

Legislative Assembly

Wednesday, 20 October, 1976

Electoral District of The Hills (Election of New Member)—Petitions—Questions without Notice—Land Sales by Dabemu Pty Limited (Urgency)—Prices Regulation (Bread) Amendment Bill (Int.)—Appropriation Bill (second reading)—Assent to Bills—Bills Returned—Adjournment (City Council Accommodation at Newtown)—Questions upon Notice.

Mr Speaker (The Hon. Lawrence Borthwick Kelly) took the chair at 2.15 p.m.

Mr Speaker offered the Prayer.

ELECTORAL DISTRICT OF THE HILLS

Issue and Return of Writ: Election of Frederick Douglas Claude Caterson.

Mr Speaker informed the House that, upon the passing of the resolution of 25th May, 1976, declaring vacant the seat of Maxwell Stanley Ruddock, M.Ec., resigned, he had issued a writ on 6th September, 1976, for the election of a member to serve in the Legislative Assembly for the electoral district of The Hills in the room of the said Maxwell Stanley Ruddock, M.Ec., and that such writ had been duly returned with a certificate endorsed thereon by the Returning Officer of the election of Frederick Douglas Claude Caterson, to serve as such member.

Member Sworn

Mr Caterson took and subscribed the oath of allegiance and signed the roll.

PETITIONS

The Clerk announced that the following petitions had been lodged for presentation and that copies would be referred to the appropriate Ministers:

Sunday Hotel Trading

The Petition of the undersigned Electors in the State of New South Wales respectfully sheweth:

- (1) A referendum on Sunday Trading in hotels was held in New South Wales in the year 1969 which showed an overwhelming majority voting against Sunday Trading in hotels.
- (2) It is considered by the undersigned that any changes in the law allowing extension of Sunday Trading in liquor in hotels or in any shop selling liquor will increase the acknowledged evils associated

with the consumption of liquor including particularly danger in road travel and in crime, and in damage done to domestic life of wife, husband and children in many cases.

Your Petitioners therefore humbly pray that your Honourable House:

- (1) Will not pass any legislation which will allow any extension of Sunday Trading in liquor in hotels or in any other place where the sale of liquor is permitted.
- (2) If nevertheless it is intended to submit legislation to the House this should not be done until a further Referendum is held to ascertain the wishes of the people as was previously held and which as stated showed an overwhelming majority against such legislation.

And your Petitioners, as in duty bound, will ever pray.

Petition, lodged by Mr Cox, received.

Gambling Casinos

The Petition of the undersigned Electors in the State of New South Wales respectfully sheweth:

- (1) There are at present sufficient legal gambling outlets in the State of New South Wales.
- (2) During the last recently recorded period of a year the amount spent or invested in gambling exceeded the sum of \$4,000 million.
- (3) The opening of Casinos will enlarge this expenditure and will create further inroads upon the amount available to families for the conduct of their domestic life and will thus cause hardship to parents and children in the home and will also, as experience has shown, be an incentive to crimes of stealing, embezzlement and fraud in order to make up for moneys that have been lost through gambling or which are intended for gambling.

Your Petitioners therefore humbly pray that your Honourable House will not legislate to legalize casinos in New South Wales.

And your Petitioners, as in duty bound, will ever pray.

Petitions, lodged by Mr Cox and Mr Schipp, received.

Gambling Casinos

The Petition of certain citizens of New South Wales respectfully sheweth: The undersigned, are greatly concerned over the present New South Wales Government's apparent decision to legalize gambling casinos despite the wishes of the electors.

Admittedly there will be an inquiry of which the terms of reference are so narrow it seems the recommendation can only be a single "yes" or "no". In other words it is a foregone conclusion that the legislation will be effected.

If the government was responsible and honest then the terms of reference for the inquiry would at least be widened to include an investigation of:

- (1) The social consequences of the legalizing of casinos both in Tasmania and overseas.

- (2) The numbers and types of people who frequent casinos both here and abroad.
- (3) The men, equipment, time and other facilities the New South Wales police would require to enforce the existing legislation which outlaws casinos.
- (4) The overall general incidence of gambling in our society at present and its social consequences.

The ambit of the inquiry could be increased a lot further but the above four references alone would enable the inquiry to deliver comparisons of various "before and after" situations of which the community is entitled to have knowledge and which the government needs to be able to honestly reflect upon the matter.

Your Petitioners therefore humbly pray that your Honourable House will, before any decision is made to introduce legislation into Parliament in this matter, carry out the following items:

- (1) The inquiry be given the widest possible terms of reference as suggested.
- (2) Full publicity be given of the inquiry's hearings and recommendations and
- (3) Should the government, after receiving the inquiry's findings still wish to legalize casinos, then a referendum of electors be held at which 75% of the electors will be required to be in favour of legislation before casinos can be legalized by our Parliament.

And your Petitioners, as in duty bound, will ever pray.

Petition, lodged by Mr Leitch, received.

Motor Vehicle Registration Concessions for Country Pensioners

The petition of citizens of New South Wales respectfully sheweth that pensioners in the Electorate of South Coast and in many other country districts do not have adequate access to public transport.

Your Petitioners therefore humbly pray that your Honourable House will grant pensioners in country areas concessions on motor vehicle registration fees.

And your Petitioners, as in duty bound, will ever pray.

Petition, lodged by Mr Hatton, received.

QUESTIONS WITHOUT NOTICE

PSYCHIATRIC CENTRES

Sir ERIC WILLIS: I ask the Minister for Health whether his attention has been invited to a reported statement by the Attorney-General that several thousand involuntary patients are in New South Wales psychiatric institutions. In that statement did the Attorney-General reputedly say that New South Wales mental institutions are nothing but a duplicate prison system? Is the Minister aware of any irregularities in admission procedures at psychiatric institutions? If he is, what action does he plan

to take to overcome them? If he is not aware of any irregularities, will he confer with the Attorney-General so that this very disturbing report can be thoroughly resolved?

Mr STEWART: My attention was invited to a statement allegedly made by the Attorney-General. Of course, I have no basis for presuming that the statement was actually made, because it was a newspaper article to which my attention was invited. That newspaper article claimed that about 4 000 people are in New South Wales psychiatric hospitals against their will. Naturally, most people in psychiatric institutions are there against their will, but they are not there illegally. They are there because the legal processes of the Mental Health Act have been complied with, and they are there for their own protection or for the protection of society.

I assure the House that nothing untoward has happened or is happening in New South Wales psychiatric hospitals. For eleven years the honourable members who now sit in Opposition were in charge of the psychiatric institutions of New South Wales and the majority of the patients were incarcerated under a law administered by them. However, the Attorney-General was speaking about civil liberties and the need for all of us to be ever alert in respect of people who lose their freedom. Although they lose it in accordance with the law of New South Wales, there is an ever-growing demand for society to ensure that no injustice occurs.

My predecessor, the honourable member for Davidson, was so concerned about patient care in psychiatric hospitals that in April this year he established a ministerial review committee to examine the institutions and to investigate the standard of patient care in them. He appointed Mr J. Letts, a retired stipendiary magistrate, with other members, to constitute a committee to review the institutions and to investigate the conditions applying in them. When I became the Minister for Health I confirmed the appointment of that ministerial committee, which was just about to commence its deliberations. However, I added to the committee a representative of the Health and Research Employees Association and a representative of the Nurses Association of New South Wales who has received psychiatric training. That committee has been investigating the system in psychiatric hospitals in New South Wales.

In addition, in accordance with the provisions of the Mental Health Act official visitors are appointed to each of the psychiatric institutions. They attend the hospitals each month and make themselves available to any of the patients who wish to interview them, and monthly reports are presented to me as Minister for Health. The previous Government, probably in the time when the honourable member for Davidson was Minister for Health, appointed a working party to look into the operations of the Act. When the Act was introduced by a Labor Government in about 1958 by the Minister for Health at that time, the late Billy Sheahan, it was regarded as the foremost piece of mental health legislation in the world. However, that was eighteen years ago, and naturally many advances have been made in the field since then. I hope that when I have the report of that committee I shall be able to recommend amendments to the Mental Health Act in order that the most modern type of treatment can be made available and up-to-date processes implemented.

In the meantime, I remind honourable members that the patients in psychiatric institutions in New South Wales are there because they are unable to cope with society, and perhaps they wish to be there, or the State might have found it necessary to incarcerate them owing to their inability to live in the community. The Government has endeavoured, as did the former Government, to return as many psychiatric patients as possible to the community. However, some of those people have outlived their families, and some of them have been rejected by their families and by the community.

If it were not for the fact that we have such institutions in New South Wales, these people would be destitute and homeless. I assure the House that psychiatric institutions in New South Wales provide a standard of health care of which the people of this State can be proud.

JOHNSTON'S BRIDGE, TOONGABBIE

Mr QUINN: I ask the Minister for Transport and Minister for Highways a question without notice. Is it a fact that Johnston's Bridge, on Old Windsor Road, Toongabbie, is subject to frequent flooding in times of heavy rain? Has the bridge a bad accident record and have there been several fatal accidents at that location in the past few years. Will the Minister inform the House whether the road is adequately signposted to indicate the danger of flooding? Will the Minister say whether the Department of Main Roads has any intention in the near future of taking over Old Windsor Road and up-grading it to a country road as proposed in the planning scheme?

Mr COX: The matters raised by the honourable member for Wentworthville in his question are substantially correct. For the information of the honourable gentleman and the House I can say that on Saturday and Sunday, 16th and 17th October, floods swept away three cars on a bridge spanning Toongabbie Creek. One person died as a result of the accident. The bridge is on Old Windsor Road and is called Johnston's Bridge. The bridge and the road are under the care and control of the Parramatta city council. What are known as flat flood signs are provided. These were installed by the council with the co-operation, advice, and concurrence of the police. The signs are locked down when not in use, keys being held by the council and the police, and when floods occur the signs are unlocked and raised and a flashing light placed on them. The council considers the signposting is all that can be done in present circumstances owing to the nature of the terrain and other factors. The position can be improved only by the provision of a new bridge. When the cost of a new bridge, road approaches, and the extensive drainage problems are taken into account, it is seen that many millions of dollars would be involved in carrying out the work. Police records show that the flood signs were in the up position, with a flashing light on them at 10.50 p.m. on Saturday, 16th October. As far as can be ascertained, the accident that resulted in a death occurred at 12.50 a.m. on 17th October.

With regard to the honourable member's request that this road be proclaimed a county road, it is proposed that at some time in the future that designation will be approved. I shall have discussions with the Department of Main Roads and give the honourable member a more definite time as to when this road might be proclaimed a county road.

MOREE HIGH SCHOOL

Mr MURRAY: My question without notice is directed to the Minister for Education. Is it true that in recent weeks disturbances have occurred at Moree High School with children wilfully defying teachers and refusing attendance at classes? Is it a fact that teachers and students have been physically assaulted and the whole education programme at the school disrupted? Has the department received requests from a large number of teachers and pupils for transfer from Moree High School? If these are facts, will the Minister take the necessary action immediately to ensure that discipline is restored, that teachers and pupils are protected both physically and legally, and that the school returns to normal?

Mr BEDFORD: I should like to inform the honourable member for Barwon and the House that some years ago during an election campaign I visited Moree High School and was impressed with the tone and performance of the school at that time. The impression I got was that the tone of that school was in line with the normal tone one finds overwhelmingly in high schools throughout the State. The matters now raised by the honourable member have been drawn to my attention, though reports received by the department do not indicate that conditions have been perhaps quite as bad as the honourable member has intimated. Of course, I do not suggest that his information is incorrect but I am referring to information I have received from the department. I assure the House and the honourable member that careful monitoring of the situation is being carried out. The situation at Moree High School is social rather than educational. It is a pity that the matter has been aired at this stage. I assure the honourable member that only this morning the district inspector of schools has been in close contact with staff, pupils and parents in that area and I have been informed that it is the opinion of officers within the department that the situation is now under control.

TELEPHONE BUGGING DEVICES

Mr CLEARY: I direct a question without notice to the Attorney-General. Has the attention of the Minister been invited to comments made regularly over a Sydney radio station about telephone bugging devices? Have these radio reports revealed how cheap and easy it is for people to get and use bugging equipment? Is the Attorney-General aware of the grave disquiet in the community with regard to both the legal and illegal use of listening devices and equipment to tape telephone conversations? What changes might be made to the law to control more stringently the sale of bugging equipment and its use whether by private business, spies or the police?

Mr F. J. WALKER: I have listened with considerable interest and some concern to the reports to which the honourable member has referred. These comments have been made over radio station 2UE and indicate a commendable interest by radio journalism in the law. One report said that for a mere \$6 a person can buy a device to connect up to a telephone and, in addition, by plugging it into a tape recorder, record telephone conversations with great clarity. Under the law in New South Wales one of the parties to a telephone conversation may well be permitted to record the conversation without the knowledge or consent of the other party, though the federal laws forbid such behaviour.

I know that FM radio transmitters are being sold in Sydney for as little as \$30 and that it is easy to modify them and use them to bug conversations, telephone and otherwise. The reports that I have heard claim that the conversations of many people in the community are being bugged for reasons other than matters of security. Many people allege that in some cases before the courts police have been shown to have resorted to bugging rather than to the use of search warrants to obtain evidence. Claims have also been made that there was inconsistency between the State and federal laws, although I might point out that where there is any inconsistency, presumably the federal law would prevail so far as telephone tapping is concerned. The reports went on to say that the federal laws were inadequate to control the sale of bugging equipment and that evidence obtained by means of telephone taps was now being accepted by the courts more than previously.

I am aware of the community concern about this matter. I am having investigations carried out to ascertain whether there is any real substance in the allegations

contained in these reports or whether they relate to isolated instances. I have asked my officers to give serious consideration to what this State can do to improve controls, first on the sale of listening devices and second, on their use.

MOUNT RIVERVIEW PUBLIC SCHOOL

Mr ROFE: My question without notice is directed to the Minister for Education. Does the Minister know whether it is still the intention of his department to acquire eight blocks of land adjacent to Mount Riverview public school? If so, will he give me an indication of how much longer the school—not to mention the children—will have to wait before the **much-needed** land is acquired?

Mr BEDFORD: It is still the intention of my department to acquire the blocks of land to which the honourable member for Nepean referred, which are adjacent to Mount Riverview public school. The land proposed to be acquired consists of lots Nos **34** to 40 inclusive in Blackbutt Circle, Mount Riverview. Ministerial approval was given on 16th April, 1975, for the acquisition of these lots to extend the school site and the Valuer-General was requested to commence negotiations on behalf of my department. However, action was deferred in view of the financial restrictions prevailing at that time. On 14th April, 1976, approval was given for the matter to proceed as a special case and the Valuer-General was requested to recommence negotiations.

Advice was received from the Valuer-General on 14th July, 1976, that negotiations were deemed to have failed as neither party was able to agree to a satisfactory figure. In view of this, the director of education, metropolitan west region, was requested to review the matter and to justify the need for acquisition. The regional director has indicated to me in the strongest terms the need to acquire this land. In consequence, I have instructed the Valuer-General to negotiate the matter further. I should like to mention that there is always a problem with site extensions. In the case of **the** Mount Riverview public school we are fortunate in that the blocks have not **yet been** built upon and there are no significant improvements for which the department will have to pay. Nevertheless, it will be faced with extra expense by virtue of **the** fact that the area has been subdivided. I should hope that the cost will be nowhere near that paid for the Liverpool golf links site when Sir Charles Cutler was Minister for Education.

LAND SALES BY DABEMU PTY LIMITED

Urgency

Mr DURICK (Lakemba) [2.39]: 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 Attorney-General should immediately investigate land sales activities in the Mudgee and Gulgong Districts of New South Wales of Dabemu Pty Limited, since acquired by Boyle Properties Pty Limited.

This matter is urgent because in July, 1975, a Mr Choueri, then living at 26 Defoe Street, Punchbowl, came to me and explained the difficulty he was having in completing the purchase of certain land near Gulgong from the vendors, Dabemu Pty Limited. Subsequently I wrote to the then Minister of Justice, the honourable member for

Ku-ring-gai, who had the matter investigated and subsequently replied to me by letter dated 6th October. Up to this time there has been no completion of the contract. Last week I learnt of twenty-four more cases involving the same firm of Dabemu Pty Limited, with allegations of misrepresentation and possible fraud.

Mr Healey: On a point of order. On a number of occasions recently when honourable members have been speaking to a motion of urgency you, Mr Speaker, have clearly and concisely ruled that the honourable member should speak to urgency and tell the House why it should forgo the business on the business paper in order to discuss the matter brought forward as urgent. The honourable member for Lakemba is talking about something that was brought to him back in **1975**.

Mr Durick: The honourable member did not listen to the last sentence.

Mr Healey: I did listen. These matters have been known generally in the community for some time. The dogs have been barking about land sales at Mudgee though I have not had a case to deal with myself. The fact of the matter is that the honourable member for Lakemba is dealing with something that was brought to his attention back in **1975**. In arguing the case for urgency the first premise upon which the honourable member puts his case relates to something somebody brought to him back in **1975**. If his first premise is no better than that, anything that follows subsequently cannot be nearly as urgent.

Mr SPEAKER: It is a little premature, following the brief remarks made by the honourable member for Lakemba, for me to say that he is not speaking to urgency. I am willing to listen further to the honourable member.

Mr DURICK: In all twenty-four cases that were referred to me last week, transfer of land title has not been effected. Some of the people have lost their life savings. I submit that the matter is urgent.

Mr F. J. WALKER (Georges River), Attorney-General [2.43]: This is a matter that involves a series of companies, some of the persons involved in which have criminal records. One was a notorious criminal who died in most unfortunate circumstances in recent times. The matter was investigated by the fraud squad. It is a matter of considerable complexity involving expertise in the field of corporate law and the expertise that the inspectors of the Corporate Affairs Commission undoubtedly have. For that reason it is a matter that deserves the consideration of the House and urgency is granted.

Motion of urgency agreed to.

Suspension of Standing Orders

Mr DURICK (Lakemba) [2.44]: I move:

That so much of the standing orders be suspended as would preclude consideration forthwith of the following motion, viz.:

That in the opinion of this House the Attorney-General should immediately investigate land sales activities in the **Mudgee** and **Gulgong** Districts of New South Wales of **Dabemu** Pty Limited, since acquired by **Boyle Properties Pty Limited**.

Sir ERIC WILLIS (Earlwood), Leader of the Opposition [2.45]: I do not intend to oppose the motion for suspension of standing orders, as I know nothing about the substantive motion, and I do not think many honourable members would know anything about it. I simply take the opportunity now, as there was no opportunity for me to do so on the preceding motion, to intimate that this appears to be

the kind of matter that is more normally raised on the adjournment of the House. Had the honourable member for Lakemba raised the matter at that time he could have brought it to the notice of the relevant Minister who could have given a reply without in any way eating into the most precious time allowed honourable members to ask questions during question time. I merely mention this to demonstrate the mockery the Government is making of Parliament.

A number of honourable members are seeking to ask questions of Ministers. A most inefficient administration is the subject of investigation or questioning by honourable members. Opposition members wish to raise many matters in the House. Instead of the honourable member for Lakemba raising the matter on the normal adjournment of the House or debating it under Standing Order 49, he has sought to raise it during question time, obviously by pre-arrangement with the Leader of the House. As a result question time is being taken up by the matter. I am raising the point only to illustrate once again how the Wran Government is showing its contempt for the institution of Parliament and how it is riding roughshod over the rights of honourable members.

Mr HILLS (Phillip), Minister for Industrial Relations, Minister for Mines and Minister for Energy [2.47]: The Leader of the Opposition has objected to the Government's indicating its willingness to suspend certain standing orders to allow debate to take place. When a similar thing happened yesterday the Government agreed, following a motion by a member of the Opposition, to the suspension of standing orders to permit a matter of urgency to be brought before the House. Further, the Government agreed to allow the debate to proceed after the dinner adjournment. Because the motion was moved by an Opposition member, the Leader of the Opposition did not object. I find it most extraordinary that the Leader of the Opposition objects on the ground that there would be some interruption of question time. Yesterday all Opposition members were kept in their place to allow one of their colleagues who moved the motion to have an opportunity to get the call. I have never heard anything so ludicrous submitted to the Parliament by a Leader of the Opposition. It is no wonder the Leader of the Opposition now occupies that position; he could have been Premier had he wished, but he chose to call an early election.

Mr MADDISON (Ku-ring-gai), Deputy Leader of the Opposition [2.48]: The device being used by the Government is clearly to deny the Opposition the right to contribute further to the debate on the Appropriation Bill, the second reading of which is subject to a guillotine notice which expires at 5.45 p.m. today. Yesterday when urgency was granted by the Government, the motion by an Opposition member was moved about five or ten minutes before the end of question time so that the rights and privileges of members at question time were not denied, or were denied only to a marginal extent. However, the motion now before the House was moved less than half an hour after question time commenced. The honourable member for Lakemba has raised, virtually by way of a spurious technique, a matter that could have been dealt with normally on the adjournment of the House, when the rights and privileges of members would not have been affected.

Mr F. J. WALKER (Georges River), Attorney-General [2.49]: I should like to inform the House that the life savings of about 400 people are involved in the matter contained in the motion. A large section of the Lebanese community is included in that number and to them this is an important matter, which is most complex and not of the type that one could deal with on the adjournment of the House. A number of companies are involved and many facts need to be put before the House. It would be physically impossible for the honourable member for Lakemba to put all the details before the House in the short period allowed in the adjournment debate.

It is not a matter appropriate to a debate on the adjournment under Standing Order 49. In my opinion the present procedure is about the only way that the honourable member can bring the matter urgently before the House.

I want to talk for a moment about the hypocrisy of the Leader of the Opposition when he complains about a member on the Government side moving urgency. This is the first occasion in this session when a Government member has moved urgency, though many motions of urgency have been moved by the Opposition. So far as wasting question time is concerned, it was the Leader of the Opposition who moved the first urgency motion during question time in this session. Urgency motions have been moved by Opposition members on casinos, industrial unrest and even on the tabling of regulations—a matter that the Opposition apparently considered to be of monumental importance—because the Minister for Transport and Minister for Highways was a week or two out of time in tabling a regulation. In the opinion of the Opposition, that was a matter of such importance as to thrust aside the budget debate and waste question time and the time of the House. What hypocrisy. How ridiculous. It was revealed in that debate that the former Government had not tabled a regulation that should have been tabled in 1974. The Leader of the Opposition has tongue in cheek when he tries to prevent the honourable member for Lakemba from standing up for his constituents, who are likely to lose their money, and asking me to hold an investigation that might save their life savings.

[Interruption]

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

Mr F. J. WALKER: Yesterday the Opposition moved urgency in connection with physically handicapped children. The Government granted it because it was a matter of great importance and members on this side of the House were interested in the welfare of those children. It was a debate that deserved to be held. I put it to the House that the life savings of about 400 innocent people whose money may have been lost because of the actions of possibly disreputable people is a matter of sufficient importance to be discussed by the House today.

Motion for suspension of standing orders agreed to.

Motion

Mr DURICK (Lakemba) [2.53]: I move:

That in the opinion of this House the Attorney-General should immediately investigate land sales activities in the **Mudgee** and **Gulgong** Districts of New South Wales of **Dabemu Pty Limited**, since acquired by **Boyle Properties Pty Limited**.

As I indicated in my opening remarks on the urgency motion, the firm of **Dabemu Pty Limited** first came to my notice when Mr Choueri, who then lived at 26 Defoe Street, Punchbowl, came to see me in July last year. The property that Mr Choueri sought to purchase was lot 39, Langley Downs, Gulgong, New South Wales. Mr Choueri has produced to me documents and receipts from **Dabemu Pty Limited**, land developers and dealers, of 79–81 Old South Head Road, Bondi Junction, and correspondence from **Ferguson and Moore**, solicitors, of 2 Gardiners Road, Kingsford. There are four receipts dated 27th February, 1974, 4th March, 1974, 13th April, 1974, and 24th April, 1974. The first states that it was in respect of a holding deposit of \$30 on lot 39, Gulgong, the full purchase price being \$7,300, deposit to be refunded if not happy after inspecting property. The second receipt, dated 4th March, was for

\$1,000, being part-payment on 39 Gulgong, balance of deposit to come, \$248. The third receipt was dated 13th April, 1974, and was for \$248. It indicates that it was for balance of deposit on lot 39, Langley Downs, Gulgong. On 24th April, 1974, he paid \$78 and the receipt in respect of that amount says that it was for the balance.

There are three letters from Ferguson and Moore dated 5th April, 1974, 16th May, 1974, and 14th May, 1975. The letter of 5th April, 1974, explains the \$78 balance of the fourth receipt of 24th April, 1974. An application had been submitted to Custom Credit Corporation for a loan of \$4,022. The finance company gave approval for \$3,944, leaving a balance of \$78.

In the letter of 16th May, 1974, Ferguson and Moore advised that they were holding the contract that had been stamped by the Commissioner of Stamp Duties and upon registration of the plan of subdivision they would attend to the certificate of registration and title in the name of Mr Choueri. On 14th May, 1975, Ferguson and Moore wrote advising that they were having difficulty in forcing the company Denmarine No. 1 "from whom Dabemu and Boyle properties are purchasing your land" to complete. Vacant possession had been promised from 1st May, but this had not occurred. Meanwhile Mr Choueri was paying Custom Credit Corporation \$104 a month in respect of his loan. He is liable for sixty monthly payments. The first payment was made on 26th April, 1974.

On 24th July, 1975, I wrote to the Hon. J. C. Maddison, then Minister of Justice, advising him of these details. I also advised him that I had spoken to Mr Moore, of Ferguson and Moore, who assured me that all the papers had been prepared and were ready for exchange of titles. However, **Denmarine**, probably through liquidity problems——

[Interruption]

Mr SPEAKER: Order! There is too much audible conversation in the Chamber.

Mr DURICK: However, Denmarine, probably through liquidity problems, was incapable of completing the purchase and subsequent sale of the land. Mr Moore had told me that advice had been taken from counsel in regard to the matter and that shortly legal action would be taken to enforce the contract, which already had been effected. He also informed me that this matter had been investigated by the fraud squad, which had found no evidence of fraud.

I pointed out to the Minister of Justice that Mr Choueri was mystified that Dabemu Pty Limited could sell land to him when it did not have title to it, and second, that he should be expected to pay the amount of \$104 a month arranged through the vendors. At this stage he approached me to seek clarification of his position. I pointed out that he was in the invidious position of having to continue payments to Custom Credit Corporation in respect of land that he had no prospect of owning. I might also add that Mr Choueri had alleged to me that the land he was supposed to be buying had apparently been sold three times to different people. On 28th October, 1975, the Hon. J. C. Maddison, then the Attorney-General and Minister of Justice, advised me that the matter had been thoroughly investigated. I quote from his letter:

It does not appear that **Dabemu Pty Limited** is in breach of any statutory or common law provision with regard to the sale.

I understand that the contract between **Dabemu Pty Limited**, as vendor, and Mr Choueri, as purchaser, is executory and will come into effect upon the company obtaining legal possession of the property. The loan moneys obtained from Custom Credit Corporation will then be used to reduce Mr Choueri's liability.

Also, it was suggested that Mr Choueri should maintain contact with his solicitor, who would advise him of progress in bringing the matter to finality. On 23rd September, 1976, Mr Choueri advised me that he had received no advice from Ferguson and Moore in regard to this matter. My secretary spoke to Mr Ferguson on behalf of Mr Choueri, and Ferguson advised that Mr Moore had retired and he would contact Mr Boyle of Boyle Properties Pty Limited and ask him to contact my office with advice. So far we have received no news from Mr Boyle. Last Thursday I became acquainted with these other transactions.

I was also approached by Mr Peter Khoury of Benjamin and Khoury, Solicitors and Attorneys, 184 Victoria Street, Potts Point, asking that investigations be made into land transactions between Dabemu Pty Limited and others. These solicitors tell me that they are acting for a number of citizens who purchased land in the Mudgee-Gulgong district of New South Wales as a result of fraudulent misrepresentations made to them by real estate salesmen prior to the purchase of the land. Relying on the salesmen's representations to them that the land was suitable for intensive farming, that all services would be connected and plentiful water supply was available, they purchased land at prices varying from \$5,000 upwards. Thirteen of their twenty-four clients who have been defrauded live in my electorate. Many of the purchasers have little knowledge of the English language and placed complete faith in the salesmen employed by the vendor company as they could speak their language. At this stage, rather than worry the House with a recital of the names of all the people involved, I seek leave to have incorporated as an addendum a list of the names of those people.

