# Legislative Assembly

*Wednesday,* **17** November, **1976**

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Reproduction of Parliamentary Debates—Quoting from Documents—Petitions—Questions without Notice—Precedence of Business—Superannuation (Amendment) Bill (Int.)—Consumer Claims Tribunal (Amendment) Bill (Int.)—Soccer Football Pools (Amendment) Bill (second reading)—Pay-roll Tax (Amendment) Bill (second reading)—Totalizator (Amendment) Bill (second reading)—Totalizator (Off-course Betting) Amendment Bill (second reading)—Miscellaneous Acts (Taxation) Repeal Bill (second reading)—Racing Taxation (Betting Tax) Amendment Bill (second reading)—Bookmakers (Taxation) Amendment Bill (second reading)—Stamp Duties (Amendment) Bill (second reading)—Liquor (Further Amendment) Bill (second reading)—Bill Returned—Gaming and Betting (Amendment) Bill (second reading)—Adjournment (Sydney (Kingsford-Smith) Airport)—Questions upon notice.

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

Mr Speaker offered the Prayer.

## REPRODUCTION OF PARLIAMENTARY DEBATES

Mr SPEAKER: Yesterday the honourable member for Davidson attempted to raise as a matter of privilege—and the rules of this House prevented him from doing so at that time—an article in this week's National *Times,* to which my attention had already been invited. The article concerns a debate that took place in this House on Thursday last and in a subhead states:

> Since September, **1974,** this newspaper has printed a dozen articles on the administration of justice in NSW, particularly as related to prisons. Last Thursday, the NSW Parliament debated a motion of censure of the former Minister of Justice and Attorney-Genepal, Mr John Maddison, now deputy leader of the NSW Liberal Party. We print here from Hansard an edited account of that debate.

I do not wish to comment upon either the subhead or the article itself except to say that the paper certainly did not print from Hansard as claimed. At most, the National Times printed from an uncorrected galley proof, Hansard not yet being available. As the honourable member for Davidson said yesterday, Hansard does not exist as a document until it comes out as a printed publication. Any newspaper or other publisher quoting from proofs is quoting from a document not privileged and is liable to make some error.

My principal reason for making this statement is that it is apparent that the paper has somehow obtained proofs of the only two speeches made, that is, those of the honourable member for Illawarra and the Deputy Leader of the Opposition. It is

quite improper for any member to quote from or to make available proofs of another member's speech.

It might not be inappropriate for me to say that some members tend to overlook that parliamentary privilege does not protect a member publishing his own speech apart from the rest of a debate. If a member publishes his speech, his printed statement becomes a separate publication unconnected with any proceedings in Parliament and he must accept full responsibility for it.

## QUOTING FROM DOCUMENTS

Mr SPEAKER: In recent proceedings of the House the subject of quoting documents has arisen on several occasions and I 'therefore make the following remarks. It is a parliamentary rule, long established, "that a Minister of the Crown is not at liberty to read or quote from an official document not before the House, unless he be prepared to lay it upon the table". And, "It has also been admitted that a document that has been cited ought to be laid upon the table of the House, if it can be done without injury to the public interest". However, it is allowable to read to the House information that is contained in a private communication. When such private papers are quoted in the House there is no rule requiring them to be laid on the table.

A Minister who summarizes a correspondence but does not actually quote from it is not bound to lay it upon the table; nor are confidential documents or documents of a private nature passing between officers of a department and the department, cited in debate, necessarily laid on the table of the House, especially if the Minister declares they are of a private nature. "Indeed", says *May*, "it is obvious that as the House deals only with public documents in its proceedings, it could not thus incidentally require the production of papers which, if moved for separately, would be refused as beyond its jurisdiction". . . . . "A member may read extracts from documents but his own language must be delivered bona fide in the form of an unwritten composition."

A private member may read extracts from books or other printed publications as part of his speech provided in so doing he does not infringe any point of order. But there are certain limitations to this right. Though there is no ruling by which a member can be restricted in his bona fide quotations relevant to his argument, it is quite out of order to read lengthy passages from same. Where the language of a document is such that it would be unparliamentary if spoken in debate, it cannot be read. No language can be orderly in a quotation which would be disorderly if spoken. At the same time I must express the opinion that any attempt to influence the course of a debate by reading of arguments or letters from persons or authority outside is repugnant to the spirit of debate. It is not in order to read articles in newspapers, letters or other communications emanating from persons outside the House and referring to or commenting on anything said by a member in the House. Nor can any portion of a speech made in the same session be read from newspapers or other documents.

The rule on quoting from letters is straightforward and simple. A member quoting from a letter must indicate by whom it was signed and the address from which it was sent. After much thought I do not believe it necessary that a member should be asked whether he is willing to place the document on the table and in that way make it available to all members. On some occasions, because of the importance of matters before the House, it may be desirable that copies be made available to other members but, unless the House otherwise directs, I am of the opinion that this procedure should not be obligatory. I hope that this statement makes the position clear to all honourable members.

## 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 you Petitioners, as in duty bound, will ever pray.

Petitions, lodged by Mr Day, Mr O'Connell and Mr West, 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.

Petition, lodged by Mr West, received.

Mining near Angourie

The Petition of certain residents of Angourie, respectfully sheweth:

That the proposed resumption of sand-mining by Cudgen R. Z. Pty Ltd is wholly incompatible with the proposed land use of the area—tourism and recreation. It will cause destruction of the very qualities that make the area attractive, the vegetation, the wildlife and the scenery.

Sand mining will cause severe disturbance to local residents. Both noise level of the mining operations, and the use of the sole access road by heavy trucks are unacceptable.

Any economic benefits to residents or local businessmen is not such that the destruction of roads or the disruption of residents' privacy and convenience, can justify the devastation of this beautiful area of coastline.

Your Petitioners therefore humbling pray that your Honourable House will direct the relevant Ministers to refuse the application made by Cudgen R. Z. Pty Ltd to mine a large area of land around the village of Angourie.

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

Petition, lodged by Mr Singleton, received.

Abortion

The humble petition of the undersigned citizens of New South Wales respectfully sheweth:

(1) That as taxpayers we object to the use of funds for abortions under the guise of health payments and/or benefits.

(2) That no pressure should be brought to bear to hinder the prosecution of those participating in criminal abortion.

Your petitioners humbly pray that the Honourable House takes such steps through the appropriate channels to stop the misuse of taxpayers money and to ensure that the law prohibiting abortion in New South Wales be properly enforced.

Petitions, lodged by Mr Bannon, Mr Hills and Mr Jackson, received.

## QUESTIONS WITHOUT NOTICE

### SECURITY OF HOMEBUSH HIGH SCHOOL

Sir ERIC WILLIS: I ask the Minister for Education whether the Homebush High School is now guasded at night, weekends and during school vacations by men armed with pistols and instructed to shoot anyone attempting vandalism or burglary. Is this policy of shoot first and ask questions later to be applied to all schools? If so, will the Minister accept the responsibility for any resultant injuries or deaths?

Mr BEDFORD: It was drawn to my attention that a statement had been made that armed security officers were allegedly told to shoot at trespassers at the Homebush High School site. Having been Minister for Education, the Leader of the Opposition will be aware of the tremendous damage done each year to our schools by vandals

and of the resultant frustration of teachers, parents and children when some of these moronic types gain access to schools and wreak tremendous havoc. It is costing the State, as was intimated some time ago in an answer to a question from the honourable member for Liverpool, about $1.5 million a year by way of recurrent costs to repair the results of vandalism in schools. A further $500,000 is spent annually on things like burglar bars and alarm systems.

In the case of Homebush High School, which has suffered from vandalism on about eleven occasions in about two and a half years, out of sheer desperation the principal mentioned the matter to the parents and citizens' association. A gentleman involved in the association, who owns a security service, said that he would have members of his organization patrol that school. It is alleged that when he was interviewed by a local newspaper, he said that he had told his men to shoot. If the allegation were true it would he wrong for him to have said it. The security officers of the Department of Education have never been issued with an instruction to shoot first and ask questions later—and certainly never will be while this Government is in office.

Private security firms are used to patrol schools in high-risk periods and during vacations. They have never been given an instruction to shoot first—or to shoot at all. Following the revelations in the newspaper, regional officers of the Department of Education contacted the principal and deputy principal of the school, and representatives of the parents and citizens' association. As far as the Government and the deparbment are concerned the position is quite clear; there will be no shooting on school grounds. Further, I understand that the gentleman who had offered his services has now withdrawn them and the normal patrolling services established by the Department of Education will be used at the school.

## POLICE STATION FOR CHARLESTOWN

Mr FACE: I wish to direct a question without notice to the Premier in his capacity as Minister responsible for police. Prior to the change of government was it doubtful whether funds would be made available to construct this year a much-needed Charlestown police station? Have representations made it quite clear that the construction of this station is needed to meet the demands of the area? Will the Premier give the House an indication whether the Charlestown police station will be constructed this year?

Mr WRAN: For a considerable period the honourable member for Charlestown has drawn attention to the need for a police station at Charlestown. Indeed, since we have been in Government the honourable member has been most persistent to have some finality reached on the construction of a police station in that area. I am able to advise the House and the honourable member that a police station for Charlestown has been scheduled for the priorities in 1976–77.

Mr Coleman: They have waited long enough.

Mr WRAN: Money has already been allocated; tenders will be called in January and will close in February for construction to commence later in the financial year 1976–77. Let me make it quite clear that if the honourable member for Fuller had still been the Minister responsible for the construction of police stations, there never would have been a police station built at Charlestown.

## STUDENTS ALLOWANCES

Mr PUNCH: I direct my question without notice to the Minister for Education. Has the Minister received complaints from country parents that present living-away-from-home allowances paid by the State Government in respect of their children have not been increased commensurate with rising costs? Are many country hostels only partly filled due to lack of patronage attributable to high costs and inadequate Government subsidies? Is this policy in direct conflict with Labor's pre-election promises and is it causing grave hardship to many families, particularly those in the more isolated areas of this State? If so, will the Minister take immediate action to see that his party's promises are fulfilled?

Mr BEDFORD: It is true that a number of representations have been made, by individual parents and organized groups within country areas, concerning living-away-from-home allowances for students. Due to the tight financial restrictions that we have upon us this year—in many ways induced by national economic policy—it has been impossible for the Government to do everything it wanted to do. In respect of country hostels referred to by the Leader of the Country Party, it is true that a number of these are not full. Whether or not that is because of the level of living-away-from-home allowances I am in no position to say. It gives me a great deal of concern that after only ten years of use a large hostel in Parkes, which cost more than $1 million to establish, has been removed from the administration of the Department of Education and handed over to another body. Bearing that type of circumstance in mind the State should examine closely any proposal to put money into hostels to serve country areas.

