of classification of waters on the basis of existing and likely future uses and the formulation of desired water quality criteria in respect of each classification?

(2) Does the Act require classification of New South Wales waters by 19741

(3) Have any New South Wales waters been classified? If so, will he name the waterway and specify its **classification(s)**?

(4) What waters remain unclassified and why haven't they been classified as the Act prescribes?

Answer—

My colleague, the Hon. Sir John Fuller, M.L.C., Minister for Planning and Environment and Vice-President of the Executive Council, has submitted the following information to me, obtained from the State Pollution Control Commission: —

(1) Yes. A fundamental concept of the Clean Waters Act is a system of classification of waters on the basis of existing and likely future uses and the formulation of desired water quality criteria for each classification. These criteria are prescribed in Regulation 8, Clean Waters Regulations, 1972.

The broad objectives of classification are to prescribe the degree of protection required for particular water uses so as to achieve purity of waters consistent with the demands of prospective users.

An interesting feature of the Act is that pollution control does not necessarily depend on classification of waters, although classification is considered a very useful framework for formulating pollution control programmes. Classification enables statutory objectives to be set and makes public the Commission's intentions about the protection of particular waters.

(2) No. **The** Act does not require waters to be classified at all; it provides the machinery for classifying waters.

(3) Yes. The areas classified under the Act to date, are set out below:—

<i>Area</i>	<i>Classification</i>
Tomago Sandbeds (near Stockton).	Class U ; Underground Waters
Nelson Bay Water Supply Catchment Area	Class U; Underground Waters
The Williams River Catchment Area, the Campvale Canal.	Class P; Protected Waters.
The Grahamstown Storage Reservoir.	Class S; Specially Protected Waters.
Chichester Catchment Area.	Class P; Protected Waters.
Chichester Reservoir.	Class S; Specially Protected Waters.
Cooks River Drainage Basin.	Class R; Restricted Waters.

The classification of the Beardy Waters, Glen Innes (the source of water supply for the town of Glen Innes), was subject to an appeal which is provided for under the Act. The appeal was heard by the Clean Waters Appeals Board, constituted under the Act, which determined that the proposed classification be confirmed. Formal classification of these waters will be published in the Government Gazette shortly.

(4) The Commission intends to progressively classify all the waters of the State. However, this may take several years to complete.

In addition to the Areas already classified, action is currently in progress to classify the Georges River, Parramatta River and Sydney Harbour, the water storages under the control of the Sydney Metropolitan Water, Sewerage and Drainage Board, the Murray River and the Murrumbidgee River.

Meanwhile, the Commission's programme of water pollution control and abatement is proceeding at an accelerated rate.

Hundreds of waste water discharges which existed before the introduction of the Clean Waters Act, have now been eliminated from the natural waters of the State.

There is already evidence of a trend towards regeneration of some of the most polluted waterways of the State, including the Parramatta River and Alexandra Canal, and continued improvement can be confidently expected.

RELIGIOUS SERVICE, SILVERWATER GAOL

Mr PETERSEN asked the MINISTER FOR POLICE AND MINISTER FOR SERVICES—

- (1) Was a religious service arranged at Silverwater Gaol for Sunday, 27 July, 1975, at 5 p.m. to be attended by prisoners and their families?
- (2) What was the purpose of this religious service?
- (3) Was this service cancelled and, if so, for what reason?

Answer—

- (1) No arrangements had been made for such a service.
- (2) and (3) Not applicable.

STOCK STEALING—PENALTIES

Mr PETERSEN asked the ATTORNEY-GENERAL AND MINISTER OF JUSTICE—

- (1) Was the maximum penalty for stock stealing increased from ten years to fourteen years in 1974 because of the huge increases in the value of beasts?
- (2) In view of the recent massive decline in stock prices will the Government give consideration to the reduction of penalties?

Answer—

- (1) No, although this was one of the considerations.
- (2) Refer to the answer to (1).

APPOINTMENT OF JUSTICES OF THE PEACE

Mr SHEAHAN asked the ATTORNEY-GENERAL AND MINISTER OF JUSTICE—

Why is a citizen of the United Kingdom or the Republic of Ireland, who is now permanently resident in Australia but has not become an Australian citizen, precluded from appointment as a Justice of the Peace?

Answer—

To be eligible for appointment as a Justice of the Peace the applicant must be (inter alia) an Australian citizen by birth, descent or naturalisation or a person having the status of a British subject within the meaning of the Australian Citizenship Act 1948–1973.