Leave granted [*See Addendum*].

Mr DURICK: I am told that the main company involved in these land transactions was Dabemu Pty Limited, which was initially controlled by a Frank Hughes. He worked for a period with a John Stewart Regan in land sale operations, whereby

Addendum

Khalad Deeb,
1/217 Liverpool Road,
Enfield.

Mazarah Sabone,
1135 Canterbury Road,
Punchbowl.

Mahmoud Assad,
11 Egan Street,
Bankstown.

Hassan Ghama,
25 Chiswick Road,
Greenacre.

Ali-Farah,
6/12 Colin Street,
Lakemba.

Mr Bawdy & Mrs Amal Roude,
40 Waterloo Road,
Greenacre.

Mr Ahmed & Mrs Gada Abbas,
459 Punchbowl Road,
Lakemba.

Ibrahim Jubran,
11 Egan Street,
Bankstown.

Jamal Ghamraoui,
25 Chiswick Road,
Greenacre.

Ali Roude,
49 Waterloo Road,
Greenacre.

Khaled Dannaoui,
6/12 Colin Street,
Lakemba.

Mr Mahmoud & Mrs Houda Kamale-
dine,
3/175 Lakemba Street,
Lakemba.

the public were invited by advertisements in newspapers to purchase blocks of land in the country. **Dabemu Pty Limited** was subsequently purchased by **Boyle Properties Pty Limited** and I understand that the chain of title was as follows: first, **Rove Properties Pty Limited**, a company registered on 20th June, 1973, purchased land for subdivision and resale; second, **Dabemu Pty Limited**, incorporated on 22nd August, 1973, acquired the land by transfer from **Rove Properties Pty Limited**; and third, **Boyle Properties Pty Limited**, incorporated on 9th July, 1973, acquired the interest of **Dabemu Pty Limited**.

Contracts of sale were entered into and mortgages were executed back to the vendor. The vendor company has since purported to sign these mortgages to **F.A.I. Insurance Limited**, which is the current mortgagee. **Benjamin and Khoury** advised me that their clients were induced to enter into contracts with **Dabemu Pty Limited**, and thereafter with **Boyle Properties Pty Limited**, by salesmen, shareholders and directors of that firm following representations made to them. The principal salesman of the vendor company was **Mr F. Charida**, who is a Palestinian fluent in the Arabic language. Apparently all his efforts were directed by his employer towards this ethnic group. Basically this was the general substance of the representations made to these people by **Mr Charida** and other persons associated with the vendor company. First, they represented that the land that they were purchasing was fertile and of good qualities for the purposes of grazing and market gardening activities, and was a good investment; second, that there was an adequate permanent supply of water for the purpose of irrigation; third, that there was an adequate general availability of services and amenities for farming activities contemplated by these people; fourth, that there were opportunities for a quick capital gain; fifth, that the nearby town of **Gulgong** was represented on the face of the \$10 note and that the railway would be coming through shortly; sixth, that a main highway would soon be constructed; and last—this is the daddy of them all—that an opera house was to be built for them and that other general facilities would be made available.

Alan A. Khazma,
c/- 8/272 Lakemba Street,
Lakemba.

Mousiapha Deeb,
1/217 Liverpool Road,
Enfield.

Omar Abbas,
218 Wentworth Road,
Enfield.

Mahmoud Shamy,
886 Station Street,
Auburn.

F. & M. Elrich,
2/16 Rawson Street,
Punchbowl.

Ghassan Abdullah,
74 Wattle Street,
Punchbowl.

Ali Shaikho,
10/1 Ferguson Avenue,
Wiley Park.

Abdel & Mahmoud Abbas,
459 Punchbowl Road,
Lakemba.

Mouhamad & Riad Masri,
6/4 Campbell Street,
Punchbowl.

Badr Chami,
886 Station Street,
Auburn.

B. Abdallah,
2/16 Rawson Street,
Punchbowl.

Salah Houda,
74 Wattle Street,
Punchbowl.

One of the conditions made of people being sold such properties was that they could not retain individual attorneys to act on the transfer of the properties to them. They were obliged to use the vendor's attorney. Charida is alleged always to have said, "If you don't use our solicitor we cannot sell you the land." It is further alleged that the contracts were purportedly signed by these people on site in the country when they were inspecting the property they were about to purchase, but in actual fact very few ever saw their properties. It is further alleged that the former owner of the property has stated that it is unsuitable for grazing or for market gardening, that it is without a permanent supply of water for irrigation and there are no facilities available.

The people who have signed the contracts now wish to rescind them and to recover any moneys paid under the contracts, and ask that appropriate action be taken to refrain Dabemu Pty Limited and Boyle Properties Pty Limited from enforcing any rights that those companies might have against the purchasers under the contracts and all memoranda of mortgage. It is alleged that Dabemu Pty Limited issued receipts but used the facilities of twenty-six branches of banks throughout the metropolitan area. Extreme difficulty has been experienced in locating where any actual banking arrangements have been made.

The questions that arise are: who now own the properties involved? What legal assistance can be provided to assist these people, many of whom have lost considerable amounts of money in purchasing the land and paying legal costs? What action can be taken to assist Mr Choueri and others in a similar position who are committed to payments for the purchase of land which they apparently have no prospect of owning? What part was played by the salesmen of Dabemu Pty Limited, particularly Charida, in these negotiations and what was the link between Denmarine No. 1, Rove Properties Pty Limited, Dabemu Pty Limited and Boyle Properties Pty Limited? What was the link between Frank Hughes, Charida and John Stewart Reagan? How could loans be arranged with finance companies for the purchase of properties from vendors who had no title to the land? I commend the motion, and certainly hope it will receive the consideration it deserves.

Mr F. J. WALKER (Georges River), Attorney-General [3.6]: I am aware that the honourable member for Lakemba has made representations to my predecessor, the Deputy Leader of the Opposition, and to me concerning the matter. The representations to me, containing the new facts that he has presented to the House today, have just been received and have yet to be fully assessed by the officers of the Corporate Affairs Commission. All I can do at this stage is cite the facts as the Corporate Affairs Commission knows them, and give certain undertakings to the honourable member.

Dabemu Pty Limited was incorporated on 22nd August, 1973, and the registered office of the company is situated at suite 11, 79 Old South Head Road, Bondi Junction. The paid up capital is \$2, comprising two \$1 shares. The directors are Frank Douglas Hughes and Jayne Anderson, who is also the secretary of the company. The company was prosecuted for failing to lodge its 1975 annual return. The matter was heard *ex parte* at the central court of petty sessions on 20th April, 1976, and a fine of \$50 and \$6 costs was imposed. This fine is still outstanding and the annual return has not yet been lodged. The Corporate Affairs Commission is considering prosecuting an officer of the company for failing to lodge the outstanding annual return. The latest document lodged with the commission is a form 37 notice of situation of registered office and of office hours, and particulars of changes. Correspondence addressed by the commission to the company at its registered office has been returned and the commissioner is unable to advise me whether the company is still operating.

The Corporate Affairs Commission has received three complaints in regard to the activities of this company. Those complaints have been considered carefully by the commission's inspectors. The complaints do not contain any information to suggest that the company or its officers have committed offences against the Companies Act of 1961. Accordingly, the commission has not yet conducted any inquiries into the company's affairs.

Boyle Properties Pty Limited was incorporated in Queensland—the date of incorporation not known—and registered in New South Wales as a foreign company on 28th June, 1974. The registered office of the company in New South Wales is flat 2, No. 1 Flood Street, Clovelly, and its agent in New South Wales is Penelope Antoinette Morton of the same address. The directors are Edward Macdonnell Boyle and June Carmel Boyle. The commission has received one complaint in regard to the activities of this company. The complaint is being considered by the commission's inspectors, especially whether the matters complained of indicate the possibility of offences against the Companies Act by the company or its officers.

Rove Properties Pty Limited was incorporated in New South Wales on 20th June, 1973, and has a paid up capital of \$2. The registered office of the company is 31 Peel Street, Kirribilli. The directors are Michael John Love, who is also a secretary of the company, and Barry Winter Rothwell, who is also the manager of the company. Peter Frederick Douglas Murray is another secretary of the company. The commission has not received any complaints in regard to the activities of this company.

As I have intimated earlier, some of the people involved with Dabemu Pty Limited and associated companies do not have good reputations; indeed, one was a notorious criminal. That in itself gives rise to considerable apprehension in the minds of anyone involved with the company because this man is known to have been involved in a number of serious land frauds in other parts of the State. Therefore, it is easy to appreciate the natural apprehension of the honourable member for Lakemba when he knows that people like this are associated with a company in which his constituents are involved. Also, my information is that many more people are involved in these companies, over and above the thirty-four listed by the honourable member for Lakemba, whose main concern is for the constituents who have come to him with proper complaints.

The Corporate Affairs Commission and the police fraud squad have known for a long time that a technique of some developers has been to use the natural delays created by the technical requirements of having a planned subdivision registered at the Registrar General's Department, and to use for their own purposes money paid to them by people for the purchase of land. There have been many instances where developers have never really intended to have plans registered, and have merely collected moneys and used them for their own ends, subsequently paying back the people who gave them the money, but without interest. Many proper requirements have to be met to have a subdivision plan registered in the Registrar General's Department. Local government and other government authorities require various things to be done, and these take time. It is proper for a vendor to sell a property the title to which he might not have at the time, provided the contract indicates that he is in the process of obtaining title. If he proceeds to obtain title and to transfer it to the purchaser, no harm is done. The only situation with which we should be concerned is where the vendor has no intention of obtaining title and of passing it to the purchaser.

Some of the allegations made by the honourable member for Lakemba are serious indeed. They involve not only possible fraudulent use of other people's money but, indeed, fraudulent claims about the nature of the property, its potential use, and the facilities to be provided on it. I believe that the information now provided to me

by the honourable member for Lakemba should be considered by the expert inspectors of the Corporate Affairs Commission. I have no doubt that they will receive the cooperation of solicitors who have taken the trouble to interview the constituents of the honourable member for Lakemba and their friends. I trust that this further information will be put to good use. I sincerely hope that these unfortunate people, who look like losing their money at this stage, will have at least some of it returned. For those reasons I willingly accede to the motion.

Motion agreed to.

PRICES REGULATION (BREAD) AMENDMENT BILL

Introduction

Mr EINFELD (Waverley), Minister for Consumer Affairs and Minister for Co-operative Societies [3.14]: I move:

That leave be given to bring in a bill to fix the maximum price of bread.

As the law stands, the maximum price of bread in New South Wales is fixed under the Prices Regulation Act by orders issued from time to time by the Prices Commissioner. The Government is firmly of the view that it is quite wrong for such a responsibility to devolve on one person but should be the collective responsibility of a commission, which it is intended will be established under legislation recently approved by this House.

Also, the Government is strongly convinced that there is absolutely no justification for the present price of bread to be increased, at least until the new commission has been established and the question has been put to the test at a public inquiry at which all interested parties can make their submissions. As matters stand, the powers of the Government are limited to suspending for a short period any order made by the Prices Commissioner. It has no powers of intervention beyond this, irrespective of what action it considers should be taken in the public interest.

The simple purpose of the bill for which leave to introduce is sought is to enable the Government to assume full and direct responsibility for its conviction, that there should be an unchallengeable freeze on the price of bread at its existing level and that the responsible Minister should determine the maximum price that can apply until the new commission is established and has had the opportunity of holding a public inquiry. I shall give a more detailed explanation of the bill at the second-reading stage. I commend the motion.

Sir ERIC WILLIS (Earlwood), Leader of the Opposition [3.15]: This will go down as one of the most incredible pieces of legislation that has ever been introduced in this House. For the cheapest of cheap political gain the Minister for Consumer Affairs and Minister for Co-operative Societies is jettisoning one of the most precious principles espoused by him, by his leader, and by his colleagues. The Minister, in introducing a bill quite recently to review completely, to revamp, and to modernize the Prices Regulation Act, said it was not right that one man, the Prices Commissioner, even after investigation and expert attention to a matter, should be able to fix the price of anything. The Minister said that prices should be fixed only following a proper, open inquiry and a full-scale investigation. The Minister is now saying, "However, I, without any investigation, without any inquiry, without any expert knowledge, will fix the price of one commodity"—and what is that commodity? Bread. The Minister and the Government think that there will be a certain amount of popular

appeal about fixing the price of bread and they mean to get the most advantage possible out of it. If that is the sort of justice the Government stands for, then it does not understand the meaning of the word.

I do not hold a brief for anybody, but there must be fair play, and there is nothing fair about the cheap election stunting of the sort that we see today from the Minister for Consumer Affairs and Minister for Co-operative Societies. The Government has shown incredible venom, not to say a great deal of anxiety over the price of bread. By the proposed legislation it is attempting to nobble the courts. Even though the Government is talking about controlling racing in order to prevent nobbling, it is nobbling the courts of justice. The only reason why this legislation is being introduced is that somebody had the temerity to challenge an illegal action of the Minister before the Supreme Court of New South Wales. Therefore the Minister attempts to bring in a piece of legislation that will thwart the course of justice and block what is being done before the Supreme Court has an opportunity to consider the matter.

Irrespective of what the price of any commodity should be, the proposed bill represents a completely wrong approach, and the Minister knows it. All honourable members are aware that the bread manufacturers of this State are exercising their democratic right under the processes of law to test the validity of an administrative Act of the Minister and a public servant under his control. Knowing that the referee will rule against the Government, the Minister has today determined to circumvent proper legal processes and to pull the rug from under the feet of a judge. This eleventh-hour panicking by the Government in an attempt to nobble the courts should not be tolerated in a modern society. This is a disgraceful act of a government led by a man who has dedicated himself to the practice of the law. His Government is now saying, "We shall see to it that the courts bring down decisions that conform to Labor's election policies". If that is a precursor, then I do not know what will follow.

I am quite sure that the Government would have the greatest difficulty if it attempted, for example, to control the price of advertising in newspapers, or on television and radio. Perhaps the media will not be so interested when it is only the bread manufacturer who is about to be shackled in this way simply because there are some votes in it, in the opinion of the Minister. If the Government is genuinely, sincerely interested in reducing the price of bread, I shall give it four suggestions for dealing with the situation. First, the Government should prohibit the system of bread returns, as recommended by Mr Justice Kelleher in his report on the bread industry a few months ago. If that were done it would not only reduce the price of bread in New South Wales but it would also ensure a much more efficient industry than we have seen in the past.

Mr Sheahan: Why did you not do it?

Sir ERIC WILLIS: Because the report came in just prior to the elections and, for the benefit of the ignoramous who has just interrupted me, I should like to say that this recommendation would have been implemented had we been re-elected to office. My second point is that discount bread, which is available to people in all the other States, ought to be available to the customer in New South Wales. This Government, which claims to be interested in helping housewives to purchase goods as cheaply as possible, could not really give a hoot for them. The trade union concerned—it used to be know as the Bread Carters Union but now it is called the Bread Vendors and Salesmen's Association—has prohibited deliveries to shops that are willing to sell bread at prices below the maximum. What has become the maximum price for bread in this State has also, by virtue of this trade-union stand, become the minimum price.

Mr Einfeld: You did not do anything about it.

Mr SPEAKER: Order!

Sir ERIC WILLIS: This Government permits a trade union to disrupt the true process of the free enterprise system. There is no free competition because the cronies of the man sitting in the ministerial chair who wants to become the prices czar of this State supports their decision not to permit free marketing to determine the price of bread. My third point is that baking hours, which in this State are more restrictive than in any other State in the Commonwealth, should be relaxed. As a consequence the bread industry in New South Wales is inefficient and it is more costly to produce bread here than elsewhere in Australia. In the other States there is a freer attitude towards bread baking hours and that is why bread is cheaper in other States than in New South Wales. Finally, I suggest that the Minister should abolish price control. Contrary to what the Minister said—in fact absolutely diametrically opposed to what the Minister said—the truth is that in every other State in Australia where there is no price control of bread, this commodity is cheaper than it is in New South Wales where price control has existed for years. In Victoria, where there is a Liberal Government and no price control, the price of bread is 5c, 10c and even 15c cheaper for an unwrapped 2 lb loaf than it is in New South Wales. The four conditions to which I have referred do not exist in Victoria.

[Interruption]

Mr SPEAKER: Order! The Minister will no doubt exercise his right of reply and therefore he should allow the Leader of the Opposition to address the House in silence.

Sir ERIC WILLIS: In Victoria the four conditions to which I have referred do not apply and in that State bread is cheaper than it is in New South Wales. Obviously, the only cure that the socialist mind can comprehend when it comes to matters of this nature is to clamp on some controls and let the dimwits in the community think they are being pampered and helped. The Government is not helping them one little bit. If it did what is done in Victoria, the people would be assisted. Victorians have cheap bread. The Liberal-Country party coalition, had it been returned to office, would have adopted the suggestions I am putting forward. Let us consider the justice of the Minister's proposal. He has said that without inquiry he will fix the price of bread. In the past year or so the price of a 2 lb unwrapped loaf of bread has increased by 6.66 per cent although in that time wages have risen by 15.3 per cent and the consumer price index by 12.4 per cent. The Government is trying to wring every inch of political mileage out of the humble loaf of bread merely because it is a basic commodity. Why have bread manufacturers been singled out for attention? This price freeze will have precisely the opposite effect to that expected by Government supporters.

Members who sit on the Treasury benches talk about multi-nationals, big corporations and so on, but who will be the first baker to go to the wall if he is not able to get a fair price for the commodity he manufactures and offers for sale? Of course, it will be the little fellow. The big bakers manufacture things other than bread. They will merely put up the price of those other things to compensate for their losses on bread. The little baker who makes nothing but bread and depends upon profit from it will go out of existence because the miserable Labor Government is so contemptuous of his well-being that it is willing to close him down so that it might gain a few miserable votes. The Government will soon realize that it cannot go on fooling all the people all the time. I think the mother of this man who sits in

the ministerial chair was frightened by a profiteer before he was born. He has a mania and an obsession about price control. Everywhere in the world governments that have introduced price control have been proven wrong. Nevertheless the Minister for Consumer Affairs and Minister for Co-operative Societies does not listen to the results of other administrations. He wants to be the big controller of everything in this State. All he will do is to bring disgrace and shame upon New South Wales. This State will become the place of the dearest bread. Also we will have the biggest manufacturers, not the smallest, and we will have the worst service because of controls exercised by this Minister. However, he will go to his grave happy that he instituted more controls than any other Minister with similar responsibilities. The apparent urgency of this bill is the most contemptuous aspect of this debate. I challenge the Premier, who has now deigned to enter the Chamber, why it is essential to introduce this measure ahead of other legislation. Why is bread, and bread alone, to be singled out in this way? Why should the people of this State be regarded, in some peculiar fashion, as different from people anywhere else in the world by being told that the price of bread is to be controlled in New South Wales though it is cheaper wherever its price is not controlled?

Mr WRAN (Bass Hill), Premier [3.25]: No amount of ranting and raving will disguise the fact that over the past eighteen months there have been far too many increases in the price of bread in New South Wales, virtually unchallenged.

Sir Eric Willis: The increase amount to 6.66 per cent.

Mr WRAN: Yes, and during five of those eighteen months there have been no increases because the Minister for Consumer Affairs has directed his efforts against increases. I suppose it does become tiresome for us to say time and again that all the solutions which the Leader of the Opposition now provides to the House, all the fertility of mind and suggestions with which he is now able to come forward in respect of stabilizing and indeed reducing the price of bread, were at his disposal during the eleven years prior to 1st May last. Yet the fact is, as he himself says, that the price of bread in New South Wales, rated with the other States, is unconscionably high. No amount of gesticulating and shouting can disguise the fact that the bread industry in New South Wales is in the hands of a relatively few corporations. Of those relatively few corporations the majority are owned by oversea interests. Not only do these bread manufacturers, these monopolies, control the bread industry but as well they own the flour mills. The Prices Commissioner, poor fellow, can be excused, for virtually he has to accept the balance-sheets and other evidentiary documents put before him. As between the flour mills and the bread manufacturers the price of bread is controlled by various devices. Secret discounting arrangements exist between flour millers and bakeries, owned by the same companies. It is appalling to hear the lamentable plea of the Leader of the Opposition that in effect the housewives of New South Wales would be better off if the price of bread were increased. That is what he is really saying when he urges the Government to allow the market to control itself.

Sir Eric Willis: I have not said that at all.

Mr SPEAKER: Order! The Leader of the Opposition has already addressed the Chamber. The Premier has the call.

Mr WRAN: If they determine the price of bread on the open market the price would rise, not by one or two cents that they are seeking now but by 7c or 8c.

Sir Eric Willis: Why have you not done something about it before?

Mr SPEAKER: Order! I call the Leader of the Opposition to order for the first time.

Mr WRAN: The most stringent legislation is needed to control this industry; it has been one of the most avaricious, greedy industries that has operated at the expense of the housewives of New South Wales. The bread industry has not been willing to take a fair profit; it has moved into the flour mills and taken control, in a monopolistic way, of bread manufacture in this State. Just on that question, the Leader of the Opposition can go back to his instructing solicitor, Mr Austin, secretary of the Bread Manufacturers Association of New South Wales, and remind him of the fact that I told him last year that another thing we intended to consider when we came to office was moving to stop them duping the public by calling their product bread.

Mainly what we eat in New South Wales—for instance the product manufactured by Tip Top and other Weston-owned companies—is a bread substitute that has nothing to do with the concept of bread manufacture at all. Indeed, one of the few reasons why I envy members of the Country Party and those who come from the country or represent country electorates is that at least they have the opportunity in some of the towns and provincial cities in their electorates to eat bread, and not the rubbish that is forced on the public of the Sydney metropolitan area. The Leader of the Opposition can go back to his instructing attorney, Mr Austin, and tell him that we are contemplating a law to make clear what is bread and what is bread substitute.

[Interruption]

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

Mr WRAN: Let us look at the solutions that the Leader of the Opposition has suggested. Central to his solutions is that price control be abolished.

Mr N. D. Walker: They did that in Western Australia.

Mr WRAN: That is a great example, indeed; if that has been done in Western Australia, it is a good reason why we should not do it here. With due respect to Western Australia, there is not the monopoly ownership in that State in respect of the flour mills as there is here—and that is something that the honourable member for Miranda ought to know——

[Interruption]

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

Mr WRAN: —and it is something in respect of which the Leader of the Opposition, in the years in which he was in a position to do something about it, should have acted. What arrant nonsense for him now, when bread manufacturers are endeavouring to increase the price of bread in New South Wales under a price-control system, to suggest that the public should be further fleeced by abolishing price control. The next suggestion that the Leader of the Opposition came up with was that the Government should prohibit bread returns. The honourable gentleman will be delighted to hear that the Government proposes to do just that. In other words, the practice that the Leader of the Opposition condoned, year after year in this monopoly situation when the public was fleeced, when they had their money reeved off them by these avaricious people in the bread industry, will be stopped.

These is no justification for the public having to pay inflated prices for bread. I notice that the honourable member for Cronulla shakes his head, as if this does not happen. Why should the public pay an inflated price for bread when the bulk of what is manufactured is taken back for pig feed? It is an absolute disgrace. In no decent,

orderly market—in no industry properly regulated, in its own interests and in the interests of the consumer—would such a practice be tolerated. The next suggestion that the Leader of the Opposition came up with is that baking hours should be relaxed. The Leader of the Opposition knows perfectly well who fixes the hours during which bread is baked in this State. Those hours are fixed by the Industrial Commission of New South Wales. Time and again those hours have been fixed as a result of **an** arrangement among the unions, the bread manufacturers and the Government—that is the Government of which the Leader of the Opposition was a member and a Minister for eleven years. Moreover, he had the opportunity to intervene in the cases before the Industrial **Commission**.

Not once, not even during the period when he was Minister for Industrial Relations—or Minister for Labour and Industry, as the portfolio was then **known**—did the Leader of the Opposition see fit to put the Government's point of view and to intervene when the hours during which the baking of bread should be carried out were before the Industrial Commission of New South Wales. Finally, the Leader of the Opposition suggested that discount bread should be available in New South Wales. This, too, is something in respect of which the Leader of the Opposition and his Government could have moved. I should like the honourable gentleman to know now that this Government is moving in respect of this matter. We do not intend to let one bread union, one group of unionists in that industry or any other group in the community, whether it be the bread manufacturers or not, put the public in a position where they pay more in the interests of a few independent contractors who deliver bread. The Government has this matter under consideration at this very moment.

This is a matter from which the Leader of the Opposition resiled; he did not have the intestinal fortitude to bring it before the Parliament or the public—except to get a little bit of cheap publicity at election time. Let me make it clear in respect of all the assertions and arguments that have been put forward by the Minister for Consumer Affairs and Minister for Co-operative Societies, that the bread manufacturers have been greedy and over-avaricious for too long, and as far as this Government is concerned their time has run out. The time has now come for a fair deal for the public, the people who pay the money and eat a lot of the rubbish put out by bread manufacturers in this State.

Mr HATTON (South Coast) [3.35]: I did not intend to speak at the introductory stage of this bill, but after hearing the outburst by the Leader of the Opposition, I felt compelled to do so. I advise the Leader of the Opposition to wait—just as I intend to wait—and see what is in this bill. I have taken some interest in the baking industry, and I advise Country Party members to take an interest in it. What we are looking at is the protection of the small independent baker in many country towns throughout New South Wales. I hope that an examination of the bill and the Minister's second-reading speech will show that this measure will give to the independent baker the protection he justly deserves and needs. I hope that I have sufficient evidence to be able to show that the independent baker is under a grave threat as a result of what is happening in the baking industry—in fact the whole of the bread industry—in this State.

I hope that the bill seeks to establish a balance. We have heard much talk in this Chamber about price control, but what we are overlooking is the fact that there is a form of price control in many industries without government interference. That price control is handled very nicely by price-king cartels and organizations by way of agreements. In many country towns in New South Wales the independent baker is being threatened. In many places large baking interests are prepared to carry a loss so that they can move into the area and destroy the **small** baker and leave **him with**

nothing—not even his capital. Moreover, they destroy the opportunity to employ local labour, to develop local skills and produce a local quality product. These are the issues about which we should be concerned. We should be looking at a sense of balance and the protection of private enterprise—and that is what I am concerned about.

We have in the bread industry a case of vertical integration, from the milling of the flour, the baking of the bread, and the selling of the waste and stock food, all of which, one would imagine, would help to reduce the price of bread. If we had only three or four large bread producers in this State—which is what we are going to end up with unless we take an intelligent interest—one would think that we should have cheap bread. One would think that the Bread Manufacturers Association would go before the Prices Commissioner and ask for a reduction in the price of bread. However, that is not the case.

I propose to show where the efficiency of bread producers is directed; it is going into the 20 per cent or 30 per cent discounts allowed retailers, to convince them to take the big companies' product. It is going into swamping stores with huge quantities of bread—and I hope to give some evidence of that practice at the second-reading stage. I hope to give examples of how some of these large interests have moved into country towns. The poor country baker can put about only 20 or 30 loaves on his shelf but these large interests are persuading local stores to put 60, 80, 90, or 100 loaves on the shelf and take back 50 or 100 loaves the next day. The trouble is that the small-town operator has to wear it because his business cannot carry such a practice. A lot of money is going into carting bread 108 kilometres from Unanderra to Kioloa, in my electorate, thus threatening the existence of many of these bakers.

Once a dealer is established in Batemans Bay every baker between Batemans Bay and the Victorian border will be threatened. That worries me. That was why I took an intelligent interest in the bread industry. This is why I should have thought that country members in this House would have taken that sort of interest in the bread industry. Uneconomic areas are canvassed and supervisors are located in towns where it is known that the whole bread market could not justify the expense. These people are interested in putting the small man out of business. Between Sydney and Goulburn sixteen small bakers went out of business because of this activity. Many bakers throughout New South Wales are under threat.

The bread manufacturers do not speak for all the bakers in New South Wales. I hope to produce evidence of that in forthcoming weeks. They do not speak for a lot of the small independent bakers who are beginning to realize that if they do not get together their survival is at stake. I hope that honourable members will look at the promotion of free enterprise in the bread industry, at decentralization and employment: in country towns as well as the loss of capital faced by the bread industry. In the small town of Huskisson in which I live, there is a permanent population of 600 and four different bakers deliver bread in my street. Who is paying for that? These are questions that need to be asked when one examines the price of bread.