In contrast, at Forbes the hostel is over-full and there have been demands to provide extra accommodation there for students who wish to live in that centre. It would seem that some country towns are favoured by country folk for the education of their children, and close attention will have to be given to the provision of hostels in those centres. Another factor concerning isolated children is that funds available to the department are used to the best advantage by officers of the department in assisting such organizations as the School of the Air and in providing other facilities for isolated children. I assure honourable members that the Government is mindful of education needs in country districts and that it is doing everything possible within the limits of the Budget to satisfy those needs.

## SPEECH THERAPY AT YAGOONA

Mr KEARNS: I wish to ask the Minister for Health whether he knows that recently the speech therapist at the Yagoona Child Health Centre resigned from that centre. Has this loss worsened an existing shortage of speech therapists in the western metropolitan health region and added to the hardships experienced by children with serious speech defects and their parents? Can the Minister say what action has been taken to overcome this shortage and will he take urgent action to overcome the situation at the centre?

Mr STEWART: I was not aware of the resignation of the speech therapist at Yagoona, although I am aware of a general shortage of speech therapists. Indeed, there has been a shortage of staff over almost the whole spectrum of paramedical services. I have already had some other approaches by honourable members concerning the lack of speech therapists in other health regions. In 1965 the previous Government received grants from the Commonwealth Government for colleges of advanced education. This was one area in which the previous Government failed to

act. Also, between **1965** and **1970** there was virtually no movement in this State in this important area. All these paramedical professions were working on their own in their own tiny colleges, independent and separate from the other health services of the State. In the main only enough personnel graduated to fill the necessary positions. In the past few years at Government level there has been an awareness of the problem. Last Monday week, in company with Mr Gough Whitlam, I inspected the Cumberland College of Health Sciences where paramedical education is being provided. We expect that in the next **12** months or two years there will be a greater intake of paramedical personnel into all specialties. I hope this will enable us to overcome the problem referred to in the western metropolitan health region by the honourable member for Bankstown, and problems in other health regions that honourable members have brought to my attention.

## MODERATOR TEST PAPERS

Mr GRIFFITH: My question is directed to the Minister for Education. What precautions did he take to ensure that moderator test papers delivered to schools two weeks before the examination were not used for special coaching? Has the Minister or the department received any complaints from teachers, parents or pupils concerning this matter?

Mr BEDFORD: I am afraid that this matter, which is quite serious, has not been brought to my attention. If anybody had access to these test papers prior to their being given to students the practical effect would be quite important in the results. I am not aware of the situation. I have not seen ary correspondence from parents or teachers on the matter. I shall have immediate inquiries made and advise the honourable member and the House.

## FRAUDULENT LAND DEALERS

Mr WHELAN: My question is directed to the Minister for Lands. In view of the points raised yesterday by the Minister Assisting the Premier concerning the activities of two land companies, does the Government plan to take any action? Will the Minister inform the House of any action that the Government can take to protect members of the public from unscrupulous land dealers?

Mr CRABTREE: I thank the honourable member for Ashfield for asking this question.

Mr Barraclough: He has shown great interest.

Mr CRABTREE: Yes, and the people of New South Wales will thank him too, and pay heed to both the question and the answer. The matters raised yesterday by the Minister Assisting the Premier have caused the Government grave concern. The Minister mentioned two companies involved in the sale of interests in land to persons or tenants in common. He pointed out that it is most unlikely that the land could ever be used for the purpose proposed by the promoters of the companies.

Since coming to office the Government has been told frequently, often through representations of honourable members as astute as the honourable member for Ashfield, of instances where the public have suffered serious financial loss and great personal inconvenience because of the activities of some supposed land developers. Unfortunately, the people who usually suffer are those who are unaware of their rights and are therefore the most vulnerable. Of course, there have been numerous cases over a number of years of land sharks preying on the community and escaping their due punishment because they have manipulated technicalities in the law.

The laws covering conveyancing and land development are extremely complex. We on the Government benches are angry that these sharks can prey on innocent people in the community and still remain technically within the law. Recent cases currently under investigation include one where 300 people signed contracts to a company with a paid up capital of $2. They signed an authority to use the solicitor of the vendor, and part of the contract included a provision that title would not be handed over for another 20 years.

In another case 400 members of the public were misled when they signed similar contracts for what they thought were to purchase a block of land for about $400. Investigations show there were no plans for subdivision and that the cost of any such subdivision could conservatively be estimated at $4,000 for each purchaser. There have been other cases, such as the one in the Glebe area last year, which involved land and homes under mortgage being sold on terms to people who were unaware of the mortgage commitments. Perhaps the most blatant trick is the fairly common practice of shady companies taking an option to buy land and, without actually purchasing, then selling common tenancy lots at exorbitant prices

We know it is often difficult to protect people from themselves, but the Government is deeply concerned that there are so many anomalies in the law. Our immediate plans are the establishment of a committee of specialists under the chairmanship of Mr W. R. Artis, the Deputy Registrar General. Action is already under way *to* establish the committee, and I shall be meeting Mr Artis tomorrow to impress on him the urgency with which the Government wants this matter handled. The committee will have a wealth of experience in the investigation of land frauds.

*[Interruption]*

Mr SPEAKER: Order!

Mr CRABTREE: Mr Speaker, the people who have had the closest experience in land frauds sit on the Opposition benches. The committee will include representatives of the fraud squad, the Planning and Environment Commission, the Department of Local Government, the Department of Consumer Affairs, the Corporate Affairs Commission, the Treasury and the Attorney-General's Department. It is my determination and the intention of the Government that amending legislation be brought forward as soon as possible. I shall also instruct the committee that it must not only close known loopholes in the law but also make a general review to tighten any possible avenues that shysters and crooks could use in the future. The Government is determined that our legislative changes will sound the deathknell of sly and unscrupulous land dealings in New South Wales

## EMPLOYMENT OF TEACHERS

Mr BREWER: I ask the Minister for Education a question without notice. As the Minister has announced the intention to discontinue bonding for teacher trainees, will he give an assurance that qualified teachers will be available for all subjects at rural high schools? Will the Minister also ensure that non-bonded teacher trainees from colleges such as the Goulburn college of advanced education will be guaranteed employment by the Department of Education on completion of their training?

Mr BEDFORD: It is true that the Government has announced its policy to abolish all bonds and to make some alterations to allowances. The matter is not yet finalized because a few difficulties are associated with such a change of policy. This is tied up very much with the attitude of the Commonwealth Government in the

payment of the tertiary education assistance scholarships allowances, and also the bonding arrangements in other States. Irrespective of the final decision that might be made, students in colleges at present will be assured of employment when they complete their training, because they entered the colleges knowing full well that they were to be bonded and, therefore, would be able to get a job. The Government will stand up to its undertaking so far as the bonds are concerned. The non-bonded students went into the colleges on the understanding that they had no guarantee of employment, and in those circumstances I could not give the undertaking for which the honourable member has asked. Nevertheless, we anticipate that there certainly will be sufficient places in the teaching service for the present students in colleges, particularly those going out next year.

Whether the Department of Education will be able to fill all classifications in city and country schools—and I might say here that some of the most difficult schools to staff are on the fringes of the city rather than in country areas—remains to be seen, but I assure the honourable member for Goulburn and the House that every effort will be made to ensure equitable staffing throughout the State.

## GRANVILLE EAST INFANTS SCHOOL

Mr FLAHERTY: Has the Department of Education been negotiating to purchase homes in the area bounded by Nobbs Street, The Trongate, Blaxcell Street and Hudson Street, Granville, for the purpose of providing primary school accommodation at the present site of the Granville East infants school? Will the Minister inform the House how many homes have been purchased and when tenders will be called for the commencement of the project?

Mr BEDFORD: The site of Granville East infants school is only about two acres. This is one of the schools at which there is a need to expand and a problem in acquiring the land on which to do so. A decision was taken in **1974** that the school should be expanded in the area bounded by the streets mentioned by the honourable member for Granville, but the proposal was discontinued owing to a lack of funds. In **1976** it was decided that the expansion should proceed, and the regional director suggested that Blaxcell Street only should be further developed in that respect. Nineteen property-owners have been approached and asked whether they would be willing to sell. Only one owner has sold his property to the department so far. Only one has indicated a wish to sell, seven are unwilling to sell, and five have not replied to letters sent to them by the department. The Valuer General is still looking at five other properties.

In the circumstances there would appear to be difficulty in expanding the site of the school. In the meantime, the needs of the school are being met by the use of demountable classrooms. I assure the honourable member for Granville that the department is doing all it can to acquire the necessary land to enable it to establish permanent buildings, but until the land is available no firm plans for permanent buildings can be made.

## DRUG OFFENCES BY TEACHER

Mr DOYLE: Has the Minister for Education made conflicting statements regarding the continued employment of a teacher convicted of a drug offence? To clarify the position and to allay parental concern, will the Minister now state his real policy?

Mr BEDFORD: I did not catch the first part of the question asked by the honourable member for Vaucluse.

Mr Cameron: Have you made conflicting statements?

Mr SPEAKER: Order!

Mr BEDFORD: I have not made conflicting statements in respect of this matter. All honourable members are appalled by what we read in the newspapers about the drug situation. Only in today's paper there is a report of a young lad who fell victim to drugs. The position of a teacher in society, especially in the context of being with children, is a very special one. In those circumstances the teacher has to show the right and proper way. The two articles to which the honourable member for Vaucluse is referring are, I presume, one that appeared in the Australian Hotels Association journal and another that appeared in the Teachers Federation journal. In the first article I indicated quite clearly my line of thought and belief, which I have just expressed to the House, namely that the position of the teacher is a very special one. The question that was asked of me at that time was whether I approved of teachers' smoking marihuana in the school and in the classroom. Of course, my response was immediate. I said, no, and that such action would be reprehensible. I stand by that.

The other article was one published in the Teachers Federation journal. I had been asked about discussions regarding the removal of certain crimes from the Crimes Act so that they could be covered in a different area of law. I was asked what would be the attitude of the department and of myself if a drug offence became a minor one in law. My response on that occasion was that we would have to look at the situation in the light of whether it was a minor offence. So there is no conflict at all. I stand by my original statement that teachers have a very special place in society, particularly in relation to the position of children, and they should be models of propriety and probity in this matter.

## INTELLECTUALLY HANDICAPPED ADOLESCENTS

Mr PETERSEN: I address a question without notice to the Minister for Youth and Comunity Services. Has the Department of Youth and Community Services purchased a home in Runyon Street, South Wentworthville, for the purpose of a hostel for intellectually handicapped adolescents? In view of protests by some local residents, will the Minister give the reason for selecting this property and say whether there is a precedent for similar hostels in New South Wales? Is there any basis for speculation that the home will be used for psychiatric patients and that eventually adjoining properties will be taken over for the purposes of a large psychiatric centre?