In the case of an Australian citizen by descent or by naturalisation or a person having the status of a British subject, a certificate from the Immigration Department to this effect, or some other documentary evidence, such as passport or official travel documents, must be furnished by the applicant.

The Australian Citizenship Act 1948–1973 deals separately with Irish citizens and sets out the conditions upon which such a person has the status of a British subject.

The Act also deals with aliens and these fall into the group of persons who owe no allegiance to the British Crown. They could not be appointed as Justices of the Peace and then take an oath of allegiance to the Sovereign without renouncing all other allegiance.

The only way in which aliens may properly renounce their foreign allegiance is by seeking to become an Australian citizen and taking the oath of allegiance as an Australian citizen.

It is acknowledged that the present application form in use is not specific in this regard and a new form is presently being printed and will be available in the near future.

It might also be mentioned that no person having the status of a British subject has been refused appointment as a Justice of the Peace solely on the ground that he is not an Australian citizen.

FUEL EMERGENCY COMMITTEE

Mr SHEAHAN asked the MINISTER FOR MINES AND MINISTER FOR ENERGY—

- (1) Who are the members of the Fuel Emergency Committee?
- (2) What basis is used for determining who should be appointed to the Committee?

Answer—

(1) *Chairman:*

Mr G. M. Maxwell — Under Secretary, Department of Mines.

Members:

Mr J. Fitzgerald — Department of Labour and Industry.

Mr D. Kay — Ministry of Transport and Highways.

Mr B. Jones — Department of Decentralisation and Development.

Mr D. Boddam-Whetham — Department of Mines.

- (2) The Fuel Emergency Committee was established in 1972 at the request of a Cabinet Sub-Committee.

The purpose of its establishment was to act as a liaison body between the Government and the oil industry and keep the Cabinet Sub-Committee advised of the day-to-day position in respect of the availability of oil supplies in times of industrial unrest. It has no statutory or regulatory authority.

Its members are drawn from senior officers of those Government Departments most closely involved with the implications of fuel shortages. An industry representative attends meetings of the committee to ensure that it is apprised of all the facts and details in regard to fuel supplies and possible developments.

KINDERGARTEN, FIVE DOCK PUBLIC SCHOOL

Mr MAHER asked the MINISTER FOR EDUCATION—

- (1) Is it proposed to charge fees at the kindergarten to be erected within the grounds of Five Dock Public School?
- (2) If so, what fees will be charged per annum?

Answer—

- (1) It is not proposed to charge fees for the pre-school class to be established in the Five Dock Public School.

- (2) Tuition fees are not charged in any State pre-school centres.

CONSTRUCTION OF KINDERGARTEN, FIVE DOCK PUBLIC SCHOOL

Mr MAHER asked the MINISTER FOR EDUCATION—

- (1) Has a contract been let for construction of the pre-school kindergarten to be erected within the grounds of Five Dock Public School, adjacent to Lancelot Street, Five Dock.
- (2) If so—
 - (a) what is the name of the contractor,
 - (b) what is the contract price,
 - (c) when is the project to be completed?
- (3) Will the kindergarten building provide indoor accommodation for one or more playgroups?
- (4) What is the expected enrolment of the kindergarten?
- (5) **When** is it expected that the kindergarten will commence enrolling infants?
- (6) Will the kindergarten offer full day or half day sessions for pre-school children or both?

Answer—

(1) The contract has not yet been let for the construction of the pre-school kindergarten proposed for Five Dock Public School.

(2)—

- (a) N/A
- (b) N/A
- (c) It is expected that the project **will** be completed in the second half of **1976**.

(3) If by "playgroups" the Honourable Member means the "pre-school groups" for whom the programme is being planned, the answer to his question is "The building will provide indoor accommodation for one group of 25 children in the morning, another group of 25 children in the afternoon."

If, on the other hand, he means "playgroups" run by parents independently and in addition to the pre-school class, then the answer is "No. The building will not provide indoor accommodation for any playgroup in addition to the pre-school class".

(4) Expected enrolment is 50—25 in the morning, 25 in the afternoon. In addition, provision will be made for emergency or occasional care in the absence of regular attenders.

(5) It is expected that **enrolments** will begin as soon as the building **is** completed and staff is appointed. The date is unknown.

(6) It is planned to offer half-day sessions in order to **afford** the greatest number of children the benefits of pre-school education.