Mr VINEY (Wakehurst) [3.42]: Though I do not normally speak at the introductory stage I do so on this occasion because I wish to pose some questions to the Minister. I hope that the Minister will answer those questions in his second-reading speech. First, I quote from the report of Mr Justice Kelleher. He said that profitability in the bread industry is small. On page 60 of his report Mr Justice Kelleher said that the evidence does not support the contention that bread manufacturers make excessive profits and exploit the public. That is the first question I should like the Minister to answer tomorrow. The second question I should like the Minister to answer

relates also to matters in the report. If one looks at the range of products listed one sees bread, flour, soft drinks, biscuits and frankfurts. A whole range of food products is covered. Indexed on a basis of 100, over the period from 1974–75 one of these commodities shows the greatest increase. It happens to be bread—the only product the price of which is controlled. I hope the Minister will deal with that point. Prior to 1972 it took twenty years for the price of bread to double. When the Whitlam Government came into power it took three years for the price to double again.

I should like the Minister also to deal with the statement made by him and his leader in regard to the monopolistic or cartel situation in respect of the processing of flour, bread baking and the like, so that he will be able to explain why with the same type of grouping of bakeries and the vertical integration that is occurring in Victoria—though perhaps we have a more concentrated group of flour mills in New South Wales—the price of bread in that State is nowhere near as high as it is in New South Wales. The Opposition is entitled to ask for those explanations by the Minister in his second-reading speech. I suggest that the Minister study the position with regard to vertical integration of flour mills and the bread baking industry. A number of mills in country areas have closed down and that is a tragedy. However, the same situation applies in Victoria but there the price of bread is much cheaper.

Mr MASON: Mr Speaker—

Mr FLAHERTY (Granville), Government Whip [3.44]: I move:

That the question be now put.

The House divided.

Ayes, 49

Mr Akister	Mr Flaherty	Mr O'Connell
Mr Bannon	Mr Gordon	Mr Paciullo
Mr Barnier	Mr Haigh	Mr Petersen
Mr Bedford	Mr Hills	Mr Quinn
Mr Booth	Mr Hunter	Mr Ramsay
Mr Breerton	Mr Jackson	Mr Renshaw
Mr Cahill	Mr Jensen	Mr Rogan
Mr Cleary	Mr Johnson	Mr Stewart
Mr R. J. Clough	Mr Johnstone	Mr Wade
Mr Cox	Mr Jones	Mr F. J. Walker
Mr Crabtree	Mr Keane	Mr Whelan
Mr Day	Mr Kearns	Mr Wilde
Mr Degen	Mr McGowan	Mr Wran
Mr Durick	Mr Maher	
Mr Einfeld	Mr Mallam	<i>Tellers,</i>
Mr Face	Mr Mulock	Mr Ryan
Mr Ferguson	Mr Neilly	Mr Sheahan

Noes, 48

Mr Arblaster	Mr Cameron	Mr Darby
Mr Barraclough	Mr Caterson	Mr Dowd
Mr Boyd	Mr J. A. Clough	Mr Doyle
Mr Brown	Mr Coleman	Mr Duncan
Mr Bruxner	Mr Cowan	Mr Fischer

Mr Fisher	Mrs Meillon	Mr Taylor
Mr Freudenstein	Mr Moore	Mr Viney
Mr Griffith	Mr Morris	Mr N. D. Walker
Mr Hatton	Mr Murray	Mr Webster
Mr Healey	Mr Mutton	Mr West
Mr Leitch	Mr Osborne	Sir Eric Willis
Mr Lewis	Mr Park	Mr Wotton
Mr McDonald	Mr Pickard	
Mr McGinty	Mr Punch	
Mr Mackie	Mr Rofe	<i>Tellers,</i>
Mr Maddison	Mr Rozzoli	Mr Brewer
Mr Mason	Mr Singleton	Mr Schipp

Resolved in the affirmative.

Question—That leave be given—proposed.

Mr EINFELD (Waverley), Minister for Consumer Affairs and Minister for Co-operative Societies [3.49], in reply: I listened carefully to the comments made by the Leader of the Opposition and other honourable members who supported him. I did that mainly because I was interested to see the ridiculous pseudo-dramatic attitude taken by the Leader of the Opposition, who does not believe in price control but preserved the Prices Regulation Act during the whole eleven years he and his party were in Government. One would have thought that while the Opposition was formerly in Government it would have been so opposed to price control and particularly price control of bread that it would have endeavoured to exclude bread from the Prices Regulation Act, but it did not do that in the eleven years it was in Government. Honourable members opposite wanted to use it as an instrument.

The Leader of the Opposition says that it is a cheap political trick because the Government proposes to bring in legislation that will temporarily freeze the price of bread until the Prices Commission makes its investigation of the price of flour and how the monopolies are taking advantage of the small baker for whom the Leader of the Opposition sheds crocodile tears. That honourable member says he is worried but I have telegrams and messages from small bakers in the country areas saying that they have resigned from the Bread Manufacturers Association. Those letters are saying "Don't put the price of bread up. We are being cheated by the flour mills." Articles have appeared in the Griffith newspapers and in other newspapers indicating that the bakers do not want price increases at all.

This hypocritical pseudo-dramatic Leader of the Opposition who seeks to represent a few bread manufacturers will learn the tragedy of his stance. The housewives and other citizens of New South Wales will learn that in twenty-two months the price of bread increased nine times taking it from 28c a loaf to 44c. This represented a 55 per cent increase and not the 6 per cent increase in twelve months as was asserted. The Leader of the Opposition should realize that Westons Limited, which manufacturers Tip Top bread, announced the other day a profit of more than \$1 million. It said that breadmaking is the least profitable of its operations but the flour mills, piggeries and hatcheries made more than \$1 million from flour and rejected bread from shops. The Leader of the Opposition condoned this system when he was Minister for Labour and Industry and also during the short tragic time in which he was the Premier, from which position the people of New South Wales sent him in degradation as they realized that he could not lead his own party, let alone represent their interests.

I said clearly that the Government does not believe in price fixing by one man. It is establishing a prices commission. The bill will freeze the price of bread at its present level until the Prices Commission can make an inquiry. If the Leader of the Opposition does not have a brief on behalf of bread manufacturers his comments sound much like the words addressed to me by the secretary of the Bread Manufacturers Association and approved by its members. If the Leader of the Opposition has not had a brief from those people he has listened carefully to their representations as he repeated word for word the things that they said. He referred to what he termed a disgraceful act by the Minister and also to discounts. The honourable member for Wakehurst when quoting from the report of Mr Justice Kelleher forgot to mention that His Honour had said that discounts given by bakers varied from 27½ per cent to 33f per cent, which appeared on the next page to the one that he referred to, and that in one case the discount given was 50 per cent. One may think it unusual that when bread manufacturers apply for an increase to the Prices Commissioner they apply in respect of the retail price of bread. The reason is that they want to fix the wholesale price at any amount they choose. They give these large discounts on bread delivered in country areas fifty and sixty miles from the bakery for the purpose of sending small bakeries bankrupt.

The honourable member for South Coast has made repeated representations to me on behalf of small country bakeries that find it hard to survive. Big bread manufacturers are travelling many miles to country towns where they offer big discounts in an endeavour to bankrupt the small bakeries. I inform the Leader of the Opposition that the Government will zone baking in country areas so that the big operatives cannot deliver bread for 60 or 80 miles, for instance from Dubbo to Dunedoo or from Berry to Ulladulla, and cut the price in an attempt to destroy small bakeries. The Government will not let these small bakeries be destroyed; they are part of the lifeblood of the community. While the Wran Government is in office, national and international cartels will not destroy this country and this State. The Government will see that their operations are confined to legitimate trade in its normal sense and that they do not take advantage of the ordinary man and woman in the street. These are the sort of things citizens want to know.

The Leader of the Opposition when he was a member of the former Government took no action on returns of bread. I remind the House that 12½ per cent of all bread manufactured in New South Wales is returned by retailers to the manufacturers where it is crumbled and sold to piggeries and hatcheries owned by the same companies that are producing the flour and making the bread. They are part of the national and international cartels. Any cry that the Leader of the Opposition makes on their behalf will go unheeded by the Government. Any attempt to stick up for those who defraud the public will fail in this Parliament and anywhere else.

The bill is a simple measure. It asks the Parliament to fix the price of bread, which will be decided by ninety-nine democratically elected members who, on the passing of the bill, will determine the price of bread. At the second-reading stage and from a reading of the bill that I shall present it will be clear that Parliament is being asked to fix the price of bread. Even the Leader of the Opposition, who probably ought not have a vote as his mission is to support international cartels and those who want to take advantage of the people, will have a democratic vote as will other honourable members opposite. The Lord only knows why the people of New South Wales think that some honourable members opposite ought to have a vote. The ninety-nine members of the Parliament will determine the price of bread until the Prices Commission brings down its finding. It is a temporary, simple bill which merely asks the Parliament to freeze the price of bread at its present level until the commission has an opportunity properly to investigate the position. The people of New South Wales—the **consumers—**

and small bakers whose case was so ably expounded by the honourable member for South Coast, can rest assured that the Government will watch their interests and see that they are protected.

Motion agreed to.

Bill presented and read a first time.

APPROPRIATION BILL

Second Reading

Debate resumed (from 19th October, *vide* page 1944) on motion by Mr Renshaw:

That this bill be now read a second **time**.

Mr BEDFORD (Fairfield), Minister for Education [3.57]: One of the most incredible speeches—and I use that term advisedly—that I have heard in this House was that made by the Leader of the Opposition when he spoke on the education vote for this year. When I first came into the Parliament I thought that the Leader of the Opposition who was then Minister for Labour and Industry, Chief Secretary and Minister for Tourism, was its most able debater. Only four or five months after his going out of Government he did not bother to do his homework. He said things that condemned him as Premier of New South Wales. He did not refer to *Hansard* or to the *Australian Liberal* and other publications to ascertain what he had said during his term as Minister for Education and as Premier. He condemned the Government for what it is spending on education, a matter to which I shall refer later. On 3rd September, 1975, during the Address-in-Reply debate the Leader of the Opposition criticized cuts in Commonwealth funding in these terms:

In few fields, if any, will education benefit be possible during 1976 . . . the State must now defer important building programmes with the most severe consequences for employment and with the inevitable result that these projects will cost more when they are eventually constructed.

I remind the House that with no increase in funds from the Commonwealth the Government has been able to do better. For example, it has been able to improve the repair and building programme by something like 58 per cent, to which I also shall refer a little later. He said also:

Instead of getting more so as to ensure betterment for the first half of 1976 we are to receive apparently only \$33½ million.

The Leader of the Opposition was there referring to Commonwealth funds. He continued:

As a result it is unlikely that there will be any reduction of class sizes in 1976 and plans for other educational betterment will have to be postponed.

With less funds the Government faced the same position and notwithstanding no improvement in class sizes it has introduced educational betterments into the system. I shall refer to that later. Third, he said:

In our programmes for libraries and disadvantaged schools, no advancement at all will be possible during 1976 and it appears that there may even be a cut-back in the present programmes.

The Government has done even better in this Budget. Fourth, he said:

In relation to . . . schools for handicapped children run by voluntary associations the position has been reached where I cannot proceed further with this programme.

This Government has made it abundantly clear that, with or without assistance from the Commonwealth Government, it will honour that important undertaking given by the Government. I cannot understand why the Leader of the Opposition should be so careless as to deliver a speech in this House condemning the Wran Government because of this Budget. He was especially critical in the area of education, although he had made statements to the effect that it was impossible to undertake a number of activities in that area. With less money *pro rata* than he had, we have been able to do something about them. That bears out the fact that the Wran Government will put this State in better shape.

In the first Labor Budget for eleven years, the Government has exercised restraint in view of the parlous economic circumstances that Australia faces today. We have had to take account not only of mismanagement by the former Government led by Sir Eric Willis, the drain of loan fund allocations for consolidated revenue and the utilization of a deferred payment system on federal loans, but also of a far less generous master in Canberra. I might say that the master I refer to is forcing unemployment on the States and obliging them to undertake certain schemes in order to maintain employment at the expense of normal forms of appropriation.

Before the elections in May the former administration was keen to make the charge, "Where will the money come from?" It was less keen to argue the merits of the new federalism tax sharing scheme which contributed greatly to its downfall. This Government represents all the people of New South Wales. As the Treasurer pointed out and stressed in his budget speech, this Government has made it clear that it will co-operate with the federal Government to reduce inflation. The federal Government has accepted our earnestness in this aim. Again, to use the words of the Treasurer, we have responded fully and responsibly to the federal Government's demands for restraints on government expenditure.

It puzzles me to see the Leader of the Opposition adopt a totally inconsistent argument in attacking the education vote for the 1976-77 estimates. In his speech he agreed that our increase from \$112,464 to \$750,000 for the ethnic affairs bureau was welcome, as was the \$20 million made available as a special additive to the building industry for capital works. The Leader of the Opposition should realize that \$7 million of this amount is to be spent on additional works in education, including \$2 million in the field of technical education. Predictably, he tried to claim that education was the big loser in the Budget at the expense of public transport. He claimed the Government had sold out the children of this State. As a schoolteacher for twenty-one years and now as a Minister of the Crown, I find it incomprehensible how one of my predecessors can use schoolchildren as a political tool. No government sells out children. All governments are mindful of public concern at the ever-increasing drain on taxpayers' funds for education. In Opposition, what the former Premier and Treasurer has attempted to do by a mixture of intrigue, innuendo and downright lies is to convince the people of this State that our commitment to education has been reduced from his days as Premier. Over the last decade the Teachers' Federation consistently condemned the former Government for what it claimed were policies that damaged the interests of education.

Let us look at the education vote in this Budget in detail and analyse the claims made by the Leader of the Opposition—which have not been accepted anywhere

but in his own mind. Total expenditure estimated for 1976–77 is \$891,014,836, compared with actual expenditure of \$798,257,046 in the last financial year, an increase of 11.6 per cent. The Leader of the Opposition attempted to make great play of the fact that his Budget increased expenditure by 29.2 per cent. Seeing that he places great store by comparisons, let us consider what he told people in his own party in 1975. In the October edition of the *Liberal* he wrote in a special article that the 28 per cent lift in his vote as Minister for Education was an increase in monetary terms only. The article stated:

In terms of practical education betterment it represents therefore very little. An increase of that magnitude is only sufficient to maintain the status quo, with some marginal improvement overall and a few significant advances in specific categories.

What the Leader of the Opposition now fails to mention is that in the last Budget dealing with education there were two components which dramatically boosted his figures. One was the injection of an additional \$37 million from the federal Government. Our rate of betterment in giving an extra \$91.7 million to education this financial year included an increase of only \$7 million from the Commonwealth. In fact, the Commonwealth's contribution to education, which the Schools Commission had recommended be increased overall, has fallen from 10.6 per cent to 10.3 per cent of the State's expenditure in this field. The Leader of the Opposition admitted in his speech that the betterment flowed from a substantial increase from the federal Government and that this was responsible for the substantial lift in expenditure.

However, a far more important factor was his incorporating an allowance in the education estimates last year for wage increases, namely \$28,576,185 in primary education and \$28,625,000 in the secondary area. A further \$6,780,212 was provided in technical and further education. In our Budget only \$3,280,000 has been set aside in primary education, \$3,655,639 in secondary education and \$726,000 in technical education. This year, the allowances for wage increases expected in the current budget period have been set aside in the Treasurer's Advance Account allocation of \$75 million. If we had followed the same practice as the Leader of the Opposition the education vote this year would have risen by \$40 million, making the percentage lift in funds to be spent on education 31.94 per cent—that is, by a greater proportion than the Leader of the Opposition lifted the expenditure for 1975–76.

In addition, the former Treasurer's Budget anticipated an increase in secondary student enrolment of around 5 000 pupils. The current Budget was framed with the realization that there will be virtually no growth in total student numbers in this category in 1977. Despite these factors, the real proof of whether education has lost out and whether class sizes have suffered can be judged by the increase in the numbers of teachers that this Government has endorsed, compared with the paltry increases set by the Leader of the Opposition. By June next year we will have an increase of 1 639 teachers in primary and secondary schools, plus a normal growth rate in ancillary staff. Last year's Budget provided for only an additional 593 teachers to be put in service, although the actual increase was 1 513 teachers.

The real measure of the Government's support for education in a budget must surely come from its expenditure from the State's own resources. The current year's allocation to education, combined with the amounts expected from the Treasurer's Advance Account and from group votes, establishes an effective increase in expenditure from the Consolidated Revenue Fund of **32.34** per cent. Last year the comparable

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figure was 31.65 per cent. In fact, the State Labor Government's first Budget, framed within weeks of an election, has provided more State resources this year than the Liberal-Country party Government provided last year.

I want to make one further point here. The Leader of the Opposition and some of his colleagues have been sniping away in the rural press saying that I have altered priority lists and taken funds away from country areas. I challenge any member from the Opposition ranks to repeat the coalition leader's claims. As I look across this Chamber, I do not believe, for example that the honourable member for Upper Hunter or the honourable member for Clarence would care to support their coalition leader. To assess the merits, genuineness or integrity of the Leader of the Opposition's remarks, it should be added that as a result of his administration as Minister for Education, and then Treasurer for this State, a large number of maintenance programmes were cancelled in the twelve months before he was tossed out. He created and used for political purposes a pool of unemployed teachers.

The Leader of the Opposition abandoned the so-called class size programme for twelve months, and he spent virtually nothing on child migrant education. This Government has been elected in good faith by an electorate that will not tolerate mismanagement of financial resources. Yet in clear defiance of the Prime Minister's call for caution and reduced expenditure, he prates on about spending more money. This Budget gives considerable betterment to certain areas of education. We are operating to a three-year programme against a backdrop of curtailments in education that the Leader of the Opposition endorsed. Talk about me not being able to win in Cabinet. The Leader of the Opposition, on his performance, had few friends when it came to getting money for education, but plenty of allies when it came to reducing funds. On 8th October, 1975, he told this House:

The most disappointing feature of the budget from my view point is that faced with reality and the most difficult economic situation since the great depression, I was unable to obtain sufficient funds to continue with the implementation of the class size reduction programme.

I shall refer to the so-called class size issue later. Now let me turn to budget details. During this financial year we shall increase the number of teachers by 873 in primary schools and 766 in secondary schools. By the end of June, 1977, on current indications our teaching force will be 22 220 in primary schools and 21 621 in secondary schools. This is an increase of 1 639 overall, but for the sake of comparison I believe the best example can be given by submitting the increase in active staff excluding those on maternity leave, superannuation, et cetera. There will be 21 350 primary and 20 925 secondary teachers actively teaching by the end of June, 1977, compared with the initial estimate of 20 460 primary and 19 600 secondary teachers in active employment, as distinct from total employment, at the end of June, 1976. This represents an increase of 890 in 1976-77, compared with 360 in 1975-76 in the primary ranks, and an increase of 1 325 in secondary schools, compared with only 1 140 for 1975-76.

The additional teachers in particular will permit improvements in staffing in specialized areas, such as schools where there is a high proportion of migrant children, and for remedial work. This Budget already incorporates relief from teaching duty of all class-two primary principals in New South Wales. Also, there have been significant improvements in the teacher-pupil ratio in kindergarten classes, where additional teachers have been provided. We shall be increasing the number of teacher-librarians in primary schools. For the first time, exclusive counselling services will be available in some primary schools. When the federal Government meets our request for adequate

guarantees relating to recurrent costs of taking over voluntary schools for the handicapped—a stipulation the former Government also made—we shall immediately make appropriate arrangements for at least some takeovers to proceed. Irrespective of any determination by the federal Government, we have intimated that we shall proceed.

Let me refer to one area of betterment where we have insisted on improvement by contrast with our predecessors. At my intervention the Department of Education has already placed some 80 extra teachers in schools with a high migrant content representing in one stroke an expenditure within the Budget of some \$800,000. The former Government left this field entirely to the federal Government. Between 1969–70 and December last year, the Askin, Lewis and Willis governments provided a total of \$28,700 for child migrant education. At the same time the federal Government contributed more than \$12 million. In addition, I have granted permanency of service to teachers in adult migrant education fields.

The former Government not only was guilty of ignoring its responsibility to migrant children—and let me tell this House migrant children who cannot speak English represent a significant number of all children in schools—but also failed to take up all available Commonwealth funds for this special area of education. For example, in 1974–75 about 45 per cent of federal money appropriated for this purpose was not spent, involving more than \$600,000 forgone. I might add that the position of officer in charge of child migrant education was left vacant for ten months by the former Government. This situation has now been rectified. I reject the Leader of the Opposition's charge that I have not been able to show the soundness of our policies in my own Cabinet or with my colleague the Treasurer. At a time when public service recruiting is to be cut by at least 2 700 on approved staff establishments, I have gained 1 640 extra teachers this year. This is more than he was able to achieve with extra federal funds at his disposal last year.

We are increasing the rate of living-away-from-home allowances for secondary pupils commencing from the beginning of 1977. The means test applicable for receipt of this benefit has also been raised from its current level of taxable income of \$10,500 per annum to \$12,000 per annum. There has been an overall increase of 15 per cent in the level of benefits payable under the bursary grants scheme for years 7 to 10. This scheme was introduced from 1st January, 1974, replacing the award of senior secondary bursaries. In 1976, about 1000 awards were made to year 7 students and they are tenable through years 8, 9 and 10 subject to satisfactory progress by the recipient. This will increase to 2 000 awards being granted to students attending government and non-government schools next year. The comparable rates for 1977 as against 1976 are: year 7 and 8, \$84 compared with \$72 last year; year 9, \$126, a rise of \$18; and year 10, \$204, compared with \$180 last year.

The means test on eligibility for these grants has been eased so that adjusted taxable income of parents must not exceed \$6,000 per annum from 1st January, 1977, compared with the present figure of \$5,500. In view of an increase from 1 000 to some 2 000 bursaries for year 7 students, the number of additional awards made to year 9 students each year, tenable in years 9 and 10, will be reduced to 3 500. These bursaries supplement the secondary allowances payable by the Commonwealth and apply in years 11 and 12. The federal Government will assist families to maintain their children in the final two years of secondary education. From 1st January it is to be \$550 per annum where adjusted parental income does not exceed \$5,100.

An important measure provided in the Budget is the introduction of free bus travel for all infant schoolchildren, that is, those attending kindergarten, year 1 and year 2, irrespective of the distance between the school and place of residence. Formerly this benefit was restricted to all schoolchildren residing beyond a distance of

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one mile from school. An increased scale of allowances for the conveyance of children to school or the nearest bus stop by private vehicle has also been approved from the beginning of 1977. These are distinct advantages in non-metropolitan areas.

The Government has substantially increased the amounts it will spend on school maintenance. Normal allocations in the Budget have been increased from \$18.6 million to \$25 million. In addition, an extra \$7 million has been set aside from a special \$20 million package provided by the Government to boost the building industry. A complete review is being made of teacher education scholarships including rates of allowance. The Government has already committed itself to the abolition of teacher education bonds, and concurrent with administrative decisions being made on allowances, my department is working out a suitable structure that will encompass both these areas.

I now turn to aid for non-State schools. The Government has approved new rates of payment for per *capita* grants to primary and secondary students attending non-government schools. Commencing 1st January, 1977, the rate for primary pupils will rise from the current level of \$108 to \$122, and for secondary pupils from \$180 to \$202. The total allocation on this basis will be an estimated \$32,177,000. These rates represent 20 per cent of the estimated pupil cost for New South Wales government schools in 1976–77. It is important to note that the Treasury has already agreed that these rates will be reviewed as necessary during the financial year when further and more precise data are available.

Typical of the blatant vote-catching tactics adopted by the Leader of the Opposition, he persists in repeating the lie that this Government took away a subsidy to non-government schools and then restored it triumphantly in the Budget as an initiative of the new Government. I am referring to the statement by the Leader of the Opposition that when he was Premier he had increased the rate of subsidy applicable towards interest charges incurred on capital funds raised by non-State schools from 7 per cent to 10 per cent. He said in this House on 6th October, "It was my Government which put it up 10 per cent earlier this year".

The truth of the matter is that the honourable member for Hornsby, when he was Minister for Education, announced in a press statement on 28th April that the level of subsidy would rise to 10 per cent commencing from 1st July. That was very fortunate. The election of 1st May fell in between those dates, and it should be noted that the Government party made no such promise. We were not bound to honour a promise—and a promise it was, not a decision—of the former Government. Although it is my earnest hope to run my portfolio to the best of my ability and to refrain from personal attacks on my opponents, particularly my predecessors in the education portfolio, I will not stand by and see blatant lies told to influence a few votes here or there. It does not become the Leader of the Opposition to pose riddles in an attempt to capture the Catholic vote and, in particular, to bring discredit on this Government.

In this Chamber I have been referred to by the Leader of the Opposition not only as a pet poodle of the Teachers Federation, meeting in secret with militant unionists, but also as a weak man unable to convince my Cabinet colleagues of the righteousness of any cause. If that were so it is strange indeed that I was personally able to press the merits of the 10 per cent subsidy increase and to have it included in the Budget. It must be very disconcerting to the Leader of the Opposition to see the Government today playing the game squarely and treating the Teachers Federation as an intelligent, professional and concerned body of people—more than 40 000 in this State—whose task is to watch over the children who will build this State. The parents know this.

2040 ASSEMBLY—Appropriation Bill

What irks the Leader of the Opposition is that I have been successful where he and his predecessors have failed. I am proud to be the first schoolteacher in this State's history to be Minister for Education in a Labor government. It is not insignificant that this Government has managed to introduce to some degree its policy promises, which were offered as part of a three-year programme. We have made this achievement in less than five months. We promised to repeal certain obnoxious amendments to the Teaching Services Act so that job preference to unionists would be restored, after being withdrawn in a fit of pique and industrial immaturity by the previous Government from an award made by the Industrial Commission of this State. Already the Industrial Arbitration (Amendment) Bill has been before both Houses to amend existing legislation to enable the recommendations of the president of the Industrial Commission to be implemented in respect of teachers, police and nurses. That measure will extend to them access to the State's industrial tribunals for determination of hours of work and conditions of employment.

While I am Minister I shall not countenance a practice adopted during the reign of the last two Ministers for Education. The public should know that so spiteful was the former Government towards teachers who raised, through parliamentary representations, honest objections with the Education Department, that its Ministers endorsed such teachers getting a bullet from their school principals. The practice of chiding or intimidating schoolteachers who endeavoured to use their parliamentary representatives to make formal representations has been stopped.

The Government is anxious to provide full employment for teachers. On this basis, one of my first acts in office was to argue their case before Cabinet and Treasury. I might say that I received the full support of not only the Treasurer but also the Premier. Although this year has been frequently described by me as a holding operation, the public, particularly the teaching service, should fully realize that the Government was elected for three years. My door has always been open—unlike that of former Ministers—to all who have a genuine case to present. The Leader of the Opposition takes much pleasure in pointing out that our programme omits reference to class sizes. In a holding year, and given the fact that he used a flood of federal funds to doctor up class size comparisons in 1974–75, where would he have gone after cancelling the programme himself in 1976? Information released by him in the past has distorted the Scott plan projections through until 1980 in respect of class sizes.

I commend to the House the points I have raised and reiterate my earlier statement. It ill-behoves the Leader of the Opposition to criticize the first Budget of the Wran Government, particularly in the field of education, having in mind that we have done so much more than he was able to do with comparatively more resources.

Mr DUNCAN (Lismore) [4.25]: When introducing the Budget the Treasurer indicated that the Wran Labor Government had set itself five major objectives in framing it. First, the Government was determined to restore sound responsible management to New South Wales; second, it was determined to co-operate with the employers and employees, and with other Australian governments, in the hope of promoting economic recovery; third, it was determined to fight unemployment; fourth, it was determined to reduce taxes and to reduce tax anomalies; finally, it was going to introduce a programme to enrich the quality of life for all people in New South Wales. Surely they are all worthy and responsible aims, which every honourable member would seek for his constituents. Certainly every responsible government in Australia would work along lines directed to fulfilling those objectives.