Mr JACKSON: It is a fact that my department has acquired premises at No. 46 Runyon Street, South Wentworthville, with a view to setting up a hostel for intellectually handicapped adolescents. These intellectually handicapped young adults are wards of the State, having been accepted under the provisions of part IX of the Child Welfare Act. Just prior to turning eighteen years of age these State wards are carefully examined by a panel of medical experts who assess whether they will be capable of properly looking after themselves on attaining the age of eighteen years. The young persons about whom I am speaking have been assessed as incapable of properly looking after themselves. A competent tribunal, upon receipt of medical evidence and a recommendation from the panel of experts, has recommended that these young people remain wards of the State under part IX of the Child Welfare Act.

There are in New South Wales four hostels, similar to the one proposed for Wentworthville, which house these young people and allow them an opportunity to take a place in the community. The department obtains employment for these wards

and the psychological effect upon them of this kind of life is tremendous. The honourable member for Davidson, who recently held this portfolio, would no doubt agree with what I say. However, I am amazed to have learned during the department's endeavours to place these young people in the Wentworthville–Greystanes area, that no less than forty residents have shown hostile objection. I should not have believed it possible to find this sort of thing in our community had I not seen it and heard it for myself. In fact, had we been living in the 1938–39 era and had my responsibility been that of Minister for Immigration in this State I would certainly have suggested that these people offering hostility towards young State wards should be deported to Nazi Germany.

The site of the proposed hostel is close to the Merrylands electorate, held by my colleague the Deputy Premier whom I know has a humane attitude towards all people and he agrees with what I am saying. The young people who will occupy this proposed hostel at Wentworthville are mildly handicapped. The department has obtained suitable jobs for all of them and they will take their place as ordinary citizens in the community. The tenor of the remarks, protests and sentiments expressed by the forty residents of this area is unbelievable. About two weeks ago, in an endeavour to test and confirm the sincerity of the objections, I arranged to receive a deputation from all the residents who had complained. In the result only one person turned up at that deputation. Honourable members and the people of New South Wales would be able to assess from that attendance the sort of person who is protesting.

Senior officers of my department have attended public meetings and have co-operated to the extreme with these people but they will not listen to reason. These protestors have said that they will treat as animals the young people who are to live in this hostel. Last night I spoke on the telephone for half an hour to a lady who complained bitterly. I told her that these young people were not animals but human beings. She replied that so far as she was concerned they were animals. This is disgraceful. Young State wards with this type of handicap have been readily accepted in other parts of New South Wales. The first hostel of this nature was established at Wollongong and recently, in company with my colleague the honourable member for Illawarra, I visited that hostel. I take this opportunity to commend the honourable member for having asked this question on a most important subject. The community and residents of the Market Street, Wollongong, hostel have accepted these young people and have readily taken them into their homes. They are regarded as decent citizens and have proved their worth to the community.

In a telephone conversation with one angry objector I asked whether he was sure that his next-door neighbour did not have a criminal record or was not a homosexual, to which I got no reply. The people who are protesting say they are worried about their children. I admit that some people might offer a danger to young children but these mildly intellectually handicapped young adults are not at all dangerous to the community. I asked the lady who telephoned me last night whether she thought the Government should put these people in cages like animals and she said, yes. That is the type of person with whom we are dealing. I resent the attitude adopted by these few people in the Wentworthville–Greystanes area and I am more determined than ever that the hostel will be established. Last evening I congratulated the Holroyd council for giving unanimous approval to the establishment of this hostel. As the guardian of these adolescent State wards I shall give them every protection possible. To give honourable members and the public an idea of the type of people who are making these objections——

Mr SPEAKER: Order! The Minister's reply is far too lengthy. He is now starting to debate the matter. I ask him to keep his reply relevant to the question and to bear in mind the value of question time to all honourable members.

Mr JACKSON: Yes, thank you, Mr Speaker. I shall not refer to the more than twenty insulting questions that have been asked of my department, though each and every one of them has been answered. One lady who telephoned the department said she will not be responsible for the treatment that these wards receive should they go to live in this area. In conclusion, I should like to say that as their guardian I assure this lady and other residents that if they endeavour in any shape or form to interfere with the State wards, I personally will be responsible for prosecuting them and I shall take them through every court in the land to ensure that proper protection is afforded to State wards who throughout their life have not had the affection, love and care of natural parents.

## QUEEN STREET FAIR, WOOLLAHRA

Mr BARRACLOUGH: I direct my question without notice to the Premier. Is it a fact that, although the Traffic Authority of New South Wales has granted approval for the closure of Queen Street, Woollahra, to traffic on Saturday, 27th November—the day of the annual Queen Street fair—the organizers are still without the Government's specific approval to hold the fair? Has the Queen Street fair become a popular annual happening which assists many charities and local service organizations? Has the Woollahra council advised that it will raise no objection to the holding of this year's fair subject to all approvals being granted by other authorities in respect of permission to occupy Queen Street with stalls and to charge rents? Can the Premier assure me and the House that the fair will be held in the traditional manner without threat of prosecution of the organizers or enforced cancellation of the fair at this late stage?

Mr WRAN: It is true, as the honourable member for Bligh has said, that the Queen Street fair has become an annual event. It is true also that through the honourable member's representations, and with my support, the Traffic Authority approved of the closing of Queen Street on 27th November. It is equally true, however, that the stumbling block to the holding of the fair is the dog-in-the-manger attitude of the Woollahra council which has declined to support positively or to give its approval to the conduct of the fair. This is largely a local government matter. In the ordinary course of events one would not think that the State Government would be concerned with the holding of a most responsible and worthwhile local fair.

In the past couple of years the fair has raised significant sums of money for local community projects as a result of its activities, including, I understand, the preservation of the Helen Keller Hostel. 1 should like to make it clear that the Government takes the view that this sort of community activity at the local level is most desirable. The Government will put nothing in the way of the fair being held. I hope that the honourable member for Bligh will pursue the Woollahra council in respect of the holding of the fair and the giving of its approval with the same assiduity as he has the Government.

## TRADE WITH COMMUNIST COUNTRIES

Mr KEANE: My question without notice is directed to the Minister for Decentralisation and Development and Minister for Primary Industries. Is the Minister aware that the Australian Wheat Board has recently concluded a sale of 500 000 tonnes of wheat, valued at $45 million, to communist China? In addition, has a contract recently been concluded to supply communist Russia with a further 1 million tonnes of Australian wheat? Does the Minister consider that these wheat deals with communist countries are of benefit to New South Wales wheat farmers and other primary industry workers?

Mr Pickard: On a point of order. Mr Speaker, I submit that the last two sentences of the honourable member's question seek an opinion and for that reason you should rule it out of order.

Mr SPEAKER: Will the honourable member repeat the last part of the question?

Mr KEANE: Yes, Mr Speaker. Does the Minister consider that these wheat deals with communist countries are of benefit to New South Wales wheat farmers and other primary industry workers? Does he expect a flood of protests from members of the Country Party who find it difficult to equate their political consciences with the flow of red gold that will cascade into their bank accounts?

Mr SPEAKER: Order! I rule the question in order.

Mr DAY: Mr Speaker——

Mr Carneron: Tell us your opinion.

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

Mr Cameron: I should like to hear the Minister's opinion.

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

Mr DAY: I believe that the amount of wheat mentioned by the honourable member for Woronora is substantially correct. In the past few years trade in primary products with both Russia and China—particularly China—has increased significantly. China is a market that opened up basically only after the Government of that country was recognized by the Whitlam Labor Government. Australia has exported other primary products to these two countries—in particular, beef to Russia. All these exports are of great benefit to primary producers. I propose to advance our trading contacts with other countries, including China and Russia. The advancement of trade contacts throughout the world is one of the Government's priorities.

The Premier has indicated that he intends to lead a high-powered trade mission, consisting of some significant leaders in industry, overseas. Also, a group of people in industry has advised me of the establishment of a normal trade mission. I hope the Government will not get an avalanche of protests about its attitude to developing trade with the two countries mentioned in the honourable member's question. I do not believe that anyone has to go along with the political philosophies of another country in order to trade with it. In the past there has been a lot of hypocritical criticism about developing trade relationships with communist countries. In fact, yesterday I entertained the Hungarian special trade commissioner, who today is attending the annual field day at Orange. These trade contacts are important. I hope that the attitude referred to by the honourable member for Woronora, which was prevalent a few years ago when the initial contacts were made by the federal Labor Government, will not persist and that it has been overcome as the people concerned have become more mature and got a little more sense.

## MODERATOR TEXTS

Mr DUNCAN: Is the Minister for Education aware of the concern being expressed by pupils, teachers and parents about the use of the moderator test in the 1976 school certificate examination results? Will the Minister indicate whether he

intends to use the moderator test for 1977? If he does not, will he give consideration to reintroducing the former system of an examination result based on 50 per cent external examination and 50 per cent internal assessment?

Mr BEDFORD: It is true that much concern has been expressed about the moderator by teachers, pupils and parents. When the matter was debated in the House, when the present Leader of the Opposition was Minister for Education, a lot of doubts were expressed about the matter. The moderator for this year, which was set in 1975, has caused considerable concern at the level of both educational philosophy and educational administration. The matter is at present being carefully reviewed. The Secondary Schools Board has made certain recommendations about next year. That is necessary because preparation must be made now ready for next year.

The suggestions of the board involve something less than what was in this year's moderator but a number of alternatives are still available. Those alternatives are being explored. Already a number of meetings have been held with interested groups to discuss the matter. The honourable member for Lismore has raised one of the alternatives that is available. It is that the mark be based 50 per cent on an externally set written examination and 50 per cent on an internal assessment. That alternative is being examined. There is a problem with it in that it had been discarded earlier having been found wanting, although from 1977 onwards that will be the method of examination for the higher school certificate. At this stage it is not known for certain what system will be used, but I assure the honourable member for Lismore that it will not be like this year's moderator.

## SCHOOL REFRIGERATORS

Mr McGOWAN: I address my question without notice to the Minister of Justice and Minister for Services. Is the Minister aware that schools in my electorate are being supplied with Italian-made refrigerators through the Government Stores Department? Will the Minister consider issuing instructions to government purchasing and contract officers to the effect that, other things being equal, Australian manufactured goods will be preferred, so that Australian workers will gain the benefit of the employment so generated?