When one examines the Budget one sees just how unsuccessful the Wran Government has been in fulfilling those five major aims. In regard to the Budget working to restore sound responsible management in New South Wales in

relation to the State's finances, I submit that, if the Budget has done any one thing, it has at least proved that the Labor Government inherited a State in a sound financial position. I say that despite the carping criticism of the honourable member for Coogee, who seeks to interject. Of course, he supports his Premier and his colleagues, who claim that when they came to office New South Wales was in a financial straightjacket. Their claim is disproved by the Budget itself and the Auditor-General's Report. They indicate that the reverse position obtains. Despite its carping criticism prior to 1st May, the Labor Government has benefited by a balanced budget that was introduced by the Lewis-Cutler Government last year, and a budget surplus of about \$21 million that existed on 30th June last. That gives the lie direct to the claims by the Labor Opposition prior to 1st May and the Labor Government after 1st May that the State cupboard was left bare.

Despite that criticism, the present Government transferred to the General Loan Account \$22 million which was previously intended for expenditure out of the Consolidated Revenue Fund. Notwithstanding that, a budget deficit of about \$950,000 is peanuts when compared with the enormous total expenditure by the Government. One can only imagine the position of the State's finances that would have been inherited by the Labor Government if the previous Government had taken the line commended by that great financial wizard, the Premier of this State, when he was Leader of the Opposition, leading for the Opposition when the 1975 Budget was being debated he said:

A useful budget would have involved a substantial deficit because of spending on the public works programmes, such as expenditure on educational facilities, upgrading roads and railways and so on, which would have increased productivity as well as provide employment opportunities.

However, the Government of the day took a responsible line, as a result of which—and without any credit being given to it by the present Labor Government—it gave the new Government the advantage of beginning its term of office on a sound financial basis.

Second, the Government has referred to a spirit of co-operation that exists between it and employers, employees and other governments. During the budget debate we will talk about the Government's co-operation with employers and employees. Let us consider co-operation with the Australian Government in Canberra. Almost daily if someone should raise with any member of the Wran Government in this House or in the press the question of unemployment or the allocation of additional funds to enrich the quality of life, to use terms included in the Budget, responsibility by this Government is denied. All blame is sheeted home to the dreadful Fraser Government in Canberra. Last year when the great white hope of the Labor Party, the Hon. Gough Whitlam, was in control of the purse strings of the nation the position was precisely the reverse. All responsibility for funding the needs of this State and all blame for unemployment was lodged with the Liberal-Country party coalition Government in New South Wales. The facts put paid to any thought of co-operation by this Government with the Australian Government.

My third point concerns this Government's fight against unemployment. I regret that in this regard the hypocrisy of the Labor Government perhaps comes more to the surface than in any other area. Last year the Leader of the Opposition, the man who is now Premier of New South Wales, said this in his speech during the budget debate:

If the Budget represents a stratagem it certainly contains no strategy. What was the strategy that should have been pursued? I suggest, to help

check inflation and to help stimulate employment, but in respect of these two matters which dominate the economic life of Australia and consequently that of New South Wales, the Budget does nothing.

At this time action is needed to alleviate unemployment in the community but the Government chooses to swell the ranks of unemployed by dismissing State employees and nothing in the Budget seems designed to rid the Government of this 19th century approach to the State's problems.

One can only say that that statement on the vexed question of unemployment was both interesting and intriguing. Probably when the Premier delivered that speech last year he had details of the figure for unemployment in August of 96 542. The August, 1976, figure was 117 000, so it is obvious that unemployment has not been aided in any way since Labor came to office. The August unemployment figure reveals that 5.1 per cent of the total work force in New South Wales is out of work. The Treasurer claims that this Budget is a document which fights unemployment but it is obvious that so far it has done absolutely nothing to alleviate the situation. One might ask how can Labor in this State blame the Fraser—Anthony Government in Canberra for the level of unemployment.

Last night the Minister for Local Government claimed that the New South Wales Treasurer had displayed great genius in administering the financial affairs of this State. However, he did not say that the Treasurer had included in his Budget provision for a 7 per cent increase overall in expenditure from the State's Consolidated Revenue Fund. He did not bother to say that the Fraser—Anthony Government in Canberra had increased its assistance in the form of grants by 21 per cent. He did not say that last year the Lewis—Cutler Government framed its Budget on the basis of receiving Commonwealth assistance totalling \$946.7 million whereas this year assistance from the Commonwealth has increased by \$199 million, to bring a total of \$1,145.3 million to New South Wales. The Commonwealth has offered a 21 per cent increase in assistance compared with inflation running at 13 per cent. The extra money to come from the Commonwealth is not tied in any way; the State Government may spend it as it thinks fit. Nevertheless, the Wran Government is blaming the Australian Government for the high level of unemployment. Despite its criticism of the Australian Government, the Wran Government has done nothing to increase the number of jobs available.

Let us examine some of the departments of government in New South Wales where employment opportunities might exist. Earlier in this debate the Minister for Education claimed that almost daily he is personally criticized in this House. Today, however, he puffed out his chest and told members that the Wran Government is doing a magnificent job for education. He criticized the Leader of the Opposition and said that the only person who believed the Leader of the Opposition was the Leader of the Opposition himself and this belief was in the mind of only the Leader of the Opposition and it was not based on fact. I invite the Minister for Education to refer to the most recent issue of the journal published by the Teachers' Federation. He will find in it that the teachers of this State support what the Leader of the Opposition said about education in this State. The Budget provides for an 11.6 per cent increase in spending on education, compared with an average rise of 18 per cent over each of the past five years, under the administration of a Liberal-Country party government. Had the present Minister for Education been able to achieve a similar percentage increase he would have this year an additional \$56.3 million to spend. Prior to 1st May last the Labor Party gave undertakings without reservation that if elected to government it would employ 3 000 teachers who were alleged to be unemployed. It did not matter

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where they lived or where they wanted to teach, they were to be employed. As a result of that policy the Budget provides for the employment of only an additional 873 primary teachers and 766 secondary teachers. Where are all the crocodile tears about reductions in class sizes? Who now is the friend of education in New South Wales? I hope that every member of the Labor Party has the courage to go to his local schools and tell the teachers, students and parents that the real friend of education in this State is a Liberal—Country party government.

I do not think that the figures in regard to the Department of Health are worth mentioning. Despite a 13 per cent increase in inflation, the Minister will actually receive less from this Budget. Was it not the Premier who, when he opened the Bankstown Civic Centre on 12th April, had this to say about health?

A Labor Government will take all steps necessary to re-open out-patients departments at public hospitals and will take urgent action to establish community health and welfare centres.

Can Labor, or will Labor, honour such a promise on a reduced budget? I come now to the vexed area of transport. Sitting in the House is a former Minister for Transport. Honourable members will remember the criticisms made by the Labor Party of the late former member for The Hills when he was Minister for Transport. The press and the media castigated the Liberal—Country party Government for having dirty trains that did not run on time. Similar criticism was levelled at the buses. Under the Labor administration the trains and buses are spotless, the timetables are satisfactory and all is well with transport. Honourable members do not even hear a murmur of complaint from the press on this matter. The Government, due to its strategy and sound management of the transport system, now glibly tells the people that the transport deficit will rise by an additional \$80 million. That statement was not given a line in the press. The people of New South Wales, some of whom will never have the opportunity of using public transport, are subsidizing it by almost \$1 million a day. So much for the great transport strategy of the Labor Party of New South Wales to win the commuters back to the railways and the buses. The city commuter has been given the benefit of a 20 per cent reduction in fares and this year that will cost the State something like \$17 million.

How will the State Government redeem that sum? One way will be to hit to leg the poor old primary producer, secondary industry and people in commerce and business. The State Government is to increase freight rates. If it is good strategy to win back patronage to the railways by reducing fares, surely one does not have to be an economist to realize that a similar strategy should work equally well in regard to freights. I often wonder how members from country electorates like Murrumbidgee, Burrinjuck, Broken Hill and Casino and the honourable member for South Coast who supports the Government as an independent, can tell the country people in their electorates that they are pawns in a great confidence trick. The Government takes the line that the country people will pick up the tab.

An interesting aspect of the Budget is the Labor Government's proposal to reduce taxes and the number of tax anomalies. At page 21 of his budget speech the Treasurer said that there would be no new taxes, no increases in existing taxes and tax relief in a number of areas, namely stamp duty on conveyancing, death duties, pay-roll tax, racing taxes, poker machine taxes and liquor licences. One accepts that they are minor concessions but the Treasurer did not point out that there will be vast increases in income from other fields. Something like \$34 million extra will be received from stamp duties. An extra \$84 million will come from pay-roll tax. Death duties will bring in an extra \$7 million in this financial year and racing taxes are to rise by \$9 million. The additional amount to be received from poker

machine taxation will be \$6.6 million and income from liquor licences will rise by \$9 million. Something like an extra \$149 million is to be received from those areas alone.

Honourable members must not overlook the continuing bonanza from the poor old motorist of New South Wales. The great friend of the motorist, the Labor Government, is to increase motor registration fees in order to bring in an extra \$30 million in a full year and \$20 million in the remainder of the current financial year. It is doing that despite all the criticism levelled at the Liberal-Country party Government for increasing motor registration charges. The Labor Party may be likened to a foundation garment in a shop window. That garment offers an elderly matron all the support in the world until she actually puts it on. That analogy has been proved over and over again in this Budget.

The Government speaks of co-operation between employees and employers. I say without reservation that it has done nothing to restore confidence by employers. Neither has the Government done anything to assist employees. Probably all the Budget has done has been to increase overhead costs and go further along the road towards greater unemployment. I come now to my final point—the supposed introduction of a programme to enrich the quality of life in New South Wales. One must acknowledge that the Budget has conferred some benefits. I refer to the maintenance of assistance to non-government schools and assistance to local government by abolishing payments to the Planning and Environment Commission, greater assistance to deserted wives, higher library subsidies and the removal of death duty on estates of surviving spouses. However, those matters could scarcely be described as improving the quality of life. They may more appropriately be described as giving a little more justice in some fields.

What the Government has done is what the Premier mentioned one night on a television programme when he was interviewed with Sir Eric Willis at about the time of the opening of the Parliament in August. When asked a question the Premier shrugged his shoulders and said that the Government intended to introduce nude bathing. Whether that will improve the quality of life or whether it will merely show some of the bare statistics of this Government, I do not know. One aspect of the Budget has not come to the surface, an aspect that might assist the financial coffers of the Government before the end of the financial year—the move to legalize gambling casinos in New South Wales. When considering any extension of gambling it is as well for members to refer again to the speech made by the Premier, then Leader of the Opposition, at Bankstown on 12th April. He said that, unlike its opponents, Labor would come into government without having entered into any secret undertakings or being under any obligation to pressure groups or powerful sectional interests. He also said that the whole commitment of a Labor government would be to all the people of New South Wales, wherever they live and whatever their status. In the June edition of a booklet of the Council of Churches it is stated that prior to the elections the Premier said that he was against legalized gambling casinos.

Mr Bruxner: That was before he saw Mr Waterhouse.

Mr DUNCAN: That is right. I am concerned that the Government should talk about enriching the quality of life of the people of New South Wales, when in fact it is concerned only with gaining additional dollars and cents. When an honourable member asked a question on this matter in this House he was told that there are illegal casinos in New South Wales now. If there are illegal casinos, why not stamp them out? If a person commits a murder does one condone it by permitting him to commit another murder? Does one fix one vice by legalizing another? Mr Lusher, Q.C., is at present overseas inquiring about the running of casinos.

If the Government is anxious to improve the quality of life in New South Wales, and if the honourable member, who nods his head, believes that the introduction of casinos will assist to achieve this end, why does he not get up in his electorate and say that this great Labor Government is so intent upon improving the quality of life in New South Wales that it intends to provide additional avenues for gambling? Surely his constituents will say—and he knows it—"Why don't we have a chance to express an opinion on this at a general election or a referendum?" If a referendum were held in conjunction with a general election it would not cost nearly the \$1 million that the Premier claims it would. At the same time it would give citizens the opportunity to say where they stand. After all, there is no question of urgency in this matter. Casinos are unproductive. One must also recognize that, although the Gallup polls conducted by the Bulletin—and I think another one was conducted by Radio 2UE—resulted in a 55 per cent vote in favour of the proposal. In New York various Gallup polls held in 1974 revealed a similar pattern, but when a referendum was held in New Jersey it was soundly defeated. The gambling casinos are renowned for attracting undesirables and if they are legalized they will damage institutions that are already contributing considerable sums of money to the Budget. I refer to registered clubs, racing clubs, the Totalizator Agency Board **and** the like.

I conclude my contribution to this debate by saying that the New South Wales Labor Government was elected to office on a joint theme of no double taxation and that the Labor Party would put this State in better shape. Double taxation is an absolute furphy. The present Government is receiving more finance from the Commonwealth Government than any previous government in this State. As to putting the State in better shape, the Government has done nothing to improve services, the quality of life or to ease unemployment. Bearing in mind the number of constraints that this Government intends to remove in accordance with its trendy attitude, the quality of life is sure to be damaged. Therefore the Opposition wonders how long the Government will have the capacity and the ability to keep the State in the good shape in which it inherited it.

Mr KEANE (Woronora) [4.53]: I am indeed pleased to speak in support of the Wran Labor Government's first Appropriation Bill and Budget, so ably prepared and presented by the Treasurer. I am sure it is the forerunner of many budgets that will be formulated and presented by the Wran Government in the years ahead. I listened with interest to the honourable member for Lismore desperately spitting into the wind in his puerile condemnation of the Wran Budget. The honourable member for Lismore is quite a good speaker, except that what he says makes no sense. It is understandable that the Opposition does not allow him to speak more often.

Public and private reaction to this Budget has been overwhelmingly favourable. It has been well received both by business and workers, as well as by the man and woman in the street. Even the Prime Minister and the federal Treasures have publicly stated that the Wran Budget is a good one. The only note of criticism has come from the Leader of the Opposition and a handful of his supporters. This again demonstrates the extent to which the Opposition is out of step with public opinion. Also, it supplies the reason why the honourable member for Earlwood is no longer the Premier of this State and the Liberal-Country party coalition is languishing on the Opposition benches, where it is destined to remain for many years to come.

Let us consider the benefits that the Labor Budget has brought to the public of New South Wales. Foremost, it contains no new taxes, and a number of existing taxes have been reduced. To underline his concern at the growing Fraser-created unemployment, our Treasurer has allocated \$20 million specifically for the creation of more jobs. It is a pity that the honourable member for Lismore has left the Chamber

because I will expand later on some of the positive things that the Wran **Budget** is doing to alleviate unemployment. There is no increase in existing taxes and the Budget provides for a variety of tax concessions and improvements in social welfare and education. Major concessions include relief in relation to death duties, payroll tax, bookmakers' turnover tax, poker machine tax and liquor licence fees. It has made provision also for increased aid to non-State schools and for free bus travel for children attending infant schools. The **Labor Budget** is proof that the Premier has honoured his promise to co-operate with the Fraser Government, although the Fraser Government's policies **will** prove to be mistaken.

The State **Labor Government** is doing all it can to co-operate with the **federal Government** to ensure that inflation is reduced and the impact of unemployment lessened—if that is possible at all under a capitalist system. The Wran **Labor Government** has planned a **balanced budget** and provided wide-ranging concessions. That is why, despite what the honourable member for Lismore said, it has been received with **acclaim** throughout New South Wales. It is no wonder the Opposition is so half-hearted in its carping criticism. Even the Leader of the Opposition had to admit that he supports many aspects of the Budget and would have wished to introduce them himself. Even the former member for Hurstville, the recently defeated Mr Tom Mead, has gone on record in the *St George and Sutherland Shire Leader* in support of the Budget. These are his words:

Due credit must be given to the New South Wales **Labor Government** for its first budget. Economically it might have its faults, but politically it is one of the best budgets for years.

Referring to the 1975 Liberal Budget, Tom Mead had this to say:

The 1975 Budget of Premier Tom **Lewis** sowed the seeds of defeat for his party this year, by alienating the support of enough people to make the difference. Two doses of petrol tax, increases in stamp duty on cheques, higher fares and higher freight, **dearer** motor vehicle **registrations** and transfer charges, double tax on bookmakers, **bigger** grabs at the revenue of racing clubs and the poker **machine** take of licensed Clubs. Add to these a host of other things, like increased liquor licence fees and refusal to allow payment of fees except by lump sum annual payment. It all adds up to a long list of disgruntled sectors of the **community.**"

Speaking of the Wran Budget Mr Mead said:

For the first time for many years there were no new taxes and no increases in existing taxes. The budget has virtually reversed that long list of unpleasant things mentioned earlier and has offered a lot of new things besides.

In fact, this year the State Government is doing something to please some of the people instead of appearing to do everything to annoy them.

Those are the words of a former member of the Liberal Government who was one of the most vitriolic opponents of the **Labor Party**. He has seen the light—if not the festival—and is willing to come out in open support of the Wran-Renshaw **Labor Budget** in his syndicated newspaper column, which has wide coverage throughout **the State**.

As the Treasurer stated, the State of New South Wales, economically speaking, cannot be regarded as an island remote and unaffected by the financial policies operating in the rest of Australia, and especially by the **thrust** of the budget policies of the Fraser Liberal-Country party coalition Government in Canberra. The New South Wales

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Government's public works programme cannot escape the consequences of financial strategies devised by the Tory Government in Canberra. The Governor, in his opening Speech last August, said:

My Government is deeply disturbed that urgent public works have had to be delayed as a result of drastic cuts imposed by the federal Government. New South Wales has been particularly affected by the cutback in capital works programmes—cutbacks which are adding further to the burdens of the building and construction industries.

I propose to develop this theme to illustrate the dire consequences that the Fraser Government's economic policies contain for the people of New South Wales. It is irrefutable that the budget policy of the federal Liberal Government is causing the high level of unemployment in this State. Indeed, **34** per cent of the unemployed in Australia are under twenty years of age and the **118 000** unemployed in this State are bearing the brunt of the Fraser-Lynch financial strategy. The New South Wales Labor Treasurer in his budget speech expressed the Government's grave concern when he said:

It is unacceptable to this Government that the burden of the fight against inflation should fall on the weaker sections of the community, particularly the young people and the other unemployed of this State.

He went on to say:

The role of the State Government in overall economic management is severely limited. States have very little capacity to relieve unemployment. It is the federal Government which has exclusive control over, and responsibility for, the major economic instruments and decisions—bank lending, monetary policy, tariffs and the exchange rate. And it is the federal Government which dominates government spending both through its own activities and through the financial allocations it makes to the States.

The Treasurer has put his finger on the vital spot. The States have little room for financial manoeuvre, being clamped within the straitjacket of the Fraser federal policies. Those policies are deliberately formulated to create mass unemployment as a blunt and vicious economic weapon, in the forlorn hope that it will stem inflation—a hope that is rapidly diminishing as Australia moves into the classical pattern of stagflation, in which the economy remains stagnant and inflation continues to spiral. The thrust of the Fraser policies cannot be disregarded when one considers their calamitous effects on the people of New South Wales. How can unemployment be substantially reduced in this State when the Fraser Liberal Government has slashed the federal grant funds so necessary to provide employment in the public sector for those now jobless?

The building and construction industry of New South Wales is in a state of near collapse, yet the Fraser Liberal Government has slashed grants for public hospital buildings by **\$1.7** million, a reduction in real terms of **17** per cent. Funds for pensioner dwellings have been reduced from \$6.8 million to **\$2.3** million. Funds for buildings and equipment for universities have been reduced from **\$21.7** million dollars to **\$11** million. In the Fraser-Lynch Budget there has been no increase in funds for public housing, which means a reduction in real terms of **12** per cent. The area improvement programme has been abolished by the Fraser Liberal Government.

Funds for sewerage programmes have been reduced from **\$43** million to **\$20** million. Funds for the Urban Land Council have been cut from **\$11.7** million to **\$4.3** million. There has been a decrease in real terms of **9.6** per cent in funds available for roads. These savage cuts are all part of the Fraser-Lynch strategy to create massive unemployment throughout New South Wales.

Commonwealth assistance for expenditure on tuberculosis control will cease on 31st December this year. Last year these payments were worth over \$3 million to this State. The Fraser Liberal Government has abolished employment relief grants worth \$11.7 million to New South Wales. Funds for Aboriginal advancement paid to the New South Wales Government have been reduced by over \$2 million. Funds for development of tourist facilities in New South Wales have been slashed from \$543,000 to \$74,000. In the Fraser-Lynch Budget there have been major reductions in funds for local government. Payments to local government in all States have been reduced from \$275 million to \$195 million, a reduction of \$80 million.

These massive cutbacks in financial grants to the States must have the most dire consequences for private business and employment in New South Wales. The consequences for the public enterprise sector are absolutely catastrophic. Improved schools, hospitals, roads and transport are all essential public-enterprise developments and create a better way of life for the people. They have been thrown into the discard because of the Fraser policies. It is a tragedy that the Wran Labor Government has to deal with a Liberal government in Canberra so steeped in the outworn, discredited, conservative philosophies of a bygone age. It is a government guided by financial mumbo-jumbo propagated by the American economist, Ayn Rand, whose economic thinking with its extreme emphasis on unbridled private exploitation strikes such a sympathetic chord in Prime Minister Fraser. The Fraser Liberal Government gleefully extols the vicious Ayn Rand philosophy of all spoils to the victorious rich, and the devil take the poor, the oppressed, and the underprivileged.

How different it would have been if the federal Labor Government had not been overthrown by the Fraser-Kerr coup of 11th November, 1975. Instead of the present depressing spectacle of a Liberal-Country party federal government deliberately sabotaging Labor's progressive plans for long-overdue social reforms, the Australian and State Labor governments would have been co-operating to provide essential improvements in housing, sewerage, schools, transport and community health services. Our Premier now has to deal with a Prime Minister who stands guilty of the greatest act of treachery since Brutus murdered Caesar. We have an arrogant Prime Minister, feared by his colleagues because of his treacherous betrayal of former Prime Minister John Gorton, and the present Speaker of the House of Representatives, Billy Snedden. Both those men have felt the knife slipped silently between the shoulder blades, guided by the hand of Prime Minister Fraser, the man born to rule with a silver dagger in his mouth. This is the man whom our Premier must try to divert from his mad dream of destroying the social fabric of Australian society by a division of the Australian people into two classes—the rich and the poor.

Mr Fraser is the man with whom our Premier must negotiate to obtain elementary justice for the Aboriginal citizens of New South Wales—the people who suffer the highest infant mortality in the world, endure the highest rate of unemployment and have the lowest level of education. These original Australians suffer the highest incident of disease and live under the most appalling housing conditions. Federal Liberal Government spending on Aboriginal affairs in real terms has been reduced by 30 per cent, which will shrink the funds to the pre-1972 level—a searing slash of \$28 million. Only now, following a nationwide outcry, is the Fraser Government reluctantly and grudgingly reviewing these savage cuts.

How does Mr Fraser attempt to justify such acts of financial vandalism? His philosophy is summed up in his own words, "life was not meant to be easy". What rank hypocrisy and sickening cant it is when these words fall from the lips of a man who has always had life easy, a man born into the bunyip squattocracy, educated at the most elitist private schools and a member of the most exclusive clubs. This man

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has the effrontery to preach in pious tones to the unemployed and the underprivileged, telling them that they should grin and bear their misfortunes because life was not meant to be easy.

The Fraser Liberal-Country party Government believes that social welfare must be sacrificed and that mass unemployment does not matter if inflation is to be contained. Has inflation been contained? Has the economic climate improved since Fraser's Government seized power? No. The cold, hard facts show that despite the highest unemployment rate since the depression of the 1930's, despite the massive cutback in public sector spending, the rate of inflation under the Fraser Liberal-Country party Government is running at approximately 14 per cent and that Government's own prediction for the future—as stated in the Lynch budget papers—is that even when contained inflation will still be at the rate of 12 per cent annually. It is small wonder that share prices on the stock exchange are plummeting, that business predictions are gloomy and that people are saving instead of spending.

The Australian people have been cynically hoodwinked by Mr Fraser and the Liberals into accepting the sacrifices of the unemployed and the destruction of social advancement programmes in the mistaken belief that inflation can thus be curbed. It is a gross deception upon the Australian people, a double cross of the worst kind, perpetrated by the federal Liberal Party which has no answer to the problems of our times. The present state of the world economy proves that inflation is built into the inefficient capitalist system—the financial system that the Opposition hails as being the paragon of all virtues. History shows that this outdated economic system of capitalism, with its gross inefficiencies, its terrifying inhumanity and its glaring inequalities, is slowly but surely decaying in every country in which it operates. It is being strangled by the very contradictions that it has created.

It is likely that, given the opportunity, capitalism will be replaced by democratic socialism, a system based on scientific, long-range economic planning. This is an economic system controlled by the people, in the interests of the people, who, at last, will be in charge of their own economic destinies. But the ever-present danger that must be continually guarded against is that capitalism will degenerate into fascism. People are no longer willing to tolerate the capitalist system with its triple evils of mass unemployment, roaring inflation and the monstrous stupidity of the global arms race, bearing within it the seeds of world thermo-nuclear destruction. Only scientific, democratic socialism can provide the necessary solutions for today's problems. *Laissez-faire* capitalism, with its emphasis on unplanned, ad hoc profit motivation, is incapable of providing the answers to the problems of the world today.

Tragically, the 270 000 unemployed persons in Australia, those whom the Liberal-Country party supporters delight in calling dole bludgers, are facing an outlook that is bleak indeed, because the Fraser-Lynch economic strategy is specifically designed to create and maintain unemployment as a major weapon in its political strategy. Recent company profit figures show that though profits reflect a strong upsurge, one of the most significant factors in this profit growth has been that fewer people have produced these higher sales and profit figures. Monopoly companies such as Broken Hill Proprietary Company Limited, CSR Limited and Australian Consolidated Industries Limited are using less staff now than they were a year ago. These companies have reduced their staff numbers by the method of silent sacking—by not replacing staff who retire or resign, thus forcing the remaining employees to work harder in order to fill the gap. CSR Limited, for example, has achieved a 33 per cent increase in the value of its sales, with a decrease in staff of 5 per cent. Brambles Limited has achieved an increase in profit of 14 per cent, with a reduction in staff of 4 per cent.

Mass unemployment is the keystone of the Liberal-Country party philosophy under its beloved capitalist system. Only with mass unemployment can the capitalist system stagger from one crisis to another until the day it finally disintegrates. Dr Peter Sheahan, of the Melbourne Institute of Applied Economics and Research, predicts that by 1977 at least 400 000 Australians will be out of work—a 7 per cent rate of unemployed and the highest since the great depression of the 1930's. Even the Fraser Government itself admits that it expects unemployment to rise to at least 375 000, or 6.16 per cent of the work force. In rural areas, the jobless in one year have risen by 33 per cent to a total of 54 000. There are 29 000 families where not one person in the family has a job. Some 35.3 per cent of those without work are in the age bracket of 15 to 19 years. The Aboriginal unemployment rate approximates 40 per cent of the Aboriginal work force. If the Aboriginal population numbered millions rather than thousands, the repercussions from this monstrous unemployment rate would be terrifying indeed. The Wran Labor Government's position regarding mass unemployment was clearly outlined in the Governor's Speech in which he said:

My advisers do not believe that a huge increase in unemployment as the principal weapon against inflation is acceptable, responsible, humane or workable.

However, under Fraser's co-called new federalism policy, unemployment in New South Wales will be extremely difficult to combat with the savage cutbacks in federal funding. During the Whitlam administration, increases in payments to the States were 20 per cent in the first year, 50 per cent in the second year and 30 per cent in the third year. By contrast, the Fraser policy provides for an increase, on the most favourable calculation, of only 10.3 per cent—yet inflation is now running at a level of 14 per cent. The heaviest cuts in federal funds outlay are in payments to the States. Funds for all capital works such as housing, hospitals, schools, roads and sewerage, have been reduced by \$127 million. Funds for national sewerage have been reduced by 70 per cent. There is no increase in funds for national roads—no new programmes for urban public transport. Paradoxically, Mr Fraser is handing out tax concessions to mining companies with gay abandon—an estimated \$60 million in a full year. The cost of investment allowance is estimated to be \$200 million this year, and \$600 million in 1977–78. That is an example of Liberal-Country party priorities while the unemployed go hungry.