Mr MULOCK: Refrigerators for use in schools are purchased under contracts arranged by the State Contracts Control Board. The current Government contract schedule for refrigerators and deep freeze units lists fifty different models. Thirty-four of these models are manufactured in New South Wales, four are manufactured in other Australian States, four in the United Kingdom, two in New Zealand and six in Italy. In the allocation of contracts each case is dealt with on its merits after consideration of factors such as price, quality, suitability, service charges and delivery. In addition, in accordance with the Government's policy, preference allowances are applied in favour of New South Wales and Australian manufacturers. The honourable member for Gosford and the members of the public in New South Wales may be assured that in letting contracts to the best advantage of the State, due consideration is given to the need for supporting and encouraging local industries.

## AUCTIONEERS AND AGENTS ACT

Mr COLEMAN: My question without notice is directed to the Minister of Justice and Minister for Services. Is it still the Minister's intention—as stated by his leader during the last State election campaign and since—to amend the Auctioneers and Agents Act to allow the Government to confiscate part of the deposit paid by

home purchasers into an agents' trust fund? Is it the Minister's intention that these confiscated moneys be used to help finance other purchasers of homes? If that is still the intention of the Government, will the Minister tell the House when he proposes to introduce these amendments to the Auctioneers and Agents Act so that concerned members of the public will have the maximum notice possible of these confiscation proposals?

Mr MULOCK: The honourable member for Fuller is noted for his distortion of the facts. His use of the emotional term confiscation was a deliberate attempt on his part to disadvantage. a policy that has been in operation in this State for well over a decade in relation to the trust accounts of solicitors.

Mr Coleman: It is not the policy of the Auctioneers and Agents Counoil.

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

Mr MULOCK: The honourable member for Fuller is at some pains to say that it is not the policy of the Auctioneers and Agents Council. Let me say that the Government is concerned to ensure that the best use is made of moneys held in trust in a dormant fund and which could be used for purposes associated with the relief of areas of need, particularly in relation to home buyers.

Mr Coleman: With money belonging to other people.

Mr SPEAKER: Order!

Mr MULOCK: The position is quite clear. In New South Wales for same years solicitors' trust accounts have been subject to a deposit of a certain proportion of the minimum balance. Those moneys have been invested. It is significant that only that portion of a trust account attracts interest. It is only the interest on those moneys that is then used in three directions. The first of the three directions is for the purposes of the fidelity fund, to ensure that people who may have deposited money are protected in cases where solicitors default. The second is in relation to the Law Foundation and legal education. The third is for the purpose of providing legal aid.

For the honourable member for Fuller to talk about confiscation of moneys is, as I have said, a complete distortion. What was proposed in the Government's policy was that a certain proportion of funds, instead of lying in individual trust accounts, would come from agents' accounts and be used for specific purposes aimed at improving the situation for people who are involved in purchasing land and property. It was intended that this be done with only the interest proportion. For the honourable member for Fuller to seek to set a rabbit running here this afternoon does him no credit. Though he may have had experience in what might capture a headline, he should realize that his proper duty in the Parliament is to ensure that he represents in a responsible way all of the people in his constituency and not to distort matters as far as the people of New South Wales are concerned. The Government desires to ensure that the maximum amount of money possible is used for the obtaining of interest.

It is worthwhile noting that the banks, with which the honourable member for Fuller would be familiar, are the main beneficiaries under the present system. Millions of dollars lie idle in trust accounts, not earning interest, but being used by the banks. In conjunction with the Law Society, the question of seeking to extend the amount of money available to incur interest is being examined. That is the relevant aspect of the matter. Only the interest is to be used. That interest is not at present available.

Similar investigations are taking place by the Attorney-General in conjunction with the Treasury in relation to agents' trust accounts. Officers of my department are also involved in those investigations, with the firm intention of implementing the Government's policy which is a proper proposal in all the circumstances.

## HAZARD LIGHTS ON MOTOR VEHICLES

Mr COX: On 7th October, the honourable member for Coogee asked me a question in the House about the fitting of hazard warning lights on motor vehicles. At the time I promised to have inquiries made and to reply to the House at a later date. The present position is that the motor traffic regulations permit the optional fitting of hazard warning lights to motor vehicles. The question of making these devices compulsory is at present under consideration by the Australian Transport Advisory Council. A meeting of the council is to be held next February. At that meeting I propose to press strongly for the law to be changed to make hazard warning lights mandatory throughout Australia.

## DEPARTMENT OF MAIN ROADS RENTS

Mr COX: In reply to a question asked of me on 15th September by the honourable member for Rockdale concerning the possible introduction of a rental rebate scheme for tenants in difficult circumstances I promised to advise the House whether such a scheme could be introduced. The position is that the rents chargeable for properties owned by the Department of Main Roads in the metropolitan area were reviewed recently by qualified valuers. In determining the rents now charged, factors taken into account included the standard of the accommodation involved and the rents being charged for similar properties in the respective areas.

The provision of accommodation for persons in necessitous circumstances is basically a responsibility of the Housing Commission. I have been informed by the Commissioner for Main Roads, however, that in accordance with a long-standing practice, the department grants special concessions to tenants in receipt of a full age, invalid or widow's pension. This is applied on a uniform basis to ensure that the principles of fairness and impartiality are observed. The commissioner mentioned that there are fifty-four properties in the Sydney metropolitan area and two in other areas occupied by pensioners who are receiving rent concessions. As the honourable member and the House will appreciate, many problems could be associated with the extension of a rent concession scheme to persons in other income groups. The present arrangements are fair and equitable and ensure that assistance is given in those cases where the greater need exists. Accordingly, it is felt that an extension of the scheme is not warranted at this stage.

## DEAF MENTAL PATIENTS

Mr STEWART: On 4th November the honourable member for Davidson asked me a question without notice concerning deaf mental patients. I undertook to the honourable member and to the House to provide a detailed answer as soon as possible. In New South Wales there is no specific place where deaf people with psychiatric problems can be referred. However, where possible, educational arrangements are made locally, for example, Marsden Hospital and North Rocks Special School. Unfortunately, very few of these patients understand sign language.

A recent survey in psychiatric hospitals of eighty-nine severely or totally deaf males and sixty-three females, revealed that fifty-two males and thirty-three females are suitable for training programmes. The preliminary study indicated that because of the differences in the age, diagnosis and compatability of patients there are problems in establishing a special unit. There are no psychiatrists with manual communication skills in our hospitals, including public and psychiatric, which necessitates the use of persons with a knowledge in deaf and dumb communication being used when psychiatric treatment is required. In accordance with government policy to provide an interpreter service to various disadvantaged groups, the question of the training of psychiatrists with this new skill is being considered. However, its commencement will depend on the availability of funds to be used for training.

## UNATTENDED CHILDREN IN CARS

Mr JACKSON: On 5th October the honourable member for Davidson asked me a question without notice in relation to children left in parked cars. I gave an undertaking to confer with my ministerial colleagues on the subject and to report to the honourable member and the House as soon as possible. Inquiries I have caused to be made reveal that there are no available statistics on the number of occasions in the past when babies and small children have been seriously affected by being left in the sun in cars standing in parking areas at shopping centres and similar places. The matter is of particular concern not only to my colleague the Minister for Health and me, but also to the community at large. In an effort to awaken community concern and focus on the inherent dangers of children being left unsupervised in parked cars, officers of my department have been in close liaison with the division of health education, Health Commission of New South Wales, to ensure an early commencement of an appropriate media campaign.

Honourable members may recall one such media release on 5th October, 1976, by the chairman of the Health Commission drawing attention mainly to the dangers of electric blankets to infants. The chairman made relevant remarks also concerning babies being left in closed vehicles. A follow-up media release on that particular aspect was made on 15th November in which the chairman of the Health Commission stated:

> Parents who leave young children alone in parked cars are mostly ignorant of the dangers involved. Accidents involving children in parked cars include suffocation due to lack of ventilation, burns and fires and fires started with matches or car cigarette lighters and injuries caused by runaway vehicles.
>
> This type of accident is usually the result of parental ignorance of the dangers involved, rather than negligence. Many parents also lack sufficient imagination to realise what might happen to their children when left in cars while they go shopping. Infants are sometimes left in cars with windows up and doors closed. On even a moderately hot day in these circumstances they may suffer dehydration and suffocation. It is important for parents to know that on an average hot day in New South Wales, a small baby can die in less than half an hour if left in a closed vehicle in the sun.
>
> Parents should take care never to leave a small child alone in a vehicle. Cigarette lighters in cars are a hazard to children as the lighter could be activated even when the ignition is switched off. Matches left in a car also are a temptation to small children. In hot weather a car's interior could develop high temperatures and some plastic materials could cause noxious fumes, creating another risk. Parents should also realize that plastic is flammable and when hot burns. Plastic seat covers which come installed in a car

or which are fitted by the owner are potentially dangerous to children left alone. It is possible for a child to tear the covers with something sharp, then to pull the plastic cover over his or her head, resulting in suffocation.

In addition to the tragic accidents to children in stationary cars each year, a large number of accidents were caused by children setting vehicles in motion. Over a five-year period from 1970–74 inclusive, there were 141 instances of cars being set in motion by small children in New South Wales. The average age of the children was just over three years and three quarters of them were boys. These figures, which were made available by the Traffic Accident Research Unit of the Department of Motor Transport, illustrated the need for greater parental supervision of children in cars.

The number of occurrences of neglect relating to children left in parked cars which come to the notice of my department is fortunately rare. However, review committees considering proposed new legislation to replace the Child Welfare Act have made certain recommendations specifically aimed at further protection for the young who may be left unattended in motor vehicles. The suggestion of the honourable member for Davidson on the erection of notices at all open parking areas does not go far enough; there are obviously many other situations where cars may be parked and risk similar danger hazards. The point mentioned is only one of many other aspects my department will be considering in relation to proposed new legislation to replace the Child Welfare Aot.

## PRECEDENCE OF BUSINESS

Mr F. J. WALKER (Georges River), Attorney-General [3.21]: I move:

That until the adjournment of the House for Christmas, Government Business shall take precedence at each sitting.

By way of brief explanation, I inform honourable members that for many years it has been customary as part of the practice and procedure of the House, to move at this time of the year that Government business shall take precedence of private members' business on the appropriate days-previously Tuesdays and now Thursday afternoons. This is to make it unnecessary for the House to sit until close to Christmas and to enable honourable members to return to their constituencies for end of year functions such as school speech days. On this occasion matters of general business can easily be debated in the new year. The Government's general intention is to endeavour to conclude the session by the end of November, or if necessary to go into the first week of December.