Decentralization initiatives taken by previous federal governments and an investment of more than \$90 million in federal funds over the past three years are being wilfully and recklessly destroyed by Mr Fraser and his colleagues. The magnificent concept of the Albury–Wodonga and the Bathurst–Orange growth centres in New South Wales has been blotted out by a staggering cut of \$36.8 million in the provincial allocation for growth centres. Recently the Deputy Leader of the Country Party in this House spoke in impassioned tones imploring the Wran Labor Government to save the State's growth centres. He expressed his unbounded admiration for the Deputy Leader of the federal Labor Opposition, Tom Uren, as evidence in support of his arguments. I never thought that I should hear in this hallowed Chamber the Deputy Leader of the Country Party and member for Tenterfield heap praise upon the head of the Deputy Leader of the Australian parliamentary Labor Party.

The Deputy Leader of the Country Party realizes that the political future of his party hangs in the balance because of the ruthless destruction of the whole concept of decentralized growth centres as a result of the Fraser-Lynch economic policies. As Gough Whitlam said:

More and more Australians are coming to understand that, no matter how much they pay from their own pockets, there are **some** things they cannot obtain for themselves. A family cannot buy a road, a school, a railway, a

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hospital, or a university. It cannot buy a decent environment. It cannot buy a playing field, a library or a national highway. Increasingly it cannot even buy a block of land.

It is tragic that the Wran Labor Government has not only inherited the bitter fruits of the Askin-Lewis-Willis maladministration, but is also saddled with the calamitous consequences of Prime Minister Fraser's economic policies based, as they are, on continued mass unemployment and an annual inflation rate of at least 14 per cent. Nevertheless, I am confident that the Wran Government, supported by the overwhelming good will of the people of New South Wales, will overcome all the obstacles strewn in its path by the Liberal-Country party economic stupidities. The Wran Government will successfully surmount the problems created by the petty policies and small minds of our political opponents who, discarded, dispirited and dejected, are destined to remain on the Opposition benches for decades to come.

Mr MADDISON (Ku-ring-gai), Deputy Leader of the Opposition [5.21]: We have just listened to a tirade from a well-known bitter socialist who at least does not attempt to disguise his true colours, and I pay tribute to him for that. At least we know precisely where he stands. I am in direct conflict with much of what the honourable member for Woronora has said relating to the strategy of the Fraser Government in Canberra. We have a capitalist system and clearly the people of Australia rejected socialism and centralism as practised by the Hon. Gough Whitlam during his 1972–75 regime. At the outset of my contribution to this debate I pay tribute to the new federalism financial policies. Stage 1, which has already been reached, provides for personal income tax sharing and is one of the reasons why the Budget in this State has the appearance, at first blush in any event, of being nearly balanced.

Some time ago, soon after the Labor Government came to power in New South Wales, its supporters were sounding off about the condition of the finances which they had found to exist in this State. The Premier whinged about the cupboard being bare and he alleged that the former Government had mismanaged the financial affairs of the State. Yet a little more than four months later the Government produced a budget which basically is founded on the soundness of the financial and economic management of that previous Government. I go back a little further and remind the House that the 1975 Budget was formulated during the early months of last year, when the Whitlam Government was in full cry in Canberra, unemployment figures were rising and inflation was running at the rate of about 17 per cent. The Commonwealth deficit for the year ended June, 1975, was being predicted at about \$3 billion, but as things turned out it was a deficit of \$2.5 billion.

Owing to the Whitlam Government's policies and the opinions and expressed attitudes of the former Prime Minister towards the States, more and more policy decisions which really belonged to the States were being taken away by that centralist Government and tied up by grants for special purposes. At the same time extravagance in Canberra knew no bounds. In 1971–72 tied revenue grants for New South Wales amounted to \$87.8 million, representing about 15 per cent of the total revenue grants made by the Commonwealth to New South Wales. This was at a time just prior to the Whitlam Government gaining power. In the succeeding years the proportion of tied grants to revenue grants dramatically escalated to the disadvantage of the proper management of the affairs of New South Wales. In 1972–73 tied revenue grants rose to \$136 million, or 20 per cent of total grants. By 1973–74 they had risen to \$203 million, or 25 per cent, and by 1974–75 they had climbed even further to \$422 million, or 36 per cent of the total revenue grants made by the Commonwealth to this State. Thus it can be seen that the proportion of tied revenue grants rose during the three years of the Whitlam regime from 15 per cent to 36 per cent.

The erosion of non-committed funds available to the New South Wales Government by this deliberate centralist policy of the Labor Party became more acute and New South Wales became more and more a mere administrative agency of the Commonwealth. This created budgetary problems of enormous proportions for the New South Wales Government. It was in this climate that the 1975 State Budget was framed. That Budget showed that the Lewis Government was exercising restraint and responsibility, which were certainly not to be found in the attitude of the Whitlam Government towards finance and economic affairs. The Lewis Government produced a balanced budget in 1975. It should be recalled that a deficit of \$590,000 was projected and that in the ultimate a deficit of \$950,000 resulted, though that did not take into account \$22 million set aside from capital grants for revenue purposes.

I suggest that the Lewis Budget brought down in 1975 was an exercise in responsible financial management, reflecting a great credit upon the previous Government and emphasizing the need to restrain public service growth and government expenditure in an attempt to modify inflationary influences. In this setting it was fortunate for the incoming Government to gain the benefits flowing from the new personal income tax sharing arrangements initiated by the Fraser Government, to which I referred earlier. For New South Wales the tax reimbursement grant this year is estimated to be \$1.1 billion, nearly \$200 million more than was received last year. That represents an increase of more than 20 per cent. Had the Whitlam Government's formula for tax reimbursement been used this year, New South Wales would have received \$28 million less than it has been promised.

The State Treasurer still complains that grants to New South Wales from the Commonwealth Government are inadequate and that this State, together with Victoria, is disadvantaged in the share that those two States receive from the income tax pool. I wholeheartedly agree, though the Treasurer must be patient for I am sure that in the working out of new arrangements and a new division of the income tax pool New South Wales will receive a better deal and, incidentally, that it will result also in a better deal for Victoria. The Treasurer is well aware that one of the firm commitments of the Fraser Government is to review tax sharing arrangements. The Wran Government is working in conjunction with the federal Government in an endeavour to agree on procedures to be adopted.

I think it might be of interest to indicate to the House how disadvantaged New South Wales was during the year ended June, 1976, compared with the other States. When one compares the total financial assistance granted to the respective States in proportion to the amounts of personal tax collected from those States, one sees that in New South Wales it was 28.7 per cent, in Victoria 28.4 per cent, in Queensland 46.4 per cent, in South Australia 48.4 per cent, in Western Australia 49.1 per cent and in Tasmania it was 70.4 per cent.

One has only to state the figures to show the extent to which New South Wales and Victoria are disadvantaged. The Budget that honourable members are discussing has been made possible only by the uplift in Commonwealth grants in combination with other windfall provisions that are set out in the budget papers. One such item mentioned by the Treasurer has been referred to on a number of occasions during the debate—the sum of \$38 million from the build-up of money in the hospital fund. Another \$20 million is to be found under the heading, Repayment to Credit of Consolidated Revenue Fund Votes Previous Years. Honourable members are entitled to some explanation for the expectation that this year a further amount of \$20 million will be received under this heading. Under that item last year \$3.7 million was received. In 1974–75, the amount received was \$4.1 million; in 1973–74, \$3.5

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million; in 1972-73 \$2.3 million; and in 1971-72 \$2.6 million. These sums are relatively small compared with this year's estimate of \$20 million shown in the budget papers.

How far is the Budget designed to instil confidence in the private sector, without which it is generally acknowledged in a private-enterprise economy—not a socialist economy as was advocated by a former contributor to this debate—there can be no economic recovery and no reduction in the level of unemployment? Unless investment in the private sector is revived there can be no hope of finding jobs for the thousands of unemployed. The Budget provides miserable solace by way of a minute concession in respect of payroll tax. That concession will barely create a ripple. Yet in the Queeneland Budget concessions have been granted in line with the proposal of the Leader of the Opposition in New South Wales at the last election. For example, the proposal of the Leader of the Opposition, which was implemented in Queensland, was that payroll totals up to the sum of \$62,400 would be exempt instead of the miserable \$48,000 contained in this Budget. Under our proposal two additional employees could have been added to the payroll in small business undertakings. By contrast this Government is merely maintaining the *status quo*. It has made no attempt in the Budget to grant exemptions from this tax in respect of the employment of apprentices or young people.

Apart from a minor payroll-tax concession and the proposals in regard to public works referred to by the Treasurer in his speech on the General Loan Account Appropriation Bill, there are no indications that the Government is paying more than lip-service to the need to restore business confidence. Indeed, the public works programme merely holds the *status quo*. The worst features of government economic policy for the private sector—and it shows up the Labor Party in its true colours—are the measures it is taking outside the Budget. I refer to the increase in freights, the increase in motor vehicle registration fees and the recent announcement in regard to severance pay. All these measures add to the cost of production and make expansion of business more difficult.

On-cost factors account for about 65.7 per cent of an employee's wage. Those factors include payroll tax, long-service leave, superannuation, workers' compensation and compassionate leave. They are all necessary items but they are, nevertheless, an impost on the employer. When one looks at the recent proposal in regard to the provision of severance pay one wonders how far off is implementation of the Labor Party's policy to increase holiday pay loadings to 25 per cent. At the moment the loading is 17½ per cent. That policy statement is tucked away in the Australian Labor Party's policy commitments and, if implemented, it will add yet another ingredient to ever-increasing overheads and costs of production. Nothing was heard in the Premier's policy speech about severance pay, but we now seem to have it. Also, nothing was contained in his policy speech about a 25 per cent loading for holiday pay. Is that just round the corner too?

The Budget is one expression of Government economic policy. It must be looked at in the context of other policies such as those I have mentioned which will have a dynamic effect on the State's economy, with disastrous results for the people of New South Wales. The State is being priced out of world markets as a result of rising overheads, particularly wage increases. There is no indication that the Government's economic policies are directed to economic stability or a reduction in the level of unemployment. One of the features of the three years of the Whitlam regime which had a considerable influence in knocking confidence out of investment and business development, was the day-to-day uncertainty about what would be the next proposal

to emanate from the Government that would affect the private sector. As the Government rolled out its policies based substantially on its centralist, socialist, political platform what would seem an appropriate course of action for business one day would seem to be completely inappropriate the next.

Today, in New South Wales, history is repeating itself with the arrival on the scene of measures such as the Prices Regulation Amendment Bill, the Land Commission Bill and the Energy Authority Bill. In one way or another all these measures are authoritarian in concept and content and affect individual rights. They are worrying to the community. Do not let the Labor Party delude itself that the legislation introduced in the past week or so is not worrying the community. Those measures are open to similar objections to those that arose and became more and more obvious during the time the Whitlam Government was in power. The community seeks, indeed demands, stability in government which in itself provides confidence to the community and, in turn, to the private sector. As the Wran Government continues to unfold its legislative intentions inevitably the private sector will return to a state of uneasiness and uncertainty similar to that which it experienced under Whitlam. Dr Harold Bell, an economist with the AMP Society, in a recent speech to Sydney Legacy said:

Some credence is also being given to the theory that political uncertainty is acting as a restraining influence on business decisions.

I subscribe to that view. It will be a continuing problem as long as the Wran Government remains in power. The Budget has been given the imprimatur of respectability by the news media on the basis that the Treasurer, echoing the Premier, has said that the Government will co-operate with the Commonwealth Government in its broad, economic strategy. I believe that it was a last-minute decision of the Premier to indicate that he was willing to co-operate in that way. That strategy of the Fraser Government has as its essential ingredients the primary task of arresting inflation and restoring business confidence to encourage investment and the creation of jobs in order to promote economic recovery so that there will be no diminution in employment.

It is not sufficient merely to say that the Budget will do these things. Words are not enough. There must be doubts whether they are the Treasurer's own words. He made the speech in the House, it is true. More likely the words were formulated by the Premier or by the special economic advisers he has imported, who have taken over from the Treasury—or so it is said in some quarters. We all know the chaos that occurred while the Whitlam Government was in power when the academic boffins took over management of our economy. Heaven help us if history repeats itself in the economic management of the affairs of New South Wales. I am willing to predict that when the financial year ends this Budget will be in deficit to a far greater extent than the \$28,000 shown in the budget papers. All honourable members know that the Premier has been saying for a long time that the Government should go in for bigger deficits. In his budget speech in 1975 the Premier, who was then the Leader of the Opposition, said:

. . . the Budget could have been in considerable deficit without significantly contributing to inflation.

At another point in his speech the Premier said:

The mentality that has been brought to the Budget is very much of the corner-store, grocery shop, namely, "Let's balance the books".

I suspect that this Budget has been cleverly devised to disguise the Premier's real intentions. In twelve months we have had a complete change of face by the Premier. What a chameleon. Or does he still believe today what he said twelve months ago? Perhaps he does and he has perpetrated a confidence trick on us by pretending to present an all-but-balanced budget. I suggest that there has been an overestimate

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of the amounts to be received under several items of revenue. Let us look at some of these items to see whether they are realistic. There is something wrong somewhere when there is such a discrepancy between this State and the several States I have mentioned as to their budgetary anticipations. Take for a start payroll tax. In New South Wales this tax yield is expected to rise in this financial year by approximately \$79 million, that is 15.2 per cent up on last year. Victoria estimates an increase of 12.8 per cent and South Australia 14.2 per cent. Every 1 per cent error in this estimate represents in New South Wales an error of over \$5 million. With projected unemployment rises continuing into the new year and with the inflation rate receding to close to the single figure mark it is difficult to regard the payroll tax estimate in this Budget as realistic.

I come to liquor licence fees. First it should be recorded that early in 1976 as Minister of Justice I entered into negotiations with the retail liquor associations with a view to working out a method of payment of licence fees by instalments. Lengthy discussions took place with Treasury officials before I left office and the proposal now made in the Budget for two half-yearly instalments represents the outcome of the discussions held earlier this year. How realistic is the estimate of \$47 million in revenue this year from licence fees? This represents an increase of 23 per cent over the licence fees collected in 1975–76. This percentage increase is far above that predicted for the yield from licence fees in Victoria and South Australia, where licence fees are, I think, identical. In Victoria the increase is estimated to be 14.4 per cent and in South Australia 16.2 per cent. It is important in understanding liquor licence fees to know that fees from country licensees are paid into the Treasury in July, whereas metropolitan licence fees are paid into the Treasury in June. It is difficult to know precisely what the new arrangement is for payments by instalments, but I assume that henceforth half of the assessed licence fee will be paid in June and the balance in December. Those arrangements will commence in June, 1977—that is for the current financial year—and December, 1977, for the next financial year.

Thus this financial year there will be brought to account in this Budget the country licence fees paid in July, 1976, representing their fees for current licences commencing 1st July, 1976. In addition, before the close of the current financial year, probably June next, both metropolitan and country licensees will pay half their fees for their licences to operate from 1st July, 1977. Because of the greater total sum extracted from metropolitan licensees compared with country licensees, sometimes twice as much, the Government will miss out on about 15 per cent of what would normally have been expected had it not been for the changed arrangements. Is there another factor to be considered? I think there is; it is the assumption that the present level of consumption of liquor will continue. I note that to 30th June last beer consumption in New South Wales is said to have fallen 4.7 per cent and in the latter part of the year it was nearer to a decline of 9 per cent, according to the Sun *Herald*. Clearly this fall is due to a combination of the level of unemployment as well as the increase in prices consequent on the heavy increase in the Commonwealth excise in 1975 that was not varied in the recent Commonwealth Budget. Taking both these factors into account it would appear that revenue from liquor licences could be overestimated.

When you look at stamp duties you see what seems to be an optimistic assessment of what is likely to be received. The estimate is for an increase of 15.6 per cent over receipts in 1975–76, which amounted to \$218 million. There are concessions to stamp duties in this Budget for first homebuyers up to \$50,000 and the cost to revenue is said this year to be \$6 million. Were it not for this concession stamp duties would be estimated to produce an additional \$40 million, which would be up 18.3 per cent on last year. Other Treasurers are not so optimistic. Victoria estimates an increase of a mere 8.5 per cent in stamp duties and South Australia 14 per cent. Is there

to be another land boom or is a stock exchange boom predicted to produce this result? Neither of these phenomena is on the New South Wales economic horizon to the exclusion of Victoria or South Australia. I suggest, therefore, that the stamp duty estimate is overstated.

When one looks at fines, penalties and forfeitures, one gets a most extraordinary picture. The estimates contain a projected increase of 26.6 per cent over last year. Most of this increase is said to relate to transport and motor traffic fines—a cool \$7 million. Does this foreshadow an increase in the range of penalties or, alternatively, an increase in the incidence of road traffic and transport breaches? In either event, it is unsatisfactory to the motorists of New South Wales. If an increase in the level of fines is foreshadowed, this, to use the Premier's favourite word, is hypocrisy. That word is bandied around in this Chamber more now than at any time since I have been a member of this Parliament. However, if the Government proposes to increase the level of fines it is hypocrisy for the Premier to put his name to such a policy after the charges he made on previous occasions—that fines and forfeitures were used to boost revenue and to bring about a finely balanced budget.

In summary, therefore, I believe that revenue estimated to flow from payroll tax, liquor licence fees and stamp duty has been overstated. I am inclined to think that if the present levels of fines and forfeitures are maintained these projected increases also have been overstated. All in all, the Budget lacks inspiration to pull this State out of its economic gloom. The economic and political policies of the Government offer no incentives to the private sector to push ahead and suppress confidence rather than to instil confidence. It is a budget which for its integrity depends on a substantial upturn in economic activity but it offers no stimulus to bring about such an upturn. It is hypocritical and two-faced in the extreme.

Mr DAY (Casino), Minister for Decentralisation and Development and Minister for Primary Industries [5.48]: I did not expect to speak on this Budget because I believed it was so good, particularly from the point of view of country people, that there would be no room for major criticism of it. I had a faint hope that the Country Party would look at the Budget as it has at the budgets brought down by its Liberal Party colleagues from a statewide point of view. I was, however, to be disappointed by the speech of the Leader of the Country Party. It proved once again, however, that when they are out of office there is no justification for all the hopes that I had held. Once again it is back to the old stamping ground that they know so well—city versus country. The Country Party could not exist if it did not try to instil into the breasts and minds of country people the theory that they hold that city people are automatically their enemy.

Mr Cameron: It is a reflection on country people.

Mr DAY: That interjection came from a member of the Liberal Party. That is exactly what they do. It does not matter what is done, it has the same country-versus-city connotation so far as these people are concerned. Yesterday the Leader of the Country Party dwelt at some length on rail fares and freights, and he tried to prove that a State-wide reduction in passenger fares is an attack upon country people. [*Quorum formed.*] The transport system of this State, after eleven years of maladministration by the Liberal-Country party Government, has placed the finances of the State in a desperate position. During its eleven years of administration the previous Government not only drove away hundreds of thousands of passengers from the transport system but also downgraded the value of the system by putting nothing into it. As a result, the transport system of this State went from a profit in 1965, when Labor last occupied the Treasury benches, to a loss of more than \$300 million a year by the time the former Government went out of office.

If the Liberal and Country parties had been re-elected, and if they had continued to do nothing for transport, that loss would soon have escalated until the deficit exceeded \$500 million. Something has to be done to restore the transport system; it will be a long haul, but it will certainly benefit all the people of this State, whether they live in the country or in the cities. Therefore, it ill-behoves the Leader of the Country Party to contend that because some effort is being made to restore the number of passenger journeys—which means profit on a State-wide basis—this in some way is directed against country people. It is as stupid to say that a freight increase militates against country people as it is to say that it has no effect upon city people. Ultimately all costs involved in production of anything are paid for by the consumer. Furthermore, it must be borne in mind that there are more consumers in the metropolitan areas than in the country areas, and therefore any increase in these charges must have an effect across the board.

These measures, including a greater amount of capital poured into the transport system, are designed to bring back efficiency and to restore the budgetary situation to the point where all people in the State will benefit. It is typical of the Country Party to draw these sorts of comparisons. Indeed, if something were done for orphans in this State, Country Party supporters would be likely to say, "Most orphanages are situated in the cities, so this is a move to help the cities in preference to the country." They create this artificial division, which makes people, whether they live in the city or the country, think that they are living in different nations.

This is the first budget in eleven years that has been brought down by a country member. In its eleven years in office the Liberal-Country party Government had all Liberal Party Treasurers. They represented city constituencies; none of them came from the country. I am proud and pleased that our Treasurer, the first Treasurer since Labor has been restored to the Treasury benches, is a true country representative. Indeed, he proved this by the Budget he introduced.

It is worth pointing out, in answer to the Leader of the Country Party, that the Australian Labor Party in the thirty-three rural seats in this State gained more votes than the Country Party. In fact, at the last State elections the Labor Party gained 281 746 votes compared with the Country Party's 270 603, yet it won only eight seats compared with the Country Party's eighteen seats. This proves how fair dinkum they are about the distribution of electoral boundaries. They are not interested in the country people having a bigger voice in this Parliament. The Country Party has a bigger voice, and that is the only reason behind the gerrymander of the electorates in this State. I shall do what I can to see that our policy of one-vote one-value is implemented in this State.

The Leader of the Country Party said that this Budget owed much to the new federalism policy of the Liberal-Country party Government in Canberra. If he thinks the federalism policy is good, then he must think the Budget is good. If he thinks that federalism has such an influence on this Budget, he must acknowledge the Budget as beyond criticism. I shall examine the new federalism policy, and nail it so far as the country people are concerned. I shall give a few examples.

The new federalism policy involves the underwriting of the export of primary produce, which somehow suddenly has become a State responsibility. Ever since federation the national Government, irrespective of its political complexion, has accepted this function as its constitutional responsibility, and has underwritten exports. Likewise, it has always been said that income from tariffs is that Government's responsibility. Tariffs are the other side of industry protection. However, under the new federalism policy the federal Government says, "If you want skim milk powder or

casein to be underwritten, the States have to weigh in \$1 for every \$2, otherwise the farmers of this State will be deprived". This approach has been extended to apples and pears.

As the honourable member for Burrinjuck pointed out the other day when speaking on his private member's motion, the federal Government should have the responsibility of finding export markets. However, the federal Government has failed to do that. I shall deal with another leading example of the federal Government's federalism policy. It relates to the Albury-Wodonga growth centre agreement, which was drawn up by the federal Government and was agreed to by the Prime Minister and two State Premiers. The federal Government now wants to tear up that agreement, and instead of it expects the State to put in \$2 for every \$1 that is contributed by the Commonwealth. A former federal Minister, Mr Uren, and Prime Minister Whitlam wrote it down as a Commonwealth responsibility, with the State having the responsibility to repay the sum made available. The State accepted this responsibility, but now, ten months later, there is no longer a federal decentralization policy, and the demands to which I have referred have been made. I know that the federal Government will not give this State from federal tariff income \$1 in every \$3 or \$2 in every \$3 that exceeds any amount it underwrites in excess of \$300 million.

[Mr Deputy-Speaker left the chair at 6 p.m. The House resumed at 7.30 p.m.]

Mr DAY: The Leader of the Country Party said, amongst other ridiculous nonsense, that the large increase in funds that have come to the State from the Commonwealth Government is one of the reasons why this is such a good Budget. Of course, the last part of his statement is all right: it is a good budget, but it is hardly an indication of any benevolence from the Commonwealth Government.

I should like to deal briefly with a few figures. In 1974–1975 capital grants from the Commonwealth Government increased by 24 per cent on the previous year when Labor was in power. In 1975–1976 they increased a further 27.7 per cent, and this year, with the new federalism operating, the increase was a net 5 per cent. As far as the Loan Council borrowings were concerned, the increase for 1974–1975 was 24 per cent; in 1975–1976 it was 20.8 per cent; and in 1976–1977 a miserable 5.03 per cent. When it comes to joint revenue funds for tax reimbursements the picture is almost exactly the same. In 1974–75 the increase was 26.75 per cent; in 1975–76 it was 25.18 per cent; and this year it is down to 21.01 per cent. *In toto*, there was an increase of only 13.92 per cent over the previous year, by comparison with that much-maligned Whitlam Government's policy towards the States, which gave an increase in 1975–1976 over the previous year of 19.69 per cent.

That is only part of the story, because we have not yet seen the full effect of the reductions in the special purpose grants, though we have had a significant indication of the sort of policies that are being pursued. Growth centre grants are only a fraction of what they were. In regional and urban grants to this State there is a decrease from over \$103 million to only some \$13 million. Housing grants decreased from \$2,292,000 to \$1,848,000—a savage reduction in real money terms from what applied in the previous year. Therefore, the fact of this Budget balancing and being a worthwhile budget, giving more benefits to all sections of the community, is no credit to the Fraser federal Government.

I should like to deal specifically with two rural matters and compare the Budget that was brought down by the Fraser Government with the Budget brought down by the Wran Government in New South Wales. In the federal Budget, the total assistance for primary industries has been reduced in the present year from last year's figure by \$189.7 million. Wheat is down \$17.8 million, because growers will contribute \$60.1

million to a stabilization scheme and will receive only \$42.2 million back. Dairy assistance is down \$7.6 million. Wool is down \$208.4 million. Irrigation is down by \$.1 million. The Commonwealth Government also agreed that the nitrogenous fertilizer bounty should be phased out over three years in accordance with the Industries Assistance Commission's recommendations and the rate is reduced from \$78.4 to \$60 per tonne.

Nothing has been said by the members of the Country Party in this Parliament about all that. They made a big fuss about any reductions by the Whitlam Labor Government, but it was benevolent by comparison with the deals that the country people are getting from the present Government in Canberra. Even the papers that were quoted by the Leader of the Country Party in his speech, for example, the Country Party paper *The Land*, said of the national Budget that "agriculture is a poor last in Government handouts." That statement appears in the edition of 7th October, 1976. It went on: "Primary industry, Australia's \$4,324 million a year and largest export earner, is running a poor last in Federal Government assistance." That is the way in which *The Land* newspaper reports on their federal colleagues.

Members of the Country Party talked about inflation being the reason for the cut in spending. The federal Labor Government in its first year of office cut back the former Liberal-Country party Government's deficit of the preceding year by \$416 million, or over 55 per cent. Some \$29 million extra was allocated for the agricultural and pastoral industries that year by that much-maligned Government. Even the Graziers' Association said that it is no longer going to support the Country Party as far as funding is concerned. That is as reported in the *Newcastle Morning Herald and Miners' Advocate* of 15th October. The Leader of the Country Party got his speech into that newspaper about a week before he delivered it. He must have some influence there. To draw comparison with the national Government's expenditure, let me quickly run through what this Government and this country Minister in a Labor government in this State have done for agriculture.

Mr Duncan: Who is that?

Mr DAY: The honourable member for Castlereagh, the Treasurer of this State who is present in the Chamber—and proud to be present. He increased the central administration of the Department of Agriculture by \$586,000. He increased the grant to the biological and chemical research institute by \$115,000. He increased the allocation to the division of plant industry by \$284,000; the division of horticulture by \$290,000; the division of dairy by \$19,000; the division of research services by \$598,000; agricultural colleges by \$205,000; the division of animal husbandry, head and district offices, by \$259,000; the Queensland border gates by \$131,000; tick quarantine areas—and the honourable member for Lismore will be interested in that—by more than \$198,000; and the Botanic Gardens and allied activities by another \$128,000. In all, that is \$3,815,542 more than was provided last year. We did not slash the primary industries budget at this time, as did colleagues of honourable members opposite in the national Parliament.

Let us look at the comparable amounts towards decentralization and development—another area where these people's hypocritical words must be ringing hollow when one considers the Budget delivered in the national Parliament and the attitude of the federal Government towards decentralization matters. Total payments for Albury-Wodonga in 1975–76 were \$35.1 million. So far allocated in 1976–77 is \$15 million—less than half the significant amount voted by the previous Government. Payments for the Bathurst-Orange growth centre dropped from \$8.3 million last year to only \$2 million this year, yet the honourable member for Orange has the effrontery to stand up in this House and defend the attitude of the national Government as displayed in

its allocations for decentralization. He voted to support this reduction from \$8.3 million to \$2 million—as did the honourable member for Bathurst. The total growth centre assistance provided for New South Wales decreased from \$25.7 million last year to \$4.1 million. It was a disgraceful federal budget that no one could possibly imagine would be defended in this Parliament by Country Party members.

Assistance to secondary industry development received from the federal Government in 1975–76 was \$169.5 million but in 1976–77 it was reduced to \$68.7 million to \$100.8 million. That is what the federal Government thinks of secondary industry. The shipbuilding industry allocation was reduced by \$16.1 million. The tractor bounty was reduced by \$1.1 million. Export incentive grants and payroll tax rebates were reduced from \$62.8 million to \$7.5 million. If such a budget had been introduced by a Labor government, the screams would have been heard from Cape York down to South West Cape on the most southern tip of Tasmania. However, when the Fraser Government made these reductions not even a tiny whimper was heard in this House. Opposition members are too busy whingeing about things that do not matter.

I compare the Wran Government's attitude towards decentralization and development with that of the former Government. This Government has already taken some action and many initiatives in these areas are still to unfold. This year the appropriation has increased from \$8,166,000 to \$8,522,000. That increase can be coupled with a record increase in loan allocations. I have made comparisons in two of the major areas involving the welfare of country people. The Leader of the Country Party has the effrontery to criticize this Government's Budget, which is in stark contrast to the Budget introduced by the federal Government. It is a shame that there are not enough honest members of the Country Party in this House to make proper representations to their federal colleagues to give primary industry and decentralization and development a fair go.

This Government is making great advancements in decentralization and development. I give the lie to the suggestion that the decentralization and development portfolio was created in 1965 by the newly elected coalition Government. The Department of Decentralisation and Development, which was then known as the Department of Industrial Development and Decentralisation, was established in 1962 by the present Treasurer, who was then Deputy Premier and Treasurer of New South Wales. Since that time the Government that unfortunately occupied the Treasury benches for eleven years denigrated and ran down the industrial development side of the portfolio until New South Wales' position as the principal industrial State of Australia is seriously threatened. As a consequence, New South Wales suffers the highest unemployment figures in Australia. It is ludicrous for members opposite to claim that the unemployment situation is a result of actions taken by a government that has been in power in this State for only five months. The reason that New South Wales has more unemployment than any other State is the absolute neglect of the most important area of industrial development for a period of eleven years. Not only was that industrial development neglected but also transport, public health, education and, in fact, every other facet of State responsibility have been let slide backwards.

It is appropriate that the Treasurer, the man who created the Department of Decentralisation and Development and took it to himself as his own responsibility when he became Premier of this State, should announce a record vote of \$8.5 million and a record loan allocation. Additionally, the Treasurer has announced payroll tax rebates for decentralized industries, government guarantees for small businesses and a dramatic increase from \$34,000 to \$250,000 in the allocation to the small business agency. The sort of mealy-mouthed criticism offered by the Leader of the Country Party will not fool the people. This Government will take initiatives to enhance

Mr Day]

regional development. It will restore the development side of this portfolio and make it mean something. The Government does not believe there can be real decentralization of industry in New South Wales if industry is leaving the State, as has the motor industry during the past eleven years.

This Budget benefits country people in many ways. It offers them more in education, youth and community services, sport and recreation, and tourism and health than ever before. In fact, in every sphere of interest country people benefit, though members of the Country Party would have people believe it is a budget only for city dwellers. The Budget provides \$891 million for education. The living-away-from-home allowance for teacher trainees is to be increased from \$120 to \$138. That is a significant increase that will benefit country people. The secondary school bursary allowance will be increased by 15 per cent. The Government will provide free bus travel to infant schoolchildren, with no minimum distance involved. Non-government schools will receive an increase of 20 per cent of State school costs in *per capita* grants, plus an increase in interest subsidy from 7 per cent to 10 per cent.

The Government is increasing benefits to youth and community services, assisting deserted wives, single mothers and orphans, and it is increasing payments to foster parents and community service funds, which have been more than doubled. Sport and recreation will receive \$4 million, tourism will receive \$3 million and public health has an allocation of \$427.7 million. All of these areas of interest were denigrated by honourable members opposite who said the country people would not benefit from this Budget. The Wran Government faces an overdraft of \$63 million accumulated in the nine deficit budgets of the eleven budgets introduced by the former Government.

The denigration of rural industry over the period that the coalition Government was in office was referred to by the Leader of the Country Party who said recently in Broken Hill that primary producers in New South Wales were experiencing their worst period. He said that in ten years, covering the duration of the previous administration, the average earnings of adults had nearly trebled though returns to primary producers had remained static or had stopped. The Leader of the Country Party said that in 1965 a truck load of steers realized \$2,000 but now similar steers would be worth only \$1,200. He said that ten years ago a twelve-month-old vealer brought \$100 but nowadays a twelve-month-old vealer was worth only \$60. He said also that years ago poddy calves were worth \$15 each but now the farmer was lucky to get \$5. What a massive indictment of his own Government.

The Wran Government will initiate many benefits in the sphere of primary industry. It will establish a new meat authority, invoke a new dairy industry deal and strengthen marketing boards. It will give country people a better deal right across the board. The Government will do these things without any need to sneer and snivel, as does the Leader of the Country Party, who attempted to rubbish the huge reduction of \$3.2 million in rates charged to water users in New South Wales. The honourable member described that as an electoral bribe, but in fact it gives water users relief from increased rates introduced three seasons ago by the former coalition Government.

The Leader of the County Party referred to the drought and said that the relief grants had been announced after the drought was over. For the information of the Leader of the Country Party and his colleagues, I inform the House that the drought is far from over for the poor fellows who suffered it and, as the honourable member for Goulburn would know, the drought will not be over for a long time. The mere fact that rain has fallen in some areas is the basis for statements by the Leader of the Country Party that the drought is over. That reveals how much—or perhaps how little—he **knows** about the country.

Most generous offers are contained in this Budget. It is an excellent budget. As a member representing a country electorate as well as a Minister responsible for two important country-interest portfolios, I welcome it. I reject absolutely the unfounded and unworthy criticism levelled at the Budget by the Leader of the Country Party. The fact is that this is the best Budget this State has seen for at least eleven years.

Mr PARK: Mr Speaker —

Mr FLAHERTY (Granville), Government Whip [7.48]: I move:

That the question be now put (S.O. 175B).

The House divided.

Ayes, 49

Mr Akister	Mr Haigh	Mr Petersen
Mr Bannon	Mr Hills	Mr Quinn
Mr Barnier	Mr Hunter	Mr Ramsay
Mr Bedford	Mr Jackson	Mr Renshaw
Mr Booth	Mr Jensen	Mr Rogan
Mr Brereton	Mr Johnson	Mr Ryan
Mr Cahill	Mr Johnstone	Mr Sheahan
Mr R. J. Clough	Mr Jones	Mr Stewart
Mr Cox	Mr Keane	Mr Wade
Mr Crabtree	Mr Kearns	Mr F. J. Walker
Mr Day	Mr McGowan	Mr Whelan
Mr Degen	Mr Maher	Mr Wilde
Mr Durick	Mr Mallam	Mr Wran
Mr Einfeld	Mr Mulock	
Mr Ferguson	Mr Neilly	<i>Tellers,</i>
Mr Flaherty	Mr O'Connell	Mr Cleary
Mr Cordon	Mr Paciullo	Mr Face

Noes, 46

Mr Arblaster	Mr Hatton	Mr Punch
Mr Boyd	Mr Healey	Mr Rofe
Mr Brewer	Mr Leitch	Mr Rozzoli
Mr Brown	Mr Lewis	Mr Schipp
Mr Bruxner	Mr McGinty	Mr Singleton
Mr Caterson	Mr Mackie	Mr Taylor
Mr J. A. Clough	Mr Maddison	Mr Viney
Mr Coleman	Mr Mason	Mr N. D. Walker
Mr Cowan	Mrs Meillon	Mr Webster
Mr Dowd	Mr Moore	Mr West
Mr Doyle	Mr Morris	Sir Eric Willis
Mr Duncan	Mr Murray	Mr Wotton
Mr Fischer	Mr Mutton	
Mr Fisher	Mr Osborne	<i>Tellers,</i>
Mr Freudenstein	Mr Park	Mr Barraclough
Mr Griffith	Mr Pickard	Mr McDonald

Resolved in the affirmative.

Mr SPEAKER: Order! The question is, That this bill be now read a second time.

Motion agreed to.

Bill read a second time.

In Committee

Clause 6

[Premier]

Mr ROZZOLI (Hawkesbury) [7.58]: I raise two specific points about the allocation to the Premier's Department. They are within the Premier's activities under the division of cultural activities. The first is the allocation to the Australian Museum and the other is the allocation to the Archives Authority of New South Wales. The amounts allocated in the Budget to both these items are consistent with the allocations of previous years, give or take a few dollars, but a case may be advanced for a substantial increase on percentage terms in both areas. Though it would represent a substantial increase in terms of percentage, the amount is of little significance in the total Budget. I request the Premier in his administration of the two areas to give careful thought to an increase in these allocations. The present allocation will meet the higher administrative expenses in those two areas. I should like additional funds to be allocated, for I am sure that they would result in considerable savings for the Government. I am glad that the Premier is here —

Mr Coleman: The Premier has left the Chamber.

Mr ROZZOLI: That is typical of the interest that the Premier exhibits in these matters. Perhaps we can cling to the Treasurer and the Minister for Lands. I want to refer now to the Australian Museum. The National Parks and Wildlife service is within the administration of the Minister for Lands. The administration of the Minister for Conservation and Minister for Water Resources is also involved in this. A number of environment conflicts are facing these departments and the Government generally. The Australian Museum is doing scientific research of value in restoring these conflicts. One of the matters that come before this House quite often in relation to environmental conflicts is the lack of scientific data on specific matters. I have raised this point before. It is absolutely impossible for a Parliament to obtain information on such matters in a short period of a few months and to make a valid determination of these issues. One that comes to mind is the border ranges, which is at present the subject of an inter-departmental inquiry. These departmental inquiries require information on scientific research. Bodies like the Australian Museum have the equipment, facilities and educational background to provide the required bank of information.

Although the museum is to receive an increase in its allocation, basically its funds will cover only the higher cost of maintaining that institution, keeping its doors open, and retaining its present staff. Little is available to allow for expansion. The Australian Museum houses anthropological and mineral exhibits and a fine range of other exhibits. The public sees this side of the museum's work but apart from that it undertakes a tremendous amount of research. I feel that the amount that has been granted to the Australian Museum, \$1,961,842, is inadequate. It sounds like a lot of money. I mentioned earlier in this House that a substantial proportion of that money goes towards salaries. I do not wish to denigrate the contribution by the staff of the museum, but the establishment needs considerably more finance to carry out the work that it should be doing. Its work is of great benefit to this State especially in relation to environment studies conducted by the Government.

I pass now to item 18 of the estimate for the Premier's Department, the Division of Cultural Activities, Archives Authority of New South Wales. The Archives Authority is another department that can effect enormous cost savings for the State Government. It is important that the maximum number of archives, both historical and those of Government departments, be retained by the Archives Authority of New South Wales. Already establishments such as the Housing Commission use the service provided by the authority to a large extent in the commission's day-to-day activities. Although a

number of government departments are still loathe to forward archival material to the authority, the capacity of that body to produce statistics and information from its records is much higher than that of any other government department. The very function of the Archives Authority of New South Wales is to provide information quickly and efficiently. Its activities are divided into two sections, one for historical archives and the other for material held on behalf of government departments. This material is held for periods of six, twenty, eighty or 100 years, depending on its type. This material is valuable for scientific research, and for assessing trends. I might mention by way of example that records relating to criminology—records of past convictions—give sociologists an indication of trends for the future. For this material researchers have to go back many years. At present criminal records are held for up to 100 years after the birth of the person to whom they relate, but there is talk of reducing the period to eighty years. Files are maintained in the central archival repository at Kingswood, but space is becoming short. It must soon be enlarged if the authority is to work at maximum efficiency. The system operating at this and other government repositories enables information to be obtained quickly by researchers.

A wide range of other material should be housed at the repository—material from the Department of Main Roads, the Department of Health and the Department of Education. It can be referred to more easily if it is held at a central repository than if it is held by various government departments. If it is necessary to discover a trend for the future in relation to say, the Department of Education, it is often necessary to go beyond that department. It may be necessary to go to records held in other government departments. If it were possible to extract the information from the central authority it would be much more convenient and it would be more certain that all the information available would be obtained.

A sum of \$423,856 is set aside in the Budget for the Archives Authority of New South Wales. Obviously, little has been set aside for expansion or repository space. This is absolutely essential for the continued efficient working of the authority. For the benefit of honourable members who have not been there, the repository at Kingswood is a magnificent structure. It is air-conditioned throughout and organized in a most efficient manner. However, it is nearing capacity. Fortunately, a sufficient area is available for almost unlimited extensions. In its wisdom the Government obtained a large area for this purpose. Every honourable member has experienced the occasion when information, badly needed by one government department, has already been researched by another but that fact is not known or the data is not readily accessible. As a consequence further unnecessary research is undertaken. If all this information were stored with the Archives Authority we should all benefit. There is too much of a tendency to consider the Archives Authority as a repository of only historical material. Although that is a most important part of its activity, it accounts for only 10 or 15 per cent of the material that it receives. It should be brought to the attention of the Parliament that this branch of government activity is one of the least appreciated. It should have a far more important place than is accorded to it. It is eighteenth on the list of matters under the Premier's Department and it has one of the smallest allocations, yet this is one area in which we can achieve a far greater degree of efficiency.

Therefore, when consideration is being given to the funds needed to bring the Kingswood repository to the standard that will be required to meet projected expansion in the next ten years, I hope the matters I have mentioned will be taken into account. Indeed, I believe that the allocation of \$423,856 this year could well be increased by \$1 million. I ask the Premier, when giving consideration to future allocations, for this department to increase it to \$1.25 million or \$2 million. If funds of that magnitude were made available they would be more than offset by increased efficiency.

Mr Rozzoli

Mr MAHER (Drummoyne) [8.11]: I wish to mention several aspects of the Premier's responsibilities. I refer first to the allocation to the Police Department. I find it extremely difficult to work out exactly where the money is being allocated, but I hope and trust that some of these funds will be devoted to the employment of additional female police officers. I have made numerous representations to have the number of female officers increased, so that on all occasions when a woman or a young girl is interviewed a female officer will be present.

Also, I hope that when new officers and cadets are being recruited, consideration will be given to the employment of multi-lingual cadets, or alternatively that provision will be made for assistance from interpreters in areas with a high ethnic population. This would be of great assistance to the people being interviewed and it might change the attitude of some members of the police force. Indeed, it might result in a different approach to the method of dealing with people with an ethnic background and lead to better co-operation on their part.

The other area of the Premier's appropriation that I wish to mention is the allocation of funds to the Museum of Applied Arts and Sciences. I am disappointed that the allocation to this important museum is so small; it is not even half the allocation that is being made to the Art Gallery of New South Wales, and considerably less than the allocation to the Australian Museum. Australians are just starting to discover their heritage, their historical roots and background. Our Museum of Applied Arts and Sciences could become the equivalent of the Victoria and Albert Museum in London. It could be the repository and home for historic furniture and silver, of fashions through the ages, and our motor vehicles. This type of centre could attract tremendous general support. People would be likely to deposit, permanently or for a short period, their antiques, items of value, and historical holdings of all types.

Over the years this museum has been virtually forgotten, being situated somewhat out of the central city area. Its allocation has not been increased sufficiently. I believe that a certain amount of creativity and expertise could result in the development of this centre into an important tourist attraction—perhaps a decentralized attraction, being situated at the Railway Square end of the city. It could become a tremendous centre for the study of the historical craftsmanship of our pioneer days. As the Parliamentary buildings contain their own historical holdings and furniture, together with some of the work of our early craftsmen, this House should attempt to assist in all ways possible to promote this suggestion.

I commend the work being done at the Museum of Applied Arts and Sciences, but I believe that, with additional aid and encouragement, this centre could become one of the most important in Australia as it contains such fine holdings of antique furniture, works of art, and examples of the works of our early craftsmen. I support the appropriation.

Mr TAYLOR (Temora) [8.16]: I refer to the allocation to the Police Department, and note the provision of additional funds. However, I make a plea in respect of one-man police stations. Over the years there has been a tendency for the lone policeman at these stations not to be replaced when he goes on leave and this has caused quite a lot of concern to people in country areas. Often such a station is 40 or 50 miles from the next police station. In these days when stock is valuable, the presence of a police officer is most important, for people know that he goes on patrol from time to time. Stolen stock can be loaded quickly and can be transported many miles in little time. With prices for cattle and sheep on the increase, a property owner could lose a lot of money. The best way to prevent this type of malpractice is to have police deployed through country areas.

It is all very well to claim that there is little crime in outlying areas, but these districts need the presence of a police officer. I stress that if people know the police officer is there, crime will not develop. However, it will develop in these areas if the matter to which I have referred is not examined and some action taken. I ask the Premier and the Commissioner of Police not to lose sight of the need for these important one-man police stations to be manned at all times.

The estimates contain an item for supernumerary staff and other staff assisting police. The Premier announced that there will be an increase in the strength of the police force. There is nothing new about that. Over the years the strength of the force has been increased from time to time. I know that clerical assistance has been given at some of the big police stations, but consideration should be given to the provision of similar assistance at the smaller stations in order that police officers, whose training is very costly, can be used more effectively on essential police work rather than be bogged down on office work.

Another point I want to make—it has already been raised by another member in this debate—is that in this day and age when ethnic groups are so numerous, it is important for the police to have available to them either interpreters or people with some ability to communicate with these people. Many problems concerning ethnic groups arise from misunderstanding, or from a lack of knowledge of the particular language. I should like to impress upon the Premier that, in the interests of ethnic groups, there should be some means of training police to understand foreign languages, or of supplying them with interpreters. Many most unfortunate problems have arisen because of misunderstanding between the police and the people concerned. I hope the Premier takes note of these comments.

Mr COLEMAN (Fuller) [8.22]: The honourable member for Temora said that he hoped the Premier would take some notice of his comments. We all agree with him, but, of course, we cannot help being aware that the Premier is not even in the Chamber during this debate. I think that is a fair indication of the depth of his interest in these matters.

Of course, scarcely any Government members have risen to speak either—which is an indication of their depth of interest in this debate. However, the honourable member for Temora drew attention to the Premier's unsatisfactory estimates in relation to the Police Department. The first thing that catches the eye is the big reduction in the constabulary: it is down from 9 028 in 1975–76 to a total of 8 732. This is a fair indication of the Premier's concern for the Police Department and it explains his cavalier statements about extending the seniority appeals system to appointments to commissioned rank, his interest in a complaints tribunal in respect of the department and, indeed, his tolerance of the most unsatisfactory level of morale in the Police Department, especially at commissioned rank level. His attitude is reflected in the estimates for the Police Department. I completely agree with the honourable member for Temora.

I should like to use the few minutes available to me to refer to the Premier's estimates in relation to cultural activities. The first thing that catches the eye is the reduction by ten in number of officers for the State Library of New South Wales. The number of library officers and trainees in librarianships is also down. One wonders what the Premier has against libraries. In an earlier item under the estimate for the Legislature the allocation for the Parliamentary Library is also reduced. In this estimate the Premier has reduced the number of library officers and trainees and in the estimate for the Department of Education the number of teachers and trainee teachers has also been reduced.

Every one of these estimates, making allowance for the inflation rate, whether the real one of 10 per cent or 11 per cent or the 15 per cent rate that the Premier sometimes quotes, is in real terms down. Despite all his pretensions the Premier has reduced the cultural estimate. This is most unsatisfactory for cultural activities in New South Wales whether they involve the Observatory, the Art Gallery, the State Library of New South Wales, the central administration itself, the Australian Museum, or the Museum of Applied Arts and Sciences—I agree with my colleague the honourable member for Drummoyne on this point, if on nothing else—and the Archives Authority of New South Wales.

This is not surprising because one has to agree that fundamentally the Premier is not interested in this department. It amazes me that he should give himself the responsibility for this area. The other day he made a ridiculous statement in this House, a statement that is extremely relevant to this issue. When referring to the draft report of the Industries Assistance Commission on assistance to the performing arts, he said that it was the quintessence of ockerism. It is obvious he had read neither the report nor even the press reports of that document. The fact shows up in this estimate because that report of the Industries Assistance Commission offered the Minister responsible for cultural activities a tremendous opening. As it happens, that Minister is also the Premier of New South Wales. The significance of that report is that it did not recommend any reduction in the subsidy for cultural activities. Instead it recommends to the Commonwealth that it should redirect its subsidies from the great performing companies to the area of education where the patrons of the arts and the performers are made and to the area of television and recording to build up public interest and involvement. The report recommends that this should be the Commonwealth's contribution. The State, according to the report, should welcome a Commonwealth offer in relation to schools and should take over responsibility for subsidizing the institutions covered by this estimate—the performing companies, State and municipal.

This raises significant problems for State finances but here is an opening for the Premier—the Minister responsible for this estimate—to enter into significant discussions with the Commonwealth, and certainly the Department of Education, on the future of Commonwealth-State cultural policy. After all, this is the sort of thing that is shown in these estimates. The basic point that the Premier missed was that the report of the Industries Assistance Commission did not recommend a reduction but a redirection of funds. Further, the report recommended a tremendous expansion of the Minister's role in these areas, particularly in relation to schools and the cultivation of public interest. The argument put forward in the report is that if real interest is built up within the community, the performing arts may be able to pay their way whereas we are now involved in massive subsidies for performances seen by 2 per cent or 3 per cent of the public. On the basis of any commonsense approach, that is not a satisfactory result.

I make no criticism of the IAC report but, basically, it offers a new approach that is worth being discussed by the Premier. It would give the State an opportunity to adopt a policy that would involve, not a general direction on the spending of federal subsidies, but simply an important rational redirection of those funds.

Yet he, the Minister responsible for these estimates, got up in this House and, in a most ignorant way, described the report of the IAC as the quintessence of ockerism. Thereby he showed that he had not even read the report and it explains why these estimates are so miserable. It is plain that the Premier should no longer be responsible for cultural activities because he is not interested in them. His lack of interest is shown in the real reduction in this estimate and in his ignorant observation on the

IAC report, and in his treatment of the State's libraries, including the Parliamentary Library. Clearly this Minister responsible for cultural activities is a phoney, a person with a scandalous attitude to this estimate.

Mr AKISTER (Monaro) [8.30]: I should like to speak to items 15 and 17, relating to cultural activities. On many occasions the Premier has shown his great interest in cultural activities and has encouraged the people of Australia to maintain a heritage which in the past has tended to slip away. I am concerned at the lack of money expended on museums in this State. The electorate I represent was founded early in the life of this nation and many relics of national significance are located in the area. Most country museums are run on a part-time basis by volunteers who struggle to hold together relics of the past.

At the Eden whaling museum is a skeleton of a killer whale which I believe is of great national significance. I understand that there is a similar skeleton in a private museum in Monaco. The Eden building in which this skeleton is housed is in a dilapidated state and the skeleton is in danger of deterioration. This whaling museum is a wonderful part of Australia's history and is associated with a novel method of whaling used in earlier times. The skeleton in the Eden museum is that of a killer whale that was affectionately known as "Old Tom". He was one of a group of killer whales that would drive other whales into Twofold Bay where the whalers would harpoon them. The fishermen would throw the tongue and other delicate parts of the captured whale to Old Tom and his group as a reward. Eventually Old Tom was found floating dead and was taken to Eden, his carcass stripped and his skeleton preserved. For many years volunteers have looked after this museum which contains many valuable relics. I hope the Premier in his Budget next year will allocate funds to small-town museums.

At Merimbula a museum is located in an old school which is an historic stone building and the only one of its kind in the district. Over many years local people have collected a lot of photographs, relics and bits and pieces which are on display in this museum. These exhibits are in danger of damage because of the urgent need to repair the school-house roof, estimated to cost \$2,000. The photographs in the exhibition are in extreme danger of being ruined by water leaking through the roof. For many years the Queanbeyan historical society has gathered artifacts and historical documents relating to that district. It, too, is in need of government support. I hope that in future years the Premier will see his way clear to make grants to small-town museums, which preserve our nation's heritage.

Mr OSBORNE (Bathurst) [8.34]: I should like to support my colleague, the honourable member for Temora, who referred to small police stations. Within the electorate I represent are many small villages and lonely settlements. I can understand an administration looking hard at the economics of maintaining small police stations in small centres. However, to people who live in isolated areas a police station affords them a sense of security. The existence of a police station, no matter how small, in the middle of miles and miles of bushland has a good psychological effect and offers security to local residents. They know a policeman is within range of a telephone call. All around my electorate I find that people use fast modes of transport and they come and go much more rapidly than they did even ten years ago. Great comfort is given to people in the knowledge that should trouble occur the policeman is nearby.

Small police stations, perhaps manned by only one police officer, offer other advantages. Police officers stationed in remote areas are often called upon to deal with difficult situations, and usually to good effect. I know of an instance where almost 300 bikies converged upon a small village, consuming beer from cans in the street. The constable from the one-man police station in the village quickly realized he was

facing a ticklish situation, with many rowdy, hefty fellows drinking beer in the main street. The constable walked up and down the street, looked at the group, glanced at the beer cans scattered around and said most politely "Boys, I think you should pick up those beer cans or you might get into trouble". I am pleased to say they picked up those cans.

I ask the Premier to continue to support small police stations in country areas. They are invaluable to people who live in isolated districts. I believe they are necessary for the maintenance of law throughout the State. Certainly they offer a great sense of security to the people. I ask the Premier to look also at equipment made available to small police stations. In rugged country such as exists in my electorate many small police stations have four-wheel-drive vehicles. However, at other stations, such as Oberon, bordering on rugged country and rural holdings the police have the choice of a four-wheel-drive vehicle or a conventional vehicle. If the police choose a four-wheel-drive vehicle they must endure a slow and perhaps uncomfortable trip along the highway between the main centre and their headquarters. Should they choose a conventional vehicle it is not appropriate for use in assisting fishermen and hikers who might get into trouble in rugged country in the other direction from their headquarters. I ask the Premier to be as generous as possible in equipping stations of this type with vehicles that **will best** suit local interests, even should this require extending the rule and allocating two vehicles instead of one.

Following a campaign by many women's organizations it was decided earlier this year to appoint a woman police officer to the Bathurst-Orange growth centre. That is good and the move was appreciated by the people in that area. I think that the time has now come for a woman police officer to be stationed at Orange and another at Bathurst. In the growth-centre area many problems coming to the notice of authorities involve young women and a woman police officer is of great assistance in dealing with young girls. In conclusion I ask the Premier to maintain country police stations, to provide them with appropriate motor vehicles and to increase the number of women police in country areas.

Mr FACE (Charlestown) [8.38]: I should like to refer to the need for more police in the Newcastle and Charlestown areas and the requirement for more staff to perform non-police work. Each year since I entered Parliament I have raised this matter in this debate. My requests were not heeded on previous occasions though I hope that under the new administration they will soon come to fruition. I believe there is a need to re-organize country police sub-districts, as was outlined in this House some years ago. Following the reorganization of the Sydney metropolitan police area the former Government did not see fit to continue with reorganization of some districts in country areas. My electorate suffered considerably in that way.

Though I may seem parochial, there is a need related to the police station at Charlestown. It appears that the building programme will be curtailed but there should be a further allocation of manpower to the area. The region is recognized as the fastest growing urban area outside the Sydney metropolitan area. In recent years the staff strength of the Charlestown police district has been increased from four to nine officers. More police are needed, especially for criminal investigation work. The establishment of the criminal intelligence unit has placed a greater burden on the general duties police. They are not lazy, but additional follow-up work is needed to stem the flow of petty and serious crime, and it cannot be done with the limited number of police officers now available.

The busy highway running through Charlestown affects local police administration. The Minister for Transport and Minister for Highways approved the installation

of lights on the highway. It is the main northern highway and runs through Newcastle and Charlestown. Serious problems are encountered on the highway and in the business centre located there. The former Government allowed that type of development to take place. A clearway is needed from the city through to Charlestown and probably to Gateshead, following the change that has taken place over the years.