Sir ERIC WILLIS (Earlwood), Leader of the Opposition [3.23]: Though, as has been intimated by the Leader of the House, it is fairly normal practice for a motion of this nature to be moved towards the end of the parliamentary session, I cannot understand why it is essential that it should be done at this point of the session. Why can it not be left until after tomorrow? Thursday afternoon of next week is grievance day—a general debate—and the doing away with it would not be a matter of concern. However, on the business paper for tomorrow there is a notice of profound importance put there by the honourable member for Gordon relating to an organization that calls itself the Children of God, a most dangerous body which should be exposed for the threat that it constitutes to the young people in our society and to the Christian way of life. The Government would have been much wiser if it had moved the motion to take effect after tomorrow. In a few moments I shall move an amendment along those lines.

One should remember that this year Parliament started the so-called budget session much later than has been the practice for many years. During the term of the previous Government it was almost the invariable practice to commence the budget session in the first week of August. As I recall, this year it started in the second last week of August. Now the Minister wishes to do away with private members' motions after only a couple of them have been debated during the course of the budget session. In other words, leaving aside the Address-in-Reply debate, the budget debate, and the loan estimates debate which we have not yet had, the Minister suggests that the three or four days that have been available so far for private members is all that private members should have during this period of the year.

I wish to put on record, with great respect to the Minister who controls the business of the House, that its business is in a terrible mess. I cannot recall when it was in the mess that it is in now. Although it is half way through the month of November, despite the fact that the debate on the Budget was gagged in this House, it has not yet been passed by Parliament--easily the latest that I recall a budet still being before Parliament. Apart from the Treasurer's speech on the loan estimates, the House has not really started that debate. Debates on bills have been like the proverbial dog's breakfast—all over the place. Debate has been commenced on bills and adjourned, in some cases for a period. In other cases a bill has been rushed through the House in two days. Then the House has returned to debating the one that was first thought of. There has been no consistency or pattern; it has just been a schemozzle. The Leader of the House, who was given that job because he was the Premier's white-haired boy and presumably heir apparent when the Premier goes federal, will really have to do a lot better than he has as an organizer or else he will lose his place in the queue to others with greater organizing skills than he has displayed.

Why is there a determination to conclude the business of Parliament after twelve weeks of sitting? That is less than budget sessions in the years of the preceding decade. Why can the House not sit for another week or two weeks? While I was sitting on the front Opposition bench I did some quick arithmetic. I noted that from the end of March, 1976, until presumably the end of February, 1977—a period of eleven months—Parliament will have sat, if the Minister gets his way, for one day in May, four days in August, eleven days in September, nine days in October and twelve days in November—a total of thirty-seven days.

Mr F. J. Walker: That is nearly a record.

Sir ERIC WILLIS: The Minister should look at the figures. The record is about sixty or seventy days, which is approximately double the number of days that the Government is allowing Parliament to sit. An average of three and a half sitting days a month is nothing like a record. Perhaps it is a record low but it is nothing like a record high. One is prompted to ask, what is the Government afraid of? Has it no business to put before the House? The Government told us that after eleven years in Opposition it was chaffing at the bit to bring in reforming legislation. Has it run out of steam after only twelve weeks of sittings? It would seem so. Or is the Government ashamed of its legislation, or are its supporters so divided among themselves as to what they should do that they are unwilling or afraid to join in debate in the public forum of Parliament?

After debate on the Budget, including only three and a quarter hours of debate on the estimates compared with two weeks debate in recent years, the Minister guillotined it through the House and sent it to another place. The same sort of thing has occurred with other legislation. Presumably one can expect similar treatment when —or should I say if—we are allowed to debate the loan estimates, which have been

hanging about for a month. Apparently the Government does not really care whether they are debated this year, next year, some time or never. It is typical of the Government's attitude towards Parliament which it regards as nothing more than a rubber stamp. Labor's contemptuous attitude towards Parliament is well known. It is set out fairly clearly in the Australian Labor Party platform. I ask the simple question, why cannot the House sit for a few more days, instead of stifling private members' day and gagging debate on Government bills? Or why cannot it sit for another hour or so each evening? Is the Premier so anxious to get home to his new bride that he cannot stay here after about 10 o'clock at night? It is common talk about the House that we do not sit after 10 o'clock, even though in previous years we sat for another hour a day—because the Premier wants to get home.

*[Interruption]*

Sir ERIC WILLIS: The Premier is under instructions, "Get home early, won't you dear". The fact is that we should be able to sit a bit later each night or a few more days or another couple of weeks this year and not curtail discussion on private members' day, one of the few opportunities that private members get to put forward matters they want to have discussed. If my suggestion were adopted we should have more time to scrutinize the bills that this Government is determined to rush through Parliament in the dying days of this session.

There is no need to speak at great length on this subject. It is another occasion on which the Government is doing something that appears to be quite innocuous, like many other things that it has done in this session. It would be so easy for us to be the tame cats that it would like us to be and permit the motion to go through. I notice that the Premier has entered the House. Apparently the amplifier must be working in his office. No doubt we will hear that he has been given a late leave pass for tonight.

Parliament is sitting less by far under a Labor Government than it ever sat in recent years. Labor has always maintained that Parliament was not given a proper opportunity to debate Government bills or bring forward matters of concern to private members. Now, when it has control of the situation it has the House sitting for much less time than it sat when we were in Government, and Government supporters expect us to agree formally to a motion of this kind. Therefore I move:

> That the Question be amended by inserting after the word "That" the words "after Thursday, 18 November, and".

The effect of that amendment will be that the motion that the Minister moved will not become operative until after tomorrow. That will enable the honourable member for Gordon to raise an important motion of which he has given notice concerning an organization called the Children of God. It deserves to be exposed, as I know the honourable member for Gordon intends to do.

Mr DUNCAN (Lismore) [3.34]: I believe it to be quite unfair of the Attorney-General to bring a motion into the House to provide that until the adjournment of the House for Christmas, Government business shall take precedence at each sitting. It would only be fair for the Opposition to agree to a motion of that nature at this time if the Attorney-General were to give an indication of when the House is likely to rise for the Christmas recess. Rumour is strong at present around the corridors of the House that it is the intention of the Governrnent to rise a week from tomorrow, namely, on 25th November. If that is the case, one can see not only the mismanagement of the present Government but indeed its flagrant attempts to stifle worthwhile discussion or debate from this side of the House.

Today we have eighteen bills at the second-reading stage on the notice paper. In my view that is a good deal of business. As well, today the Ministers of the Government sought leave to introduce a further nine bills, making twenty-seven in all, including the General Loan Account Appropriation Bill, to be debated—all in four or five sitting days. If the Attorney-General is honest in proposing this motion, he should announce when the House will rise for the Christmas adjournment.

This House met on 24th August with a bright, new, shining government. It was alleged that the previous Government was a tired government--one that had run out of time. We were told, day by day, of the wonderful reforms that would be introduced by Labor to put New South Wales into better shape. The greater part of the legislation that has come before the House was legislation designed and approved by the former Liberal-Country party Government. I issue a challenge to the Labor Government to give honourable members the opportunity to bring good government to New South Wales and to ensure that Parliament sits through until 16th December. Is there any urgency? If we look at the records——

Mr Einfeld: Apparently the honourable member for Lismore does not want to get home.

Mr DUNCAN: I do not want to go home. This is where we have to do our work. I do not want to see the people of New South Wales denied a voice in the democratic government of this State. When I consider the platitudes of the former Leader of the Opposition and the Attorney-General who now sits at the table, uttered when he was in Opposition, I recall that he complained what a dreadful thing it was that this Parliament should ever dare to cut out private member's day and give precedence to Government business at this time of the year. Labor members always opposed the motion—they talked about the fact that the people of New South Wales were being denied their rights.

In conclusion I want to say that in my view that bright, vigorous Wran Government is quickly running out of wind. It is out of condition at this time. Indeed, the veneer is quickly cracking. I say to the Attorney-General, as organizer of the business in this House, that in the eleven years that I have been a member—I entered Parliament in 1965 with the change of Government—I have never seen such a schemozzle and such mismanagement of the business of this House as I have seen in the past few months. That the Attorney-General proposes a motion of this nature when he has not even debated the loan estimates, in my view is a damning indictment of his management of this House. I want to make it clear that if this motion is agreed to, private member's day will be taken away from members on both sides of the House. The Attorney-General should at least tell us when it is proposed Parliament should rise for the Christmas recess. Then we might be able to give him the type of answer that he is seeking.

Mr MOORE (Gordon) [3.39]: I rise to support the amendment moved by the Leader of the Opposition. Approximately 200 young people in our community are in the hands of an organization known as the Children of God, which is the subject of my motion on the notice paper. The families of those children are in anguish, and despair of ever seeing their children again in a sound psychological state. The Children of God in New South Wales is recruiting between six and ten children every week. During the recess of this House and before the motion on the notice paper can be debated, this could result in between seventy and a hundred young people getting into the hands of that despicable organization. The reason advanced by the Minister why we should forego the right to debate that motion is that members might need to get home to attend school speech days.

If I could protect those children, I for one should gladly spend the extra time in this House debating the legislation rather than go to speech days. I am sure parents in my electorate would be glad if I spent my time protecting those children rather than gracing the dais on speech days. It is imperative that that motion be dealth with, so that the committee can be formed and have the opportunity to get on with the job during the recess of this House, thus protecting the seventy or a hundred children who will end up in the hands of this pernicious organization. If the Government cares so little for young people that it will prevent that motion being debated, I hope the heavens open and strike its members down.

Mr HATTON (South Coast) [3.41]: I have stressed to various members of the Government my concern about the activities of the Children of God, so for that sole reason I shall support the amendment. Constituents of mine have been put through this unhappy experience, and I agree with the sentiments expressed in that regard. Let us not beat around the bush. I have been sitting in this Chamber for three years, and I have witnessed hypocrisy every time an adjournment of the House is imminent. The Opposition has always said, "Why can't we have more time to consider bills?" and the Government has said, "We have to get our legislative programme through." If both sides were fair dinkum and gave more consideration to the business of the House, they would sit longer.

To be fair, the new Government has been in office for only a few months. It adjourned the House soon after its election to allow Ministers to become familiar with their portfolios, and to get down to their administrative duties prior to the opening of the budget session. As this is a special year, I shall not censure the Government for moving that Government business take precedence, but I hope that in the future there will be a change of attitude. The new Government can gain a lot of electoral support by announcing far and wide that it is willing to sit at that time of the year when Parliament is usually in winter recess. I do not agree with the Leader of the Opposition that the House should sit later than 10.30 p.m. Anybody with experience in this House knows that to sit later than 10.30 p.m. is to condemn the Parliament to endless and often meaningless debate. In my opinion it is a progressive move to try to conclude the business of the House by 10 or 10.30 p.m.

This place depends on co-operation. The Government deserves to have its right to govern: obviously it has a legislative programme to get through. The Leader of the Opposition is inconsistent in his criticism. The Opposition criticizes the Government for having a lot of bills on the notice paper, and yet chastizes it because it has not done something about A, B, C or D, which it promised to do if elected. When the Government puts a large number of motions on the business paper it is chastized for doing so. As I said, this place depends on fair play. The Government has a right to govern and to get on with the business of the House, and the Opposition has a right to be heard. If ninety-five, ninety-six or more members wish to have their voices heard, it is obvious that the business of the House will be bogged down. Co-operation must be exercised between whips and party leaders. We should have an agreed number of speakers from each side of the House so that the gag and guillotine do not have to be used constantly. I have heard arguments by the Opposition against the gag and the guillotine, but when the coalition parties were in Government they used these devices.

The gag and the guillotine are used by both sides of the politics. In any three years in this House, the gag and the guillotine were ruthlessly used on many occasions by the previous Government. The Crimes (Amendment) Bill, by virtue of which people can be deprived of their liberty, was gagged five times, thus denying members an opportunity to speak on it. Time has been wasted in this Parliament. There have

been a couple of examples of this during this session. There were no fewer than nine speakers on the motion for leave to introduce the Local Government (Amendment) Bill. The honourable member for Raleigh spoke for almost two hours on the Prices Regulation (Bread) Amendment Bill. I should not have minded but for the fact that so much of his speech was a rehash of something that happened in the 1940s. That was a complete waste of time. Five or six members were sitting around the Chamber trying to get the opportunity to speak on that bill. Although the stand that I take on the gag is quite clear, I was close to moving the gag that day. I was disgusted at the time being wasted in this Parliament. In debate on the Tourist Industry Development Bill, despite the fact that both sides of the House were in agreement, the honourable member for Dubbo wanted to speak on the third reading. I cannot explain this in any other way than as a deliberate attempt to waste the time of the House.

We are looking for co-operation. I make the position clear, as I did in the Address-in-Reply debate. If people are going to rely on my position, knowing that every time I vote against the Government the casting vote of the Chairman of Committees and the Speaker will be used, and seek to waste the time of Parliament, I shall do again as I did last night—vote for the gag. I shall do so every time I feel that the time of Parliament is being wasted. If people are using their position in this House irresponsibily they will stop meaningful debate on many issues, and in this event I shall have no compunction in supporting the gag. It was sheer hypocrisy for the Leader of the Opposition to say that debate on the Budget and the estimates was restricted. I have sat through three debates on budgets and loan estimates in this Parliament, and each time the House failed to reach important matters in the loan estimates. I do not think I have ever heard a discussion on decentralization in the debate on the loan estimates. This has happened constantly in this Parliament. If the public knew this, they would be even more disgusted with the situation than they are.

If this institution of Parliament is to survive, members must adopt a responsible attitude. They must not take petty political points on each other day after day and waste the time of the House, showing complete lack of responsibility and contempt for this democratic institution. If this happens, this institution, which is dear to our hearts, will be sought to be replaced by some other system. This will be done because pwple will be able: to point to the fact that Parliament does not work. It will work only if both sides of the House co-operate.

I have made my views clear on this matter. I suppose that when one steps into the front line one must expect to receive some flak. I am prepared to do that, and to accept any flak as it comes along. I have made it clear that I support the Government, both inside and outside Parliament, on matters on which it has a clear mandate. I shall constantly do that, provided the rules of fair play operate.

Mr F. J. WALKER (Georges River), Attorney-Genera1 [3.49], in reply: I shall speak to the amendment, but to that extent I shall be speaking also in reply because the amendment seeks to defeat the proposal contained in my motion. The Leader of the Opposition has made out that my motion is some sinister plot—sinister socialistic plot, I think were his words—and that it is not as innocuous as it appears to be. I have been taken to task over this motion, but I followed precisely the text of remarks by the Leader of the Opposition which appear twice in Hansard—in 1974 and 1975.

I used the precise words that were used by the Leader of the Opposition. In fact, not one word I used was other than one of the very words that came out of the mouth of the Leader of the Opposition; I used even his punctuation marks. However, it seems that when those words come from his mouth they are common sense, but when they come from mine they are a socialist plot. The fact of the matter is that it was traditional for the previous Government to move this motion in October. The only

occasion that I can find in recent times when it was moved in November was last year, when the previous Government moved it on precisely the same day in November as I am moving it. Therefore, any suggestion that I am cutting short the normal course of debate in this Parliament is quite ridiculous.

I shall examine some of the other propositions that were advanced in support of the amendment proposed by the Leader of the Opposition. First, he complained that the House does not sit late enough at night, and that honourable members should be doing what the crazy gentleman on the other side used to do for years—that is, sit until 2 a.m., 3 a.m. and 4 a.m. I remember the House sitting until 5.30 a.m. All that did was to degrade this institution. By 2 a.m. and 3 a.m. honourable members were in no fit state to debate measures that were important to New South Wales.

Mr Lewis: When Joe Cahill was Premier the House used to sit until 6.30 a.m.

Mr SPEAKER: Order! If the honourable member for Wollondilly had wished to contribute to the debate, he should have sought the call earlier.

Mr F. J. WALKER: All the Leader of the Opposition did when he was leader of the House and Premier of this State was to degrade the institution of Parliament by compelling honourable members to sit until all hours in the morning, making tempers run hot and become short, and bringing tired and cranky members into this House to debate measures when they were in no real condition to do so. The people of New South Wales were certainly not getting value for money. In any event, the Premier is to be commended on his policy of sitting no later than 10.30 p.m. I have received many comments of commendation from people, particularly from members of the Country Party, who have been quite pleased with this innovation. The House may rest assured that, no matter what aspersions the Leader of the Opposition likes to cast on a beautiful and wonderful woman, the Government will not be changing that policy. We shall be sitting until about 10.30 p.m. each night, and then rising, like civilized human beings, not the rabble the previous Government tried to turn us into.

I can give an indication of how long this session is to proceed. About thirty important measures are on the notice paper at the moment, and the House will sit until those thirty bills are dealt with. If it means that we have to sit through Christmas, then we shall sit through Christmas. Members of the Opposition can take that into consideration.

Mr Lewis: The Premier will be on Lord Howe Island.

Mr F. J. WALKER: We can always rely on the honourable member for Wollondilly to give him a pair.

Mr Lewis: I shall be there with him.

Mr F. J. WALKER: The amendment will mean that some important measures that need to be assented to in the near future will not be assented to in that time. It could well mean that, because the superannuation legislation that is about to be put before this House requires urgent attention, so that the computers have to be organized——

*[Interruption]*

Mr SPEAKER: Order!

Mr F. J. WALKER: It could be that, if that legislation is delayed, tens of thousands of public servants will be denied superannuation rights. That is what will happen if this amendment is accepted.

Mr Moore: It involves only four hours.

Mr SPEAKER: Order!

Mr F. J. WALKER: When we were in Opposition we acted responsibily in this regard. We did not move an amendment last year, but assented to the motion when we realized the importance of Government business taking precedence at this time of the year. That has been, and I have no doubt will continue to be, a tradition in this House. One of the thirty important bills on the notice paper at the moment is to constitute the Ethnic Affairs Council. Surely it is important that that council be established in New South Wales so that the ethnic minorities in this State will get justice? I know that members of the Opposition do not want to see bills like this passed; they do not want the Government to get the credit for giving justice to minorities. Indeed, they do not want justice. Members of the Opposition are interested only in protecting the rights of the Australian Gas Light Company. They used their majority in the upper House to emasculate the Energy Authority Bill to ensure that their big business friends will not suffer in any way. They are not interested in the anti-discrimination legislation.

[*Interruption*]

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

Mr F. J. WALKER: They are not interested in the needs of the ordinary people. They do not care if no anti-discrimination laws are put on the statute book. They are willing to filibuster on a bill that will give equal status to little children. They do not care for little children. They were content to see them burn in their nighties. Because they do not care about children they will hold up that bill, and stop it from getting on the statute book before Christmas.

[*Interruption*]

Mr SPEAKER: Order! There are far too many interjections from both sides of the Chamber. I ask honourable members to desist.

Mr F. J. WALKER: They do not care about hospitals and the important bills on the notice paper that relate to hospitals. Of course, they care about the bill dealing with the dairy industry because they are out to stop dairymen in part of the State from getting justice. No doubt they will talk for ages on that measure. Eight or nine bills on the notice paper are supplementary to the Budget, and deal with subjects that have already been discussed during the budget debate. Honourable members opposite do not want those bills to get through; they do not want the wonderful benefits conferred by the first Wran Government Budget to reach the people of New South Wales. They will dally and fillibuster because they are unwilling to allow this sort of legislation to be passed.

I shall now deal with the precise terms of the amendment. The hypocrisy of what the Leader of the Opposition is doing becomes apparent immediately. He talks about democracy, holding up the business of the House, free speech, and late sittings, yet all his amendment would do would be to delay what I propose by one day—in fact, half a day.

Mr Moore: But 100 young people in this State are affected.

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

Mr F. J. WALKER: He is willing to throw all his principles out of the window for half a day's debate. I shall examine the motion that will not be discussed. This motion, which relates to the Children of God, will remain on the notice paper and will still be available for debate. Even if the House were to appoint a select committee tomorrow, how could that select committee sit while the Parliament is dealing with the rest of the business? There would be no practical or administrative way in which that committee could establish itself before next February or March. Practically, it would be impossible.

The Children of God matter was discussed recently by the standing committee of the Attorneys-General at Hayman Island, where a unanimous view was expressed by lawyers such as the federal Liberal Attorney-General Mr Ellicott, the Attorney-General of Victoria and even the Attorney-General of Queensland. They said that it was not a matter that required the urgent attention of the Attorneys-General. Therefore, the lawmen of Australia have taken the view that the problems raised did not require the urgent attention of the Attorneys-General. I was not there, but had I been there I might well have been supporting the view of the honourable member for Gordon. However, the law as it stands is strong enough to prevent any excesses that might occur in relation to that organization. Perhaps a select committee would be a good idea, but I should not be the one to decide that; it would be a matter for the House to decide in due course. It is a matter that will come before the Parliament, probably in February or March of next year.

Mr Moore: But there are 100 children affected.

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

Mr F. J. WALKER: I know that the honourable member for Gordon thinks he is God, but there is no way in which he alone can save these children from being destroyed, and there is no way in which any select committee set up now could find an immediate panacea for the problems of those children. Maybe the deliberations of such a select committee would be valuable. I have no doubt they would be, and perhaps the committee would produce some interesting information. Certainly no action taken now in that respect would enable the committee to begin functioning before the Christmas recess, and therefore the motion will stay on the notice paper and will be dealt with in due course.