A need exists also for a permanent drug squad in the Newcastle area. Recently a learned magistrate made trenchant remarks about drug traffic in the Newcastle area. Honourable members who sat on the Joint Parliamentary Select Committee upon Drugs know that hard drugs are coming into the Newcastle area. About 90 per cent of the ships that came into the port of Newcastle fly foreign flags. Many of them come from Asian countries. This increases the chance of drug traffic through the port. Convictions recorded show the need for a permanent drug squad to deal with the problem of hard drugs. I hope that the select committee that has been re-established will make a thorough investigation into the matter and will bring to the notice of senior officers of the Police Department the need for the appropriation of further amounts of money for drug detection.

Drugs have become a serious problem in our society in recent times, especially in the Hunter and Newcastle regions. As a young man I remember going along the banks of the Hunter River and seeing crops of what is now known as grass. In those days no one knew what it was. Probably some of the happiest cows in Australia fed on that grass. Over the years the press has pointed out that the grass is there. People come to the area to experiment with it. Most honourable members would agree that emphasis should be placed on prevention rather than detection. Additional police officers could give talks to members of service organizations such as the Lions Club and Rotary to acquaint people in the community with the problem. Many people do not think that their own children would take to drugs, but it happens in the best of families. The use of drugs is not confined to working-class people or to any one class in society.

As to the division of cultural activities, I hope some thought will be given to assisting the Hunter Valley theatre company, which was formed some twelve or eighteen months ago. It has been having a struggle to survive. The company does a great deal for the cultural life of Newcastle. It is the first full-time theatre in the area and has produced some fine productions of intimate theatre. This theatre company is faced with the problem of finding a permanent home. It has received generous assistance from Mr Bernard Hartnell, through his association with the Joint Coal Board and business houses. The company is comprised of a fine body of people who are endeavouring to bring culture to the Newcastle and Hunter regions. It has a couple of thousand members who pay annual subscription fees and the company brings cultural activities to high school children and others. Its aim is to go throughout the Hunter region from town to town, bringing its production to the people. I hope the Treasurer will take these matters into consideration. They all relate to the well-being of the Hunter region.

Mr BREWER (Goulburn) [8.48]: I shall not take up a great deal of time on clause 11 but I wish to refer to the Police Department appropriation. I bring to notice the importance of providing extra police in the Marulan area. During the term of the former Government two traffic policemen were stationed at Marulan to attend to the checking station and other traffic problems there. More traffic police are needed because of the nature of the traffic; almost 2 200 heavy vehicles a day pass through the checking station. There are problems associated with the checking station as well as with fast-moving traffic travelling through the small township of Marulan where there is a school and a local community. I refer also to item 16, Division of Cultural

Activities—Australian Museum. I have not noticed in the appropriation any provision for the establishment of art galleries in country areas. The City of Goulburn should have an art gallery. It is the centre of local art.

No doubt the Premier is acquainted with the development of the Argyle college, a new type of technical college. A proposal has been put to me as local member for the development of the old college site as an art gallery when it is finally vacated. I suggest that the Government make provision for the establishment of country art galleries and perhaps to assist in their maintenance and running costs. In the metropolitan area there is ample opportunity for people to visit places of culture. I put this suggestion forward now and I shall follow it up in the near future. I have already been doing so in a preliminary way. I suggest that the Government allocate funds for country art galleries, their establishment and general maintenance. I ask the Premier to give serious consideration to the matters that I have raised.

Mr WILDE (Parramatta) [8.52]: I should like to preface my remarks by saying that the western part of the Sydney metropolitan area has been deprived for far too long of any financial support for the cultural activities that are organized on a voluntary basis by local groups. In my electorate there is a small number of dedicated people who work hard and long attempting to provide some form of cultural entertainment. Unfortunately, previous governments have had the idea that as long as Sydney is taken care of, that is all that is required. However, the greater part of the population of the metropolitan area live in areas that are not convenient to the heart of the city and it is not convenient for those people to travel into Sydney to attend functions at, say, the Sydney Opera House. It is of no credit to them that the greater part of the State's finances are directed to the city of Sydney. The greater proportion of funds is allocated within half a mile of Parliament House or the General Post Office.

I referred earlier to the Sydney Opera House. I should refer also to the Australian Museum and the Australian Art Gallery. These institutions house great treasures but they are not conveniently located to the majority of the people of Sydney. I should like to see the Government take these treasures to an area where they can be more conveniently seen. There should be some method of taking culture to the people rather than obliging the people to come to inconvenient places to enjoy these cultural pursuits.

The Parramatta musical comedy company has been performing in the Parramatta district for more than twenty-two years, operating on a shoestring with a great deal of its income being supplied by the performers themselves. They operate under adverse conditions. Despite all this, they continue to provide fine performance at a site which, though far from suitable, is at least convenient for the people in the western metropolitan area. A new organization known as the Western Sinfonia was formed recently. It has written to local government authorities seeking financial support and has received a small pittance. I should like to see such organizations given substantial financial assistance by the Government. It would encourage them and enable them to give much better performances. It would also encourage other organizations to come forward in the hope that they too might receive some small financial assistance. Major opera companies receive benefit from public funds. After all, everyone contributes to the larger organizations, in the sense that they receive public moneys. Larger opera and theatre companies are conveniently located to only a small proportion of the population. I should like to see funds directed to where the majority of people reside.

I note with interest the allocation to the Police Department. Although the main body of police in my electorate are adequately housed—they have a new building that was opened only a couple of years ago—

Mr Viney: It is magnificent.

Mr WILDE: The honourable gentleman says it is magnificent. Unfortunately, those who were responsible for the design and construction of the new building did not take the trouble or have the courtesy to discuss the facilities with the people who had to use them. I am speaking of the police, not the inmates. That is most unfortunate. It is quite incredible to see some of the things that have been provided. People who are answering charges are kept in cells in the basement of the building. They have to be taken to the courts up a concrete flight of stairs probably 30 feet long and 2 or 3 feet wide. There are no handrails to assist police if a person coming up for trial struggles. The police have had to adopt the practice of one standing at the top of the stairs and another at the bottom and then telling the prisoner to walk up the stairs by himself. Instances have occurred when a man has thrown himself down the stairs with the police officer under him, and the officer has suffered severe injuries. It is a sad reflection upon the people who designed the building that they did not consult the people who had to work in it.

In this building at Parramatta the standard of construction and finish is different in the section occupied by the Police Department from what it is in the court house section. The court house section is lavishly finished and furnished. I cannot understand why, when funds were being provided for the construction of the building, there was not sufficient consideration for the guardians of the law to provide for them at least on an equal basis to the legal fraternity.

They have to go about their business, up and down these stairs because they are not allowed to use some lifts, which are reserved for magistrates and judicial officers. Although these lifts are used by those officers for only a small proportion of the day, the police, who are working in the building throughout the day, are not allowed to use them. I could go further, but I consider that much more care and consideration should have been given to the police when the building was being constructed. I hope that more adequate police protection is provided in the area. Although the accommodation at Parramatta is very good, and would rank with any in the State, the number of police allocated to the district is quite insufficient, particularly at night when the patrols are thinly spread over a wide area. Little real police protection is provided for the people in my electorate and surrounding electorates in the event of an outbreak of crime. I ask for additional police protection there.

Also, I ask that consideration be given to the provision of more traffic-control signals. The police could go about their other duties and perform them more efficiently when they are relieved of this burden. I was interested to read recently about the construction of an overhead pedestrian crossing at Mount Ku-ring-gai. The justification for it was that the traffic flow on the Pacific Highway is about 26 000 vehicles a day. In my electorate at least four areas have a much greater traffic flow. Indeed, if overhead pedestrian bridges were constructed there, the police would be able to devote more time to other activities including the safety of children. Further, a few more traffic lights in the area would be beneficial not only to the local people but also to the police, who would not have to provide surveillance at stop signs and pedestrian crossings. Also, they would not be required to take particulars of the traffic accidents that would be avoided by the provision of traffic lights.

In welcoming the new member for The Hills, whose electorate adjoins mine, I might mention that in the absence of a representative in his area, I found it necessary to make representations for traffic lights to be installed on the Windsor Road.

The CHAIRMAN: Order! I point out to members of the Committee that the scope of debate concerning the clause dealing with the Premier is limited. Indeed it has nothing to do with traffic lights, pedestrian crossings or the like, even though it

might relieve one policeman for other duties. I believe that the honourable member for Parramatta has stretched his comments a little too far, and I direct him to return to the clause.

Mr WILDE: I accept your ruling, Mr Chairman. The police in my area are overworked, and would benefit if relieved of extraneous duties. I realize that later in the debate on the estimates there will be opportunities to discuss the items I have mentioned, but I reiterate that we need more police in the western part of the metropolitan area, based particularly at Parramatta. The present strength is quite inadequate to guard this huge area. In particular I ask that consideration be given to increasing police strength in this area.

I am pleased that provision is to be made for the Ombudsman to investigate complaints at local government level. I realize that my council has been in safe hands for a number of years, but I feel some apprehension for the future, because obviously I do not intend to retain my position in local government indefinitely. I am pleased indeed that people who wish to raise matters they believe require investigation concerning their local government representatives, will be able to approach the Ombudsman about those problems.

The CHAIRMAN: Order! I must remind the honourable member that the question of the Ombudsman investigating complaints in the local government sphere has already been decided by the Parliament. That is not the subject of this particular section of the debate, during which remarks must be limited to what is listed in the estimates under the heading of office of the Ombudsman.

Mr WILDE: I was trying to make passing reference to the provision of funds for that purpose, but I realize that time is drawing on, and no doubt other honourable members wish to refer to this clause. I conclude my remarks on that note.

Mr MOORE (Gordon) [9.6]: I refer to item 11, Police Department. Last Thursday I asked the Premier a question without notice in this House concerning the closure of one-man police stations in isolated areas. I requested the Premier to give the House an undertaking that his department would at least confer with the local communities concerned and the Police Association before any further closures took place. I am aware of the magnificent work performed at one-man police stations at such places as Trunkey Creek in the Bathurst electorate, at Tuena in the Goulburn electorate, and at a large number of isolated localities in the electorate of the Treasurer. It is deplorable that the Premier refused to give to this House an undertaking that the communities who have been so well served by the police in this State would not be consulted before their security and protection, for themselves and their children? is removed.

Mr HATTON (South Coast) [9.8]: One of the greatest challenges confronting the Premier and the organization of the Police Department is the population shift that occurs regularly from the city to the country, particularly along the coastline, during the holiday season. This seasonal movement involves the Commissioner of Police in what amounts to an exercise in logistics, in placing his men in areas which suddenly have a higher than normal population. In doing this, he has done some quite good work. In places such as Sussex Inlet, Huskisson, Vincentia and many other locations on the South Coast, the police have been moved in, on a busman's holiday basis, to supervise the considerable intake of holidaymakers.

It is important to establish this type of police protection at Sussex Inlet, Huskisson, Vincentia and the St Georges Basin area. I refer to centres of small population, such as Manyana, Cunjurong Point, Benoalong, Sussex Inlet, Huskisson, Culburra, Currarong, Orient Point, Callala Bay and Callala Beach, which suddenly have an

increased population at holiday time. In addition, of course, police protection must be provided in the off-season, particularly to prevent vandalism of the large number of unoccupied cottages. In these place boats and other expensive equipment are left by their owners, and I contend that not only should police protection be provided all the year round for this purpose, but must be supplemented by extra police during the holiday season.

Many people are without adequate security for the valuable belongings they keep in tents and caravans. Plenty of boats are stolen—and boat equipment too. Also, there are rowdy behaviour and instances of vandalism. In the off-season, weekenders are broken into and damaged by vandals. This problem is growing every year and it simply has to be faced. We must consider whether police supervision is adequate. A huge police station is being built in Nowra. It was desperately needed and I am very grateful to the Government for honouring its promise and voting over \$1 million for that purpose. However, it may take the police half an hour or one and a half hours to get to many of these outlying areas. We need a new approach. We need a proper radio network and a seasonal movement of police to cope with the seasonal movement of people.

I should like the Premier to consider the possibility of providing an art gallery in Nowra. I draw to his attention the fact that one of the most valuable collections of water colours in the State by Samuel Ellyard, whose paintings were executed in the 1880's, is held in the Shoalhaven shire council chambers. The council has a progressive attitude to regional art. It has acquired a huge collection of pottery, paintings and other forms of art, but there is neither sufficient storage room for them nor room to put them on display. There should be facilities for works of art to be put on display in country areas, particularly to encourage local art. This would be a worthy consideration from the point of view of inducing people to occupy their leisure time profitably. From the social and educational viewpoints, I should like the Premier to consider building centres throughout the country areas of New South Wales where visiting artists could hold exhibitions. Paintings and other forms of art could be transported to these centres from the art galleries in capital cities not only of New South Wales but also from interstate. One of the tragedies of having a large art collection is that rarely do country people have an opportunity to see these exhibitions. If appropriate security arrangements could be made in buildings built especially for that purpose, I believe that people in country areas would benefit even more from an exhibition of art than people in the cities. A display of paintings, pottery or a particular facet of art would concentrate the attention of the people in a town or district on that aspect of art. This would be a good educational, utilitarian concept.

Mr WEST (Orange) [9.13]: As most matters on this estimate have now been raised, I should like to comment on the New South Wales Film Council. One of the many problems in country areas is the lack of cultural facilities. The Sydney Film Festival is a major cultural event. Approximately forty of the latest films from all over the world are sent to Sydney where they are screened for the enjoyment and appreciation of the public. I urge the Premier to vote more funds to the Film Council and to others involved in the administration of this work because its extension to country areas is of major importance to people who live in centres such as Orange.

Recently we have concluded the third year in which Orange was able to view highlights from the Sydney Film Festival. This was well received and greatly appreciated by everyone concerned. People generally appreciate these functions. I should like the Premier to help encourage this type of activity for the people in country centres. A major civic centre costing some \$4.5 million has been opened at Orange to cater for this sort of thing.

Mr MASON (Dubbo) [9.15]: I should like to draw attention to the need for an increase in police surveillance to deal with SP betting in certain country areas. There can be no doubt that during the past few months there has been a marked proliferation in SP betting in this State and particularly in the electorate I represent. This matter has been brought to my attention and I have discussed it with the local police. I know they are doing everything they possibly can, but, in the smaller country towns, police are at a very great disadvantage when dealing with this problem. The local policeman is too well known. In Trangie the agent operating for the TAB has indicated to the board that, because of the increased SP activities over the past few months, he has reluctantly been forced to indicate that he will be unable to continue with his agency. One of the SP operators operates from a table in a hotel at Trangie.

Mr Hills: Which hotel is that?

Mr MASON: I am not too sure of the name of it but there are three hotels in that town. In both the other hotels SP operators are doing business. The local superintendent of police has used all the methods available to him to cope with this problem but he has indicated that it is quite impossible in isolated communities to cope with the problem unless he has additional police.

The simple point is that this matter has, undoubtedly, come to a head in the last few months. Recently a question was put to the Premier in this House on this matter. His answer was an extremely wishy-washy one, and there seems to be no doubt that there is a certain readiness on the part of the Premier to be very benevolent to the proliferation of gambling in our community. Gambling is a natural Australian characteristic. However, when a legitimate business such as the TAB agency at Trangie is forced to close its doors because of this situation, the problem is very serious indeed. I put to the Premier and the Treasurer that there is a real need to increase the police strength to deal with this situation in the smaller country communities. If the Premier is in earnest about wanting to stamp out SP betting, he will do as I request.

I am sure that most honourable members would have received over the past few days telegrams from the TAB Agents Association in which they express serious concern about the proliferation of SP betting. One can only guess why during the last three months this problem has caused the TAB so much concern. I believe that it must be related to a real softening in the attitude of the Premier to gambling.

One of the areas in which this softening-up has been evident is in the benevolence shown to some SP operators. Those police officers to whom I have spoken about these matters genuinely want to do something about the problem. However, a police superintendent located perhaps some miles away from where something is occurring, and wanting to do something about it, cannot do so unless he has at his disposal a squad capable of acting quickly. I suggest that if the Premier is serious about wanting to cope with this problem he might take heed of my proposal.

Mr ROGAN (East Hills) [9.21]: Unlike the honourable member for Dubbo I have only admiration for the members of the police force within my own area. My reason for speaking to this clause is to make a plea on behalf of the Revesby police station and ask that it be provided with more equipment so that the officers stationed there may perform their tasks more efficiently and easily. I refer particularly to the need for an extra patrol car which would enable police officers to respond quickly to calls for help. I ask also that the Revesby police station be supplied with photographic equipment so that in the event of a person being apprehended and charged the police will not have to take that person to the Bankstown police station, requiring the services of several police officers and a police car. I ask that money be made available to

provide photographic equipment at the Revesby police station, which serves the whole of the electorate of East Hills, and also that that police station be provided with an additional patrol car.

I ask the Premier, in his capacity as Minister in charge of cultural activities, to approve a grant to the Bankstown cultural centre. The Bankstown council serves the electorate of the honourable member for Bankstown, that of the Premier and my own. The cultural centre at Bankstown is one of the finest in the State if not in Australia. It offers wonderful service and encouragement to the arts. On previous occasions I have said that this cultural centre is in need of financial grants so that it may further encourage the arts, local drama groups and other interests. I make a particular plea for a grant to be made to the Bankstown council for this purpose.

Clause agreed to.

Clause 7

[Minister for Transport and Minister for Highways]

Mr MAHER (Drummoyne) [9.24]: The debate on the estimates for the Minister for Transport and Minister for Highways provides me with an opportunity to mention my concern at developments in the ministry and the **staffing** of the ministry in recent years. My main complaint is the failure of ministry officers and staff to inform members of Parliament of important decisions taken within the ministry which vitally affect a member and his electorate. When these matters were handled by the Police Department an excellent system of communication existed whereby any move to alter or instal traffic aids was immediately notified to the local member whether he had made representations for them or not. However, since a number of authorities have been grouped within the administration of the Ministry of Transport there has been no notification of these matters to members. Members often know nothing of important decisions that have been made, though details could easily have been conveyed to them by the ministry. It is of some concern to me that the number of clerical staff and the senior administrative assistants in the ministry has been reduced for the forthcoming year, though there is no reduction in the staffing of the urban transport study group.

I hope that responsible persons in the Minister's office will note the points and complaints that I make about the failure of the ministry to inform members of what is going on in their electorates. Unless members of this Chamber press their right for information on matters affecting their electorates I feel that the role of the member and the role of the Parliament will be downgraded. I invite the attention of the House to one instance that affected me earlier this week wherein transit lanes were introduced along Victoria Road. This road passes through a number of electorates, including my own, and this new scheme represented an important change. The proposal was communicated to local government authorities but not to local members who knew nothing about it until they read it in local papers. This is the type of thing that the Minister's staff should be looking at and the type of message that the Minister's staff should be passing on to members who are elected by the local people to represent them in this House. The whole question of co-ordinating transport management and transport decisions would be facilitated if members were consulted.

Honourable members are in constant touch with traffic and transport matters in their electorates. If they are not consulted, future planning will suffer. A large item of expenditure of \$217,000 is for the Urban Transport Study Group. It seems **incredible** that that organization can pursue its activities without consulting honourable members. It does so without involving the local member in decision-making, planning or its

studies. Some decisions of the Ministry of Transport have enormous political repercussions. Last year the abolition of a large number of bus stops resulted in numerous petitions being lodged in the House and a number of representations by honourable members. That decision was not communicated to honourable members. Up to that time the police had been exemplary in informing honourable members of what was happening about transport matters in their electorates. Once the Traffic Authority of New South Wales took over, honourable members were kept in the dark. I respect the officers of the authority, I know that they are investigating this matter which I have raised with them on a number of occasions.

I hope that something will come out of the difficulties I have raised. If Parliament is to survive, honourable members must be informed what is happening in their electorates. They must know about activities being planned by the Government. One cannot expect the Minister personally to tell the local member what is happening. In a ministry such as transport, it would probably be beyond the Minister to know what is happening, even in his own electorate. The senior officers in the department—the public servants—the people who are mentioned in the estimates, should keep honourable members informed. In this important issue the basis of our democratic institutions is at stake.

Mr VINEY (Wakehurst) [9.32]: The transport estimates cause me some concern. I refer particularly to Item C.6—Special Transport Surveys—Expenses. My criticism is not restricted to the present Government, but applies to all governments. There is secrecy about the way the estimates are prepared. Honourable members are left absolutely in the dark about what is covered by particular items. Though research into transport matters is within the administration of the Minister for Transport and Minister for Highways, much of it being funded by the Commonwealth Government, under the Transport and Planning Research Act of 1974, which was introduced by the Whitlam Government. By 31st December, 1975, a sizeable document had been issued on the research being undertaken. Many items in that document are germane to New South Wales. It sets out the studies that are being pursued, how much each costs and who is doing the research. More than twenty items in it relate to the activities of the Public Transport Commission of New South Wales. The authority is being funded from Canberra by the Commonwealth Government and in this Commonwealth publication one can find out about things within the administration of the Minister for Transport and Minister for Highways in New South Wales.

I want to know where this research money is being spent. I know that the New South Wales Government is talking about electrification of the railway from Gosford to Newcastle and other matters. Are alternative proposals being researched? The Ministry of Transport is considering electrification by means of a 1 500-volt system from Gosford to Newcastle, but many highly qualified senior employees of the Public Transport Commission believe that it is a crazy proposal and that alternative research should be undertaken. They believe that we ought to conduct research into an alternative to the 1 500-volt system, that is the 25kVA system which is being adopted in Germany, France, Italy, America and Japan.

The honourable member for Drummoyne told the House that he resents decisions being taken without the local member being informed. I am concerned at the blanket of secrecy over research matters. One does not know what items are being covered. One will never get the information from the annual report of the Public Transport Commission. No indication is given of the money being spent on surveys, who is conducting them or where they are being undertaken. A forecast has been made that something like \$22 million will be spent on upgrading the main

southern line between Old Junee and Albury. Inside the Public Transport Commission senior engineers of long standing believe there is a better alternative. They will be able to prove their point only if the matter is researched.

I am confident that the Minister will want to see how his department is working in the future. He will want to know what it is proposed to research, who will do it and when the deadlines will be. He will also want progress reports. What I have suggested is not beyond the wit of man. I do not believe that all wisdom comes from Canberra—there is probably more in this State—but the fact is that I can obtain information from Canberra about what is happening under the administration of the Minister for Transport and Minister for Highways that I cannot get from State documents.

Last year the estimate was something like \$4.4 million for the Minister for Transport and Minister for Highways. This year the estimate for the Minister of Transport and Minister for Highways has been increased to \$7,125,679. I wondered whether inflation had taken over to that degree until I found an item in the estimates that has not been there before. It is the contribution of \$2.5 million out of revenue to the traffic facilities fund. I could not find any information in the budget papers to show why \$2.5 million of the revenue funds should go to the traffic facilities fund. Is it because there will be a large increase in the salaried staff to be paid out of revenue? Or is it a contribution to capital works? In the end result it is relatively immaterial for it is all public money, whether the source is consolidated revenue or loan funds.

This is not a criticism of the Minister. The same kind of document has been presented for many years. My protest is that I cannot get the information. It is of no use honourable members on the Government side saying that the former Government did not provide this information. In my book it is a new ball game now. Together with other honourable members and, I am sure, Ministers, I want to see more information in public documents so that we shall all be better able to decide how money is being spent and better able to audit the general efficiency of the public service.

Mr COX (Auburn), Minister for Transport and Minister for Highways [9.39]: Two honourable members have raised matters dealing with the estimates for my department. The honourable member for Drummoyne mentioned the Traffic Authority of New South Wales and the fact that it has not been advising honourable members on matters appertaining to their electorates. I do not disagree with that criticism. Steps have been taken to ensure that that is done. The authority was set up by the former Government. That was a desirable move and I do not disagree with it. Since the authority has been established I have included on it the Chief Commissioner of the Public Transport Commission of New South Wales.

Mr Viney: The authority was established by an Act of Parliament.

Mr COX: It was established by an Act of Parliament. The Chief Commissioner of the Public Transport Commission was not included on the authority but he has now been included and appropriate legislation will be introduced to validate that appointment. It happens from time to time that appointments have to be made and validated later. It is important to realize that it is a new authority and has been established to bring about proper co-ordination of traffic facilities throughout the metropolitan area. It is true that the authority has acted at times without consulting members. I have sent a detailed submission to Mr Butler, the commissioner for the Department of Motor Transport, informing him in clear terms that he must advise local members of decisions that are made affecting their electorates. Since I have taken the position of Minister for Transport I have endeavoured to advise members of such decisions.

The other matter raised by the honourable member was research programmes. I might say that these research programmes have the approval of the federal Government. A number of them were commenced some twelve or eighteen months ago and they are continuing programmes. I am trying to get a complete list of those that are being undertaken at present on behalf of the federal and State governments and I hope to be able to submit it to the House. It will show the expenditure involved in each programme going on at the moment. I may say that I have reservations about some of the programmes. Honourable members will recall one being undertaken in connection with the effects of expressways on local communities. It ran into a great deal of flack from honourable members because of the type of questions being asked. I cancelled it because I felt that the questions directed to people in the area were wrong. Once it hit the newspapers the project was no longer valid and it was destroyed. I can assure the House that a complete list of every programme that is going on at the moment which is funded jointly by the Australian Government and the Government of this State will be tabled in this Parliament, with information as to the type of programmes they are. Members are entitled to this information. They have never had it before but they will get it from me as Minister for Transport and Minister for Highways.

Mr MORRIS (Maitland) [9.44]: I want to mention three minor and non-controversial matters. The first relates to concessions granted to ex-servicemen of the Boer War. More than \$1 million has been set aside for travelling concessions to totally blind and/or incapacitated ex-servicemen. I have a constituent who was an imperial serviceman in the United Kingdom. He served gallantly in World War I but he is excluded from the concessions. I should like the Minister to look at his case. People who have fought gallantly for Australia or for one of the old Commonwealth or Empire countries as members of the Imperial Forces, and who would have been entitled to these concessions had they been in the Australian Army, ought to be granted them. I think the Minister would agree with me. I suggest also that consideration be given to extending the age limit a little from the Boer War to World War I. That is something that I should have liked to see a few years ago but we were not successful in breaking through the Treasury barrier. A relatively small number of World War I veterans would be involved. They would now be around 80 years of age and it would be splendid gesture if they were included with the Boer War and blind or incapacitated veterans. I do not think the cost would be great.

The second matter that I want to raise is that I hope one day the Ministry will be called just the Ministry of Transport and that the Minister will be known as the Minister for Transport. Of course, this is a matter for the Premier. I see no reason why the highways section, which is not the largest part of the Minister's administration, ought to be singled out. If the title Minister for Highways is to be retained, the full title should be Minister for Transport, Minister for Railways, Minister for Highways and Minister for Public Transport, if you like. It seems a slight on the other great departments to highlight one and not the others. We know why it is there—because for many years the Department of Main Roads came within the administration of the Minister for Local Government—from which, I might say to the Minister with respect, it ought never to have been taken. The transport umbrella needs to be a large one. The federal Minister for Transport has control over all forms of transport. Sometimes the silly situation is reached in many of the States where, at transport advisory council meetings, two or three Ministers from one State must attend to cover the various aspects of the ministry. That has been largely rectified. It has been in this State; it was in South Australia; and it has been in Victoria. Queensland is the only State out of step. I hope that one day we shall see the title Minister for Transport embracing all forms of transport—road, rail, air, bus, traffic management and so on.

The third thing that I should like to say is that the Ministry of Transport is an important one and I am glad to see that some of the titles of the people who make up the Ministry have changed. I refer for example, to the appointment of an assistant under secretary. That is a commendable change. I know the person who occupies that position. He is a man of great merit. The suggestion was made on the retirement of the former under secretary that the department should revert to being a subministry, as it were, with a secretary at its head. We fought that because it was down-grading the whole Ministry. I am glad to see that there are one or two engineers on the staff. Any Minister for Transport needs one or two people about him who can give advice on some of the recommendations that are made to him. This is especially helpful in relation to technical matters that he must deal with. The British Ministry of Transport is constituted along these lines. If there is a train derailment in London, one or two people within the Ministry go out and make a check for the Minister over and above what might be done by the railways department. That might be taking it too far, but I think in the interests of the Minister getting impartial and objective advice it could be of assistance. The Minister for Transport should be able to call on someone within his direct administration to give him the advice he needs and sometimes to give him a bit of counsel on reports brought forward.