One other criticism that has been levelled at me on this matter is that the notice paper is in a mess and that I, as Leader of the House, am responsible for that situation. It is said that there are more bills on the notice paper than ever before. So there are. Do honourable members know why? If they do, they have no ground for criticizing me for that state of affairs. I gave an undertaking to members of this Parliament that I would give them reasonable time to consider bills that were introduced. When the Labor Party was in Opposition we were sometimes given a bill for the first time while the Minister was making his second-reading speech. We were obliged to look quickly through the measure and, virtually, were then expected to make intelligent and responsible comments on it.

I gave an undertaking that if I were Leader of the House I would ensure that all bills were left on the notice paper for a reasonable period so that all members could consider them and come up with some intelligent contributions to the debates, based on research. That is what has been happening. In many respects members of the Opposition have been putting forward intelligent, rational arguments, based on their studies of the legislation before the House. It ill behoves the honourable member for Lismore to criticize me for something that I did for his benefit, for the benefit of

Government supporters, and for the benefit of the people of New South Wales generally. If the notice paper is a dog's breakfast, I am proud of it, for it ensures that there is a little more democracy in New South Wales than formerly.

Mr Duncan: Tell us when the House will rise.

Mr F. J. WALKER: The House will rise when we have dealt with the thirty bills on the notice paper, and not before. The Government opposes the amendment.

Question—That the words be inserted—put.

The House divided.

Ayes, 47

| | | |
|---|---|---|
| Mr Arblaster | Mr Griffith | Mr Pickard |
| Mr Barraclough | Mr Hatton | Mr Punch |
| Mr Boyd | Mr Healey | Mr Rofe |
| Mr Brewer | Mr Jackett | Mr Rozzoli |
| Mr Brown | Mr Leitch | Mr Schipp |
| Mr Bruxner | Mr Lewis | Mr Singleton |
| Mr Cameron | Mr McDonald | Mr Taylor |
| Mr Caterson | Mr McGinty | Mr Viney |
| Mr Coleman | Mr Mackie | Mr N. D. Walker |
| Mr Cowan | Mr Maddison | Mr Webster |
| Mr Darby | Mr Mason | Mr West |
| Mr Dowd | Mr Morris | Sir Eric Willis |
| Mr Doyle | Mr Murray | Mr Wotton |
| Mr Fischer | Mr Mutton | *Tellers,* |
| Mr Fisher | Mr Osborne | Mr Duncan |
| Mr Freudenstein | Mr Park | Mr Moore |

Noes, 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 Renshaw |
| Mr Brereton | Mr Jackson | Mr Rogan |
| Mr Cahill | Mr Jensen | Mr Sheahan |
| 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 | *Tellers,* |
| Mr Face | Mr Mulock | Mr Ramsay |
| Mr Ferguson | Mr Neilly | Mr Ryan |

Question so resolved in the negative.

Amendment negatived.

Motion agreed to.

## SUPERANNUATION (AMENDMENT) BILL

### Introduction

**Mr MULOCK** (Penrith), Minister of Justice and Minister for Services [4.8]: I move:

> That leave be given to bring in a bill to amend the Superannuation Act, 1916, with respect to contributions to the State Superannuation Fund, early voluntary retirement, the allocation of reduced value units, the automatic adjustment of children's pensions, and certain other matters.

Many of the proposed amendments are of major significance. It is intended to introduce a system of once-yearly contribution change. Under the system each contributor, generally, will have his contribution level varied once only each year. As will be explained at the second-reading stage, the system will not disadvantage fund members and it will result in a simplification of administration rendered essential not only by growth within the fund but also by the advent of wage indexation.

In conjunction with the introduction of the new contribution system, a system of reduced value units is to be established that will enable late-age fund members to moderate the impact of contributions for additional units. Reduced value units will not require contribution by the fund member and will attract that part of the pension financed by employer contributions and subsidy.

As a consequence of the introduction of the system of once-yearly contribution change, and in order that fund members may not be disadvantaged by that change in regard to the determination of pension payable following early voluntary retirement, an amendment is being made to section 28A of the Superannuation Act. The amendment will have the effect of reducing from three years to two and a half years the period a unit must be held in order to attract reduced pension following early voluntary retirement.

A new category of contributor is being established, namely, the provisional category. As a result of the introduction of this category, persons who cannot satisfy medical standards for admission to the fund as contributors for full benefits or limited benefits will be able to join the fund in the future. Generally the rights and obligations of employees in the provisional category are the same as those of other contributors, except in regard to the benefits payable on death and breakdown in health, in which event it has been necessary to reduce risk to the fund to a minimum. In these cases the benefit would be a lump-sum payment representing employee and employer contributions, the total amount being two and one-half times the employee contributions. There is also a variation in regard to the commutation right of the contributor in the provisional category which I shall explain when dealing with this amendment at the second-reading stage.

Provision is to be made to extend to children's pensions payable from the fund the system of automatic annual adjustment of pensions in line with movements in the consumer price index. The system in regard to children's pensions must operate slightly differently from the way in which it operates in regard to adult pensions. The flat-rate pensions payable in respect of children must be adjusted; that is to say, in the future new pensions for children will emerge at the adjusted levels taking account of past inflation. The initial adjustment to children's pensions will be large--49.5 per cent—and will take account of movements in the consumer price index since introduction of the automatic adjustment system to adult pensions. The bill will provide, also, that the payment of pensions to full-time student children shall continue until the child reaches age 25 years, not 23 years as at present.

Those are the major amendments contained in the bill. A number of other amendments are also being put forward. Although individually they may be of some substance, they are only of relatively minor significance. They include a variation to the definition of service contained in the Act in order to allow certain employees the benefit of particular past service which at present they are denied. As well, there will be an amendment of the method of adjusting adult pensions in line with movements in the consumer price index where the pensions emerge during the period under review. This amendment will improve the system now in force for affected pensioners. The bill will provide, also, for a change in the rate of interest that the board may charge on arrears of contributions and other moneys owed to it by fund members. The change is to be from 6½ per cent per annum to 8½ per cent per annum, a rate which is still moderate by current standards.

Various other machinery amendments are included in the bill and they will be referred to specifically at the second-reading stage. In summary, the provisions of the bill will improve fund benefits in certain areas, for example, by the introduction of reduced value units and by the extension of automatic annual adjustment to children's pensions. The bill will extend the scheme to a new class of contributor, namely, the employee who previously has been unable to contribute for medical reasons. Overall, the measure seeks to simplify the scheme in various ways, notably in regard to contributions. The net effect of the bill must be an improved scheme and I am satisfied that it will be in the interests of fund members generally. I am pleased to commend the motion to the House.

Mr MADDISON (Ku-ring-gai), Deputy Leader of the Opposition [4.13]: This is an important measure and it was one to which the Attorney-General referred during the course of the debate just concluded on whether or not the standing orders should be suspended so as to enable government business to take priority over general business on Thursday afternoons. Certainly, from what the Minister of Justice has said there can be little argument against this bill if that is all that is to be contained in the measure. I have always been a little puzzled about these changes and a few weeks ago I implied my uncertainty in a question I asked of the Minister. Nowhere has a precise official statement appeared on what the Government has agreed to do by way of changes to the Superannuation Act. In faot, members have been able to glean the Government's intentions only from publications such as ***Education*** put out by the Teachers' Federation and ***Red Tape*** put out by the Public Service Association of New South Wales. Search as I might, I have not been able to ascertain the Government's intentions on this matter. Today is the first occasion on which the Minister has come clean in the public arena.

The Attorney-General, in his remarks during the debate to which I referred to earlier, called this legislation a highly complex measure. From what the Attorney-General said I drew the inference that the Government, having introduced this bill today, would allow some few days to elapse to allow those who might have a real interest in ensuring that the legislation does give effect to the policy changes intended, an opportunity to scrutinize the bill. I hope that is right. This is a highly technical area of government and the law. I believe that members of this House are entitled to a few days during which to consider the matter, and I suggest at least over the weekend which approaches.

So far as I understand the changes that have been announced, I foresee little difficulty in respect of the once-yearly contribution change on a specific date. I see great virtue in the new system in relation to reduced value units for it will alleviate problems that have perhaps faced contributors advancing in years in meeting increased contributions. Certainly there have been problems with regard to senior public servants

keeping pace with the increased contributions an employee must meet as he grows older. Of course, there can be no criticism whatever and indeed there must be support for adjusting children's pensions in the way the Minister has intimated, particularly the first step of making an adjustment of 49.5 per cent, designed to allow children's pensions to catch up on the erosion in money value that has occurred over the past few years. However, there do not appear to be changes to the Act which would be in line with some of the representations that members of this House have from time to time received. I refer specifically to a circular put out by a Mr Choat of 24 Booragul Street, Beverly Hills, addressed to all members of the Legislative Assembly in which he has asked for additional things which, as far as I can see, unless they have been overlooked by the Minister, are not being done. The first request was that the value of the superannuation unit payable to retired State public servants be increased by at least 60 per cent. The second request was that superannuation payments be geared to the average weekly wage and not to the consumer price index.

The third point was that State superannuitants should receive from the New South Wales Government fringe benefits similar to those available to people on social security pensions. The fourth point was that dependants of retired State public servants be given an allowance for their education in line with those available to children of people in receipt of social security benefits. Something may be hidden in the bill that meets these demands, which have been widely circulated to members of this Parliament. I believe that if any one of them had been included in the bill, the Minister would have mentioned the fact. One of the great problems that confronted the former Government—and indeed confronts this Government—is how to do justice to people who retired some considerable time ago from the State public service and have found their pensions not worth now in real terms what they represented in money terms at the time of retirement. The State Superannuation Board has examined this matter over a long period. In particular the board had regard to the position of those who retired at the time when restrictions were placed on the maximum number of units that a public servant could hold. Nevertheles, it is a problem that needs to be looked at compassionately—not in a miserable or stingy way

The problem, which has been there for some time, will not be disposed of satisfactorily by pretending that it does not exist. Another matter that was not adverted to by the Minister and does not appear to be in the bill has been the subject of representations by the combined public service unions. I refer to payments to widowers in respeot of deceased superannuation contributors. I draw the attention of the House to an unequivocal undertaking which the Leader of the Opposition, then the Premier, gave in the last State election campaign. He undertook that if he were returned to office, a government he would lead would amend the Aot to provide for payment of pensions to widowers of deceased contributors in appropriate circumstances. Also, children and student children would be covered, as presently applies to male contributors. He said, also, that an adjustment would be made to the contribution rate so that the undertaking could be met. Journals I have received from the Teachers' Federation and the Public Service Association contain a continuing demand for the Government to face up to the need for this proper benefit to be given to women employees in the teaching service, the public service or in the employ of any organization that is caught up with the State superannuation scheme.