I am glad to see that the Ministry of Transport is being constantly upgraded, and staffed by dedicated officers. I am sure that in the years ahead, as transport continues to assume a more important role in the community, the Ministry will play a major part by providing the independent advice to the Minister that is so necessary.

Mr COX (Auburn), Minister for Transport and Minister for Highways [9.51]: I shall briefly comment on the points raised by the honourable member for Maitland. First, he suggested that the concessions granted to World War I veterans be extended to those who served with the British forces during that war. This matter is under review at the moment, but it is not as simple as the honourable member suggests. It also embraces the question of servicemen from countries that fought alongside the Commonwealth countries; that would include Italy, Japan and other countries whose nationals have emigrated to Australia. Also it extends a little further, to other concessions that have been approved, and claims could be made to the Government for the extension of those concessions. The matter is with the Premier at the moment. I am sympathetic toward the proposal.

The honourable member for Maitland also referred to the title of the Ministry of Transport. I agree it should be called just that. The other matter raised by the honourable member concerned the assistant under secretary, to whom he paid a tribute. I believe it is as well to mention this officer's name: he is Mr Gordon Priest, who does a first-class job. The honourable member for Maitland mentioned that the Ministry has been improved by the appointment of an engineer who has a master's certificate. This was done by the former Government, and I believe it was an excellent move. The appointment has strengthened the Ministry and has assisted me in the role I have to play in making decisions on the basis of information sent to me from the various departments.

Clause agreed to.

Clause 8

[Minister for Health]

Mr HEALEY (Davidson) [9.54]: The Health Commission of New South Wales is the second largest spending authority in this State. At a recent function the Minister mentioned that the total health expenditure this year will be of the order of \$800

million. This clause provides \$427 million of that sum. The cost of hospitalization and health services in this State is growing annually, and care should be taken to see how much longer funds can be added to the tremendous cost of health services.

I suggest to the Minister that he do what I did when I was occupying his portfolio, that is, give a great deal more attention to preventive medicine and health education. Statistics show that, apart from the community health programme, 0.001 per cent of the total health budget is spent in these fields. It seems to me that much more should be done through the news media and in every other way to bring to the attention of people the need for them to take care of their health, and not to think of health merely in terms of drugs, alcohol and so on.

The State has a very good health education department, which employs about 130 or 140 people; but in the press, radio and television there is a complete absence of any positive elements of health education. The preventive health medicine field needs a great deal more attention. One wonders whether governments should be looking more at health maintenance instead of the health insurance. If the authorities built up a worthwhile preventive and health maintenance staff, probably the expenditure on curative medicine through the hospitals could be reduced.

The cost of building hospitals is frightening, and one wonders how much longer the community will be able to pay. Last year's budget for the Royal Prince Alfred Hospital was more than for the entire health budget for Tasmania. Indeed, the figures included in the estimates indicate the large amount of money involved. There are ways and means by which the Minister can save money. He might find it difficult, but he could do it if he had the courage. In the *Questions and Answers* paper today is a statement that in 1974-75 more than \$60 million was spent on hospital cleaning. This year it could be about \$100 million. Almost one-seventh of the total money spent on hospitals is devoted to cleaning, which can be done by contract at much less cost. I mentioned here some time ago that a public hospital in Sydney was spending \$3,500 a year for cleaning each bed, whereas under private contract it could be done for \$1,500 a year. There is no need for cleaning staff to be employed eight hours a day.

The frozen food business will be terribly costly. I have seen it in operation in some hospitals, and one wonders whether this is an operation that the hospitals should be providing. It can be done by private enterprise much more cheaply, having in mind the staff and all the capital equipment involved. This could result in a great saving. The research programme, particularly in relation to health services, is another area where only a limited amount of money is spent. Our research programme does not run to medical research, but is confined to matters like childhood accidents, the need to look after geriatrics, and so on. It seems to me that if the State is to make the best use of health funds, we need to conduct research into many more areas instead of merely pursuing curative programmes.

The two important elements of health services in this State are the rationalization and regionalization programmes. Only a limited staff is available in the thirteen regions of the State. The Health Commission is not reducing the number of staff at head office and getting them out to the regions, where they would be more useful and would contribute much more to the health services. When one compares the number of people at our head office with the number at the head office in Victoria, one realizes that our head office is overloaded with staff. The chairman of the commission discussed this matter with me and said that one of the aims of the commission was, by steady progress, to get people out of head office. He said that it was necessary to maintain policy and research units at head office, but that the

rest of the staff should be working in the regions. The allocation in the Budget does not indicate that this course is intended at present. I urge true regionalization. Much is happening in this field, and positive action is needed.

The rationalization programme is proceeding. It must proceed because costly equipment and limited resources and staff must be shared by a number of hospitals. The further the rationalization programme can be spread the better. I have in mind servicing areas—the laundries, food services, X-ray, pathology, biology and so on. The rationalization programme should proceed and should be spread as quickly as possible. This is another way of reducing the considerable cost and making the best use of the health dollar. I believe the Minister might care to look at the traditional system of hospital control and management. In these days big business has to be properly managed. The Health Commission and its hospitals are big business. Efficient management techniques and new methods should be applied to keep the health services at their best.

A well-known, eminent, United States management expert, Professor Peter Ducker, has said that two of the greatest areas of mismanagement that have not yet been properly looked at and attended to are hospitals and universities. He is a management consultant in the United States of America. One of his points is that a tremendous amount of waste occurs in hospitals, as well as a tremendous amount of over-use of labour, in some areas and under-use in other areas. He states, also, that nobody has ever taken a good look at the management techniques used in hospitals, or at productivity in our hospitals to determine whether we are getting the best value out of the hospital-spent dollar. There should be a concerted effort to try to determine whether our present system of having a board of directors, medical superintendents, chief executive officers and so on is the best way to manage this most expensive service. Although this has been the system for years nobody has ever come out and said: "Look, there is a better way of doing this." Neither have we looked at the consequences of spending money. I know from my own experience that a lot of wastage occurs and, until we can get somebody to look at management techniques in this area, this will continue to go on.

I notice in the estimates that the Treasurer has provided a sum of money to enable nursing training to be increased to 1 000 hours in this State. Recently, I have had discussions on this issue with nurses in this State. In fact almost all our training hospitals are training nurses for up to about 1 000 hours. In Victoria it was said that the figure is 1 600 hours, and that nurses are much better trained in that State. However, on a recent visit to Victoria I found that the average training time in that State varies between 700 hours and 1 200 hours, so there is not a very great disparity between the training systems in the two States. Certainly, our curriculum and syllabus hours show a very much lower figure than 1 000 hours. As it is clear that many nurses are being trained for approximately 1 000 hours, the need for concern is not as necessary as has been believed.

Another thing has come to my notice. I wonder what the Health Commission and the Minister have in mind in relation to the Nurses Registration Board, which is the body that admits nurses who come here from overseas or interstate and those who have just recently graduated. It is responsible, also, for the discipline of the nursing profession and it has long been an autonomous body. It had a doctor as its chairman but the nurses wanted that changed. However, for some extraordinary reason—the Minister has put an employee of the Health Commission in charge of this autonomous body, which does not come under the Health Commission directly but comes directly under the Minister. The principal nurse appointed to the Health Commission during the Liberal-Country party administration has now been made chairman of the Nurses

Mr Healey]

Registration Board. This most extraordinary action puts the chairman of the board in a most invidious position in that she is a servant of the commission and, at the same time, she is trying to fulfill the role of chairman of the Nurses Registration Board.

I cannot understand why that has been done, and I know it is causing some concern amongst the nursing profession in this State. Yes, it is true they wanted a nurse in charge of the board, and that was promised to them when the new legislation was being reviewed. However, I just wonder why a servant of the Health Commission has now been appointed to chairmanship of the board. It seems a most extraordinary move.

Another matter that is causing some concern in the community is the fact that no negotiations have been completed between the Health Commission and doctors with regard to sessional payments. A letter has been forwarded to all doctors in the State which implies that negotiations are continuing between the Health Commission, the Minister and Australian Medical Association in relation to sessional payments for doctors in public hospitals. In fact, four letters from the AMA remain unanswered and have not yet been acknowledged by the commission. A letter from the Society of Anaesthetists remains unanswered and unacknowledged and no meaningful discussions are taking place at this time between the Health Commission, the Minister and the Australian Medical Association concerning sessional payments to doctors. We know that Mr A. Rogers, Q.C., has brought down his recommendations and contracts have been drawn up, but I assure the Minister that unless some meaningful discussion takes place between the AMA and the Health Commission in respect of this matter, few doctors will be signing these contracts. I know this has been a long-standing problem. We tried to solve it but could not. We set up arbitration procedures to settle it, and the Minister now has it on his plate. I should be interested to see how he goes about solving it.

I make a plea to the Government to give some consideration to the matters I have raised, particularly the area of research and preventive medicine, and the matter of food preparation and catering in an endeavour to try to save money—to the extent of millions of dollars. Huge sums could be saved particularly at Westmead and Campbelltown hospitals by having cleaning done by contract and by taking out of the Westmead plan the proposal to construct a frozen-food plant. Everything possible should be done to ensure that the public of this State who pay out millions of dollars should have more of it devoted to preventive medicine.

Mr LEITCH: Mr Chairman——

Mr FLAHERTY (Granville), Government Whip [10.7]: I move:

That the question be now put (S.O. 175B).

The Committee divided.

Ayes, 47

Mr Akister	Mr Durick	Mr Johnson
Mr Bannon	Mr Einfeld	Mr Johnstone
Mr Barnier	Mr Face	Mr Jones
Mr Bedford	Mr Ferguson	Mr Kearns
Mr Booth	Mr Flaherty	Mr L. B. Kelly
Mr Brereton	Mr Gordon	Mr Maher
Mr Cleary	Mr Haigh	Mr Mallam
Mr R. J. Clough	Mr Hills	Mr Neilly
Mr Cox	Mr Hunter	Mr O'Connell
Mr Crabtree	Mr Jackson	Mr Paciullo
Mr Day	Mr Jensen	Mr Petersen

Mr Quinn
Mr **Ramsay**
Mr Renshaw
Mr Rogan
Mr Ryan

Mr Sheahan
Mr **Stewart**
Mr Wade
Mr F. J. Walker
Mr Whelan

Mr Wilde
Mr Wran
Tellers,
Mr Keane
Mr **McGowan**

Noes, 48

Mr Arblaster
Mr Barraclough
Mr Boyd
Mr Brewer
Mr Brown
Mr **Bruxner**
Mr Carneron
Mr **Caterson**
Mr J. A. Clough
Mr **Coleman**
Mr **Cowan**
Mr Darby
Mr Dowd
Mr Doyle
Mr **Duncan**
Mr **Fischer**
Mr Fisher

Mr Freudenstein
Mr Griffith
Mr **Hatton**
Mr Healey
Mr Leitch
Mr **Lewis**
Mr **McDonald**
Mr **McGinty**
Mr Maddison
Mr Mason
Mr **Meillon**
Mr **Moore**
Mr Morris
Mr Mutton
Mr **Osborne**
Mr Park
Mr Pickard

Mr Punch
Mr Rofe
Mr Rozzoli
Mr Schipp
Mr Singleton
Mr Taylor
Mr Viney
Mr N. D. Walker
Mr Webster
Mr West
Sir Eric Wills
Mr Wotton

Tellers,
Mr **Mackie**
Mr Murray

Resolved in the negative.

The CHAIRMAN: The question is, That the clause as read stand **part** of the **bill**.

Mr HILLS (**Phillip**), Minister for Industrial Relations, Minister for Mines and Minister for Energy [10.18]: Mr Chairman, I move:

That you do now leave the Chair, report progress and seek leave to sit again tomorrow.

The Committee divided.

Ayes, 50

Mr Akister
Mr **Bannon**
Mr **Barnier**
Mr Bedford
Mr Booth
Mr Brereton
Mr Cleary
Mr R. J. Clough
Mr Cox
Mr Crabtree
Mr Day
Mr Degen
Mr **Durick**
Mr **Einfeld**
Mr Face
Mr Ferguson
Mr **Flaherty**

Mr Gordon
Mr Haigh
Mr **Hatton**
Mr Hills
Mr Hunter
Mr **Jackson**
Mr **Jensen**
Mr Johnson
Mr Johnstone
Mr Jones
Mr Keane
Mr L. H. Kelly
Mr **McGowan**
Mr Maher
Mr Mallarn
Mr Mulock
Mr Neilly

Mr **O'Connell**
Mr Paciullo
Mr Petersen
Mr **Quinn**
Mr **Ramsay**
Mr Renshaw
Mr Ryan
Mr Sheahan
Mr **Stewart**
Mr Wade
Mr F. J. Walker
Mr Whelan
Mr **Wilde**
Mr Wran
Tellers,
Mr Kearns
Mr Rogan

Noes, 47

Mr Arblaster	Mr Griffith	Mr Pickard
Mr Barraclough	Mr Healey	Mr Punch
Mr Boyd	Mr Leitch	Mr Rofe
Mr Brewer	Mr Lewis	Mr Rozzoli
Mr Brown	Mr McDonald	Mr Schipp
Mr Bruxner	Mr McGinty	Mr Singleton
Mr Cameron	Mr Mackie	Mr Taylor
Mr Caterson	Mr Maddison	Mr Viney
Mr J. A. Clough	Mr Mason	Mr N. D. Walker
Mr Coleman	Mrs Meillon	Mr Webster
Mr Cowan	Mr Moore	Mr West
Mr Dowd	Mr Morris	Sir Eric Willis
Mr Duncan	Mr Murray	Mr Wotton
Mr Fischer	Mr Mutton	<i>Tellers,</i>
Mr Fisher	Mr Osborne	Mr Darby
Mr Freudenstein	Mr Park	Mr Doyle

Question so resolved in the **affirmative**.

Progress reported from Committee and leave granted to sit again tomorrow.

ASSENT TO BILLS

Royal assent to the following bills reported:

Hunter District Water, Sewerage and Drainage (Rating) Amendment Bill
 Metropolitan Water, Sewerage, and Drainage (Rating) Amendment Bill
 Ministers of the Crown (Amendment) Bill
 Teaching Service (Amendment) Bill
 Youth and Community Services (Amendment) Bill

BILLS RETURNED

The following bills were returned from the Legislative Council without amendment:

Friendly Societies (Amendment) Bill
 Motor Vehicles (Taxation) Bill
 Motor Vehicles Taxation Management (Amendment) Bill

ADJOURNMENT

City Council Accommodation at **Newtown**

Mr **HILLS** (Phillip), Minister for Industrial Relations, Minister for Mines and Minister for Energy [10.24]: I move:

That this House do now adjourn.

Mr **CAHILL** (Marrickville) [10.24]: I raise a matter that is causing grave concern to a considerable number of constituents in my electorate. It relates to tenants of a block of flats located at 31 to 35 Station Street, **Newtown**. Briefly, the history

of this block of flats is that it was built in 1966 by the Council of the City of Sydney. It was specifically designed to house pensioners and people on low incomes. Following the emasculation of the boundaries of the Council of the City of Sydney by the former Government, large areas of land and certain buildings were transferred to councils in whose areas they were newly located. Not so with the Station Street flats. They were quite a profitable investment for the Council of the City of Sydney and though other assets in the area were transferred to the Marrickville municipal council the city council decided to retain this asset.

Late last year the Council of the City of Sydney decided to have the flats converted to strata title and to sell them, despite the fact that they are still earning income for the Council of the City of Sydney. One can realize the consternation of the tenants. Remember, that in the main they are on social service pensions of some sort, or they are low-income earners. Of the total, 43 per cent are pensioners or are in receipt of workers' compensation payments. Those tenants would not be in a position to purchase the flats as units. They approached members of Parliament in the area, both federal and State, to see what assistance could be given to them.

The Council of the City of Sydney applied to the Marrickville municipal council for a certificate of compliance to indicate that the flats were suitable for transfer to strata title. The Marrickville council conducted a thorough investigation of the building and refused the certificate of compliance on numerous serious grounds. Briefly, the flats did not comply with the minimum standards laid down by the council. As they did not comply with the minimum standards it is obvious that a change to strata title should not be permitted.

The dispute is continuing between the Council of the City of Sydney and the Marrickville municipal council over the certificate of compliance. Quite apart from that dispute, it is interesting to note that many flats in the various blocks owned by the Council of the City of Sydney are vacant. It has been suggested that almost fifty flats are vacant in the various buildings. I am advised that there are about ten vacant flats in the Station Street block. It is felt that these flats are being kept vacant deliberately as an added inducement to potential investors, in spite of the acute housing shortage. That is a shameful attitude for the Council of the City of Sydney to take. Will the Minister intercede in this dispute? Will the Minister investigate the possibility of transferring the flats to the Marrickville municipal council, as they are located within that council's boundaries? Alternatively, will the Minister investigate the possibility of directing the Council of the City of Sydney to defer any action to sell, pending the results of the forthcoming local government elections?

I ask the Minister to take whatever action is possible. Tenants have spent a lot of money on their flats, on the understanding that they were permanent tenants provided that they complied with the conditions laid down relating to payment of rent and the like, renovating the flats, furnishing them, providing carpets and so on. It is worrying for them to have an eviction hanging over their heads. I ask the Minister to do what he can to remove that worry and to stay the eviction of the tenants.

Mr JENSEN (Munmorah), Minister for Local Government [10.291: The matter raised by the honourable member for Marrickville concerns me deeply. These flats were built by the Council of the City of Sydney when it was Labor controlled for the purpose of providing low-cost accommodation for people whose housing needs could not be satisfied by the Housing Commission of New South Wales. It grieves me greatly to see the Council of the City of Sydney take this attitude. The honourable member for Marrickville referred to the fact that a number of flats are vacant in the Station Street property. But that is not all. My information is that about forty-five flats owned by the Council of the City of Sydney are vacant and have been vacant for long periods.

It seems clear that the council is keeping these flats vacant so that when it gets strata title it may be able to sell them. This is being done at a time when there are no fewer than 8 000 people on the Housing Commission list waiting for inner-city flat accommodation—people who desperately need somewhere to live. Yet the Council of the City of Sydney has 45 flats deliberately made vacant in many cases, and certainly deliberately kept vacant. I shall be pleased to take the matter up with the council. This information reached me only today. I shall confer with the council to establish the truth of the report that I have been given that there are so many vacant flats. I shall ask the council to reconsider its announced attitude concerning the disposal of the flats, because it is a grievous thing, even if the conditions of sale are as generous as the lord mayor has intimated they will be, to say to someone who is in receipt of an aged pension and has never owned property in his life before that he is to be required to purchase the flat in which he lives. These may be people without any experience in the ownership of property. Although it has been suggested that the council will not disturb tenants who do not wish to buy, this does not compensate them for the deep anxiety they feel at the council's proposal.

I thank the honourable member for raising this question. I shall take up with the Council of the City of Sydney all the matters that he has raised, not only in an endeavour to reduce the anxiety justifiably felt by the occupants of flats in **Newtown** but also of the John **Byrne** Court at Glebe, the Station Street flats at **Newtown**, the **Stephen** Street flats at Paddington, the **Ritchie** flats at **Redfern** and other council-owned properties, with a view to seeing whether the council can be persuaded to review its present **difficult** policies.

Motion agreed to.

House adjourned at 10.33 p.m.

QUESTIONS UPON NOTICE

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

WIDENING OF FOREST WAY, BELROSE

Mr HEALEY asked the **Minister** for Transport and Minister for **Highways**—

- (1) When will funds be available to widen Forest Way, Belrose, to a **six-lane** highway?
- (2) Has the traffic load been calculated?
- (3) Is the present narrow road inadequate for this load?

Answer—

The Department of Main Roads recognizes the desirability of widening Forest Way, but as there are **many** other works of a more urgent nature still required on State Highways and other Main Roads throughout the County of Cumberland and because of the limited funds available for such works, no firm indication can be given, at this stage, as to when work on Forest Way is likely to be commenced.

It is considered, however, that widening is required at intersections on this road to allow traffic to flow more freely and an amount of \$10,000 has been included in the Warringah Shire Council's Maintenance and Improvement Programme for some work of this nature to be undertaken during 1976–1977.

(2) The traffic load on Forest Way has been monitored.

(3) The traffic **volumes** on the two-lane section of Forest Way are heavy. However, the Department of Main Roads reports that vehicle movements are well distributed throughout the day and traffic peaks are consequently of lesser duration by comparison **with** other similar roads in the metropolitan area.

HEALTH EXPENDITURE

Mr HEALEY asked the Minister for **Health—**

(1) What proportion of the total health budget is spent on: (a) Cleaning of hospitals; (b) catering in hospitals; (c) laundering for hospitals; (d) health and medical services?

(2) What is projected capital expenditure in 1976–77 for: (a) other than hospital and health services and (b) what proportion is it of the total?

Answer—

(1) It is not possible to obtain the actual figures for 1975–76 because some audited annual reports of 2nd and 3rd Schedule Hospitals under the Public Hospitals Act have not yet been submitted to the Commission.

The relevant figures for the 1974–1975 audited expenditures are available, however, and are listed below

Details are as follows:

<i>Cleaning</i>					\$
2nd and 3rd Schedule Salaries and Wages	..	..	..	..	46,815,647
5th Schedule Salaries and Wages	..	..	..	..	10,323,482
2nd and 3rd Schedule Materials	..	..	..	..	2,837,859
5th Schedule Materials	..	..	..	..	306,166
					<hr/>
					60,283,154
					<hr/>
					8.9%

Catering

2nd and 3rd Schedule Salaries and Wages	31,704.151	
5th Schedule Salaries and Wages	2,612.555	
2nd and 3rd Schedule Materials	18,566.524	
5th Schedule Materials	4,396.022	
	<u>57,279.252</u>	8.5%

Laundry

		\$
2nd and 3rd Schedule Salaries and Wages	7,816.753	
5th Schedule Salaries and Wages	1,431.383	
2nd and 3rd Schedule Materials	9,758.711	
5th Schedule Materials	14.160	
Group Laundries	1,000.000	
	<u>20,021,007</u>	3.0%

Health and Medical Services

*2nd and 3rd Schedule Salaries and Wages	261,138.049	
*5th Schedule Salaries and Wages	48,291.191	
†2nd and 3rd Schedule Materials	42,540.638	
†5th Schedule Materials	1,419.331	
Community Health	14,787.067	
	<u>368,176,276</u>	54.5%

* Includes Medical, Paramedical and Nursing Staff Costs.

† Drugs, appliances, etc.

(2) <i>Capital Expenditure</i> 1976–1977	<i>Amount</i>
	\$
Hospitals and Health Services	101,700.000
Additional approval for borrowing to cover refurbishing of hospitals	8,000.000
Land and property purchases	800.000
Wards, theatres, casualty departments (direct patient benefit)	102,467.000
Boilers, laundries, kitchens , staff amenities (indirect patient benefit)	8,033.000

The expenditure on indirect patient benefit represents **7.9%** of the total allocation.

HEALTH COMMISSION RESEARCH PROJECTS

Mr HEALEY asked the Minister for **Health**—

- (1) What research projects are being undertaken by the Health Commission?
- (2) When will each of these be completed?
- (3) Will the reports be made public?
- (4) What new research projects will be undertaken in (a) the coming year; (b) the next three years?
- (5) What funds will be allocated for this purpose?

Answer—

(1) A document has recently been prepared which lists the current research projects conducted by the Health Commission's Division of Health Services Research. A copy is available for the Honourable Member.

(2) Also available is a list of completion dates for all the current research programmes being conducted.

(3) All completed reports are made public at the discretion of the Commissioners and the Director of the Division of Health **Services** Research.

(4) In regard to the question relating to new research projects I would like to inform the Honourable Member that a document entitled, "Proposed Research Priorities as a basis for a Two Year Programme of Activities", is available. This document sets out the projects research priorities for the next two years and will be the centre of discussion by the Commissioner, Principal Advisers, Regional Directors and Planners. Their aim is to establish firm priorities on the basis of the discussion.

(5) Federal funds which have been allocated in the **1976-1977** budget for the Division of Health Services Research are \$230,000. State funds allocated to support the Division's research are \$250,000.

OURIMBAH COLLEGE OF ADVANCED EDUCATION

Mr **McGOWAN** asked the Minister for **Education**—

- (1) Has the purchase of the land for the **Ourimbah** College of Advanced Education been finalized?
- (2) What price was paid for the land?
- (3) From which individuals or from what companies was the land purchased?
- (4) Did title to this land change in the three years prior to purchase?
- (5) If so, what price was paid for the land in these prior purchases?
- (6) What are the names of the principals in any company from which land was purchased?

Answer—

(1) No. Out of a total of 13 parcels **comprising** the total, site settlement has been reached on eight parcels.

It might be pointed out that the land which is being purchased is not necessarily being acquired for the purpose of a college of advanced education. At this stage the nature of the institution which might in the future be developed on the site is not yet determined and the acquisition of the site is being referred to as the "purchase of land for tertiary education facilities".

(2) The purchase of the site is estimated to cost \$650,000. Up to the present time \$237,180 has been paid to the N.S.W. Planning and Environment Commission for settlement of the purchase of eight parcels.

(3) The eight parcels mentioned above were purchased from the following individuals or companies—

	\$
(i) Messrs R. P. Armstrong & L. P. Dunn	30,000
(ii) Mr G. F. Morante	26,500
(iii) Mr and Mrs G. T. McEwan	20,000
(iv) Grayray Pty Ltd	55,000
(v) Edward James and Lynette Joy Greenfield ..	28,430
(vi) Robert Charles and Pamela Daphne Rushton ..	22,500
(vii) Mr R. G. and Mrs J. A. Marr	19,750
(viii) Gian Pietro and Maria Mantellato	35,000
	\$237,180

Regarding the five outstanding parcels to be purchased to complete the acquisition of the total site, contracts have been exchanged with A.S.L. Finance Company for the purchase of its site but settlement moneys have not been paid and negotiations are proceeding for the purchase of properties from Messrs **Rushton**, Ewers, Dennis and Parish.

In the case of Ewers oral advice has been received that the vendors have requested that the subject land be acquired by resumption.

(4) Title to four of the eight parcels of land itemized in (3) changed hands in the three years prior to purchase by the Higher Education Board.

(5) As advised by the N.S.W. Planning and Environment Commission details of the four parcels mentioned in (4) are as follows. It must be noted that payment to the vendors includes legal expenses and agent's commission.

- (i) **Grayray** purchased Lot 4, D.P. 3868, and Lot 27, D.P. 4235, a total of 23.58 h.a. or thereabouts from Hodgson for \$100,000 in October, 1973. It **should** be noted that Lot 4 is an attractive level area of land with improvements **thereon** whereas the land form of Lot 27 is steep and not particularly suitable for economic building development.

The Board purchased Lot 4, D.P. 3868, having an area of 5.24 h.a. with improvements **thereon** for \$55,000 from **Grayray** in June, 1975.

- (ii) R. P. Armstrong and L. Dunn purchased Lot 8, D.P. 517031, from **Harris** in September, 1973, for \$26,000. The Board purchased this parcel from Armstrong and Dunn in April, 1975, for \$30,000.
- (iii) R. G. and J. A. Marr purchased Lot **A**, F.P. 394086, from **Hutchinson** in November, 1973, for \$16,000. The Board purchased this parcel from Marr in November, 1975, for \$19,750. This price also included the purchase of portion of a closed road for \$1,000.
- (iv) A.S.L. Finance Coy Pty Ltd, purchased part Lot 1, D.P. 2244, and part portion 177, Parish of Gosford, and Lots 25–26, D.P. 4235, from **Grayray** Pty Ltd in February, 1973, for \$435,000. The N.S.W. Planning and Environment Commission exchanged contracts with A.S.L. in October, 1976, for the purchase of these parcels for \$240,300.

(6) Advice from the N.S.W. Planning and Environment Commission indicates that the Principals of the companies involved **are—**

Raymond Kelly — Grayray Pty Ltd.	}	A.S.L. Finance Coy Pty Ltd.
Mr A. Smith—N.S.W. Manager		
Mr J. S. Bennett—Company Controller		

Additional Information

Ministerial approval was given to the acquisition of this site in October, 1973. The Commission on Advanced Education approved of the purchase at a cost of \$700,000 in June, 1974.

In August, 1974, the N.S.W. Planning and Environment Commission (at that time the State Planning Authority) were requested to act as agents for the Higher Education Board and acquire the **subject** land.