Though it is all very well to comment on what one is told will be in the bill, some matters give rise to a great deal of concern to those who are entitled to superannuation under the Superannuation Act. I can only say that the Opposition will determine its final attitude to the bill after it has had the opportunity to examine it. For the sake of the record, I should like to point out that the bill is not yet available to the Opposition. Doubtless it will be available tomorrow, probably at about the time

the House meets. It will be a travesty of justice if the Government forces on a second-reading debate tomorrow shortly after the House commences its proceedings at 10.30 a.m. I propose to deal with the bill in greater detail at the second-reading stage. I support the remarks made by the Minister so far as they have gone already. However, I criticize the Government for apparently not providing in the bill for other improvements to the scheme—improvements for which there is great pressure within the public service.

Mr HATTON (South Coast) [4.25]: I should like the Minister to answer a few questions either now or at the second-reading stage. Why are the reserve units being withdrawn? Why cannot at least some proportion of those reserve units be retained? If there is a proposed amendment to the effect that reserve units must be refunded, will income tax be paid on the interest received on the refunded contributions? Will accrued interest on appropriated units be paid to the contributor or will it go along with the contributions that normally was made for units?

Mr MULOCK (Penrith), Minister of Justice and Minister for Services [4.26], in reply: I am sure that the Deputy Leader of the Opposition, who led on behalf of the Opposition, was speaking with tongue in cheek during some parts of his speech. I refer particularly to what he said about the time that the Opposition should be given to read the bill. I remember the many occasions when a measure similar to this bill was introduced by the responsible Minister on behalf of the former Government; then a copy of the bill was dropped on the table. One bill to amend the Superannuation Act fell into the category to which the Attorney-General referred earlier—that of a bill which was handed around among honourable members in the House and it was the first time they had seen it. I am not in charge of the conduct of the business of the House. This measure definitely has to pass through the Parliament in this present session so that when the freeze on units is lifted the scheme can go forward.

Mr Maddison: I do not disagree with that at all.

Mr MULOCK: I am not able to say when the bill will find its place on the business paper. I have no wish to push this measure through the House. The honourable member fur Ku-ring-gai said that I have come clean in the public arena. I suppose the honourable member believes that superannuation matters are the easiest form of legislation about which press statements oan be issued and will obviously get a great deal of prominence in the daily papers. Let me say that, as has been the practice in the past, the broad details of this legislation—not necessarily details containing fairly minute detail—were the subject of discussion with the combined public service unions and officers of the State Superannuation Board. Also, last Friday I received a deputation from the combined public service unions in regard to the proposals that had been outlined to them.

The honourable member for South Coast referred to the position regarding reserve units. The matters the honourable member has raised will be the subject of discussion at the second-reading stage, when I shall deal in the broad context with reserve units. I shall now deal briefly with some matters that were raised by the honourable member for Ku-ring-gai, particularly the point outlined in Mr Choat's letter. Superannuation payments to people who retired a long time ago and the limits that were then placed on the number of units they could have are matters of concern for the Government. They are now the subject of investigation. Each of the matters that Mr Choat has raised will be the subject of consideration and in due course he—and any member who wishes to make representations on his behalf—will receive a considered reply. The bill that I shall bring up shortly consists of ninety pages and its preparation has involved a considerable amount of work. The bill will confer many

benefits, and they must be regarded as a great improvement on the existing superannuation scheme. Last Friday during the meeting with the combined public service unions one delegate volunteered the view that the advances contained in this measure—brought down by this Government in such a short time in ofice—are greater than in any other single piece of legislation introduced to amend the Superannuation Act.

I feel sure that when the honourable member for Ku-ring-gai peruses the legislation he will find in it little to criticize. Benefits for women in similar terms to those attaching to males with dependants are the subject of investigation. In accordance with the policy statement made, discussions are taking place between the State Superannuation Board, the superannuation office and the Treasury. As the honourable member has said, the matter has been the subject of numerous representations.

The Government has shown itself concerned already about the implementation of policy undertakings. The biggest problem here is that, notwithstanding that the Government will be in office for three years, everyone considers that everything should be done within three months. A great deal has been done in the superannuation area. The Government is advancing the position for members of the State Superannuation Fund and it should be remembered also that it has moved in a number of directions to catch up—that might be the appropriate term to use—in relation to other public sector schemes which, for instance, did not have indexation. Amendments will be made to the New South Wales Retirement Fund and the Railway Retirement Fund. Those funds are to have indexation in similar terms to the indexation principles provided for the Police Superannuation Fund and the State superannuation scheme.

In addition, the Government has embarked upon the introduction of a new local government scheme. All of these matters did not happen without the involvement of substantial sums of money. The Government has shown its good will in so many directions in superannuation that those who look forward to further realization of their hopes for improvement will not necessarily have those hopes misplaced. Certainly there is a long way to go. What is needed is a rationalization of the superannuation picture in the public sector. I hope the Government will be able to set its sights on that target. That would remove many of the pressures that come from inconsistencies in existing superannuation schemes that serve the public sector in New South Wales. At the second-reading stage I look forward to expanding on the brief details I have given at the introductory stage. I am confident that I shall allay any fears held by the honourable member for Ku-ring-gai or the honourable member for South Coast arising from my preliminary comments. I commend the motion to the House.

Motion agreed to.

Bill presented and read a first time.

## CONSUMER CLAIMS TRIBUNALS (AMENDMENT) BILL

### Introduction

Mr EINFELD (Waverley), Minister for Consumer Affairs and Minister for Co-operative Societies [4.34]: I move:

> That leave be given to bring in a bill to amend the Consumer Claims Tribunals Act, 1974, so as to grant further jurisdiction to consumer claims tribunals, to provide for the appointment of part-time referees and to make further provisions in relation to orders that may be made by the tribunals.

The bill contains a number of important amendments to consumer legislation in this State, principally in the area of the Consumer Claims Tribunal's order-making power and the resolution of disputes involving tenants' bonds. The Consumer Claims Tribunals

Act was enacted in 1974 and the tribunals have been providing a cheap and expeditious forum for the resolution of consumer claims. The amendments contained in this bill are the first to be made to the Act. They represent—and once again demonstrate—the Government's real concern with consumer protection and its conviction that consumers in this State ought to be provided with the most effective legislative measures. I have dealt only briefly with an outline of the provisions of the bill. A detailed explanation will be given at the second-reading stage.

Mr BROWN (Raleigh) [4.36]: The Opposition has no objection to leave to introduce the bill. We welcome it. The Opposition pioneered consumer legislation and is happy to see any improvements to it.

Motion agreed to.

Bill presented an read a first time.

## SOCCER FOOTBALL POOLS (AMENDMENT) BILL

### Second Reading

Mr RENSHAW (Castlereagh), Treasurer [4.37]: I move:

That this bill be now read a second time.

As I indicated during the introductory stage, the bill is designed to give effect to the Government's election undertaking to increase the funds paid into the sports and recreation fund from the revenue proceeds of soccer football pools. I announced the Government's intention to fulfil its undertaking from 1st January next in my budget speech. The bill contains the necessary amendments to the existing legislation. Under the provisions of the Soccer Football Pools Act, 1975, duty equal to 30 per cent of subscriptions to soccer football pools received in New South Wales is paid by the licensee, Australian Soccer Pools Proprietary Limited, to the Government. The Act also provides that in certain circumstances the licensee may be called upon to pay additional duty as a penalty for late payment of duty.

In terms of section 17 of the Act, a sports and recreation fund was established into which one-half of the duty and additional duty, up to a maximum of $3 million per annum, is paid. These moneys are available for the purpose of supporting and developing sporting and recreational facilities within the State, while the remaining one-half of the duty received is paid into the Consolidated Revenue Fund to support budget outlays, including those on sport and recreation services. Honourable members will recall that, in Opposition, my colleagues and I were highly critical of the token effort being made by the former Government towards the recognition of the needs of the community for more adequate and better developed sporting and recreational services, and we strongly opposed the limitations that were placed on the fund in 1975, prior to the commencement of soccer pools in the State. Accordingly, we have moved in our first Budget to remedy this situation.

Under the bill the allocation provisions of the legislation will be altered with effect from 1st January, 1977, to permit two-thirds of the amount of duty and additional duty received at the Treasury to be paid to the credit of the sports and recreation fund, without any limit on the total amount. This will increase significantly the extent to which revenue from soccer pools is directly available for the support and improvement of the community's sporting and recreational facilities and services. It is expected that a sum of $6 million will be derived in duty from soccer pool operations in 1976–77. On the basis of this estimate, an amount of roundly $1.5 million will be credited to the

fund in the first half of the financial year and an estimated $2 million in the second half under the new arrangement, a total of $3.5 million. This compares with the amount of just over *$2.6* million transferred to the fund last financial year.

The bill also provides for the title of the fund to be altered to the Sport and Recreation Fund. This alteration, although minor in nature, will mean that the name of the fund is consistent with both the title of the Minister for Sport and Recreation, who administers the fund, and also with the title of his department. That completes my review of the bill. I commend it to the House.

Mr COLEMAN (Fuller) [4.40]: Debate on this bill will not delay the House iong. The objects of the bill in some respects are entirely unobjectionable and in others at least good. The change in the name of the fund is neither here nor there. One can see the Minister's point and I do not think anyone would disagree with him. The increase of the proportion of revenue derived from pools payable into the fund from one-half to two-thirds, and removal of the present limit of $3 million in any financial year will be welcomed generally throughout the community. There is no such thing as a free lunch and somebody has to pay for this increase of the share that goes to the sport and recreation fund and not direct to consolidated revenue, which finances the services of the State. So there will be some loss to other government agencies and services. Nevertheless the sport and recreation fund contributes tremendously to the welfare of the community.

Whatever philosophical objections one may have to ticketing off in advance moneys to a particular worthy cause—and I have such philosophical objections—in practice, it is here and is doing a good public service. I believe there should be no such ticketing off in advance. All moneys should go into consolidated revenue and the Government of the day should decide from time to time how it should be allocated. I make that point because I believe in it as a matter of budgetary philosophy.

The sport and recreation fund is one of the outstanding innovations of the former Government. It has not only expanded the State's role in this area but it has filled a need after the withdrawal of the Commonwealth Government from this sphere. Indeed, the State Government is the only agency that is making a serious contribution to sport and recreation. How worthwhile it is can be shown by referring to some of the projects that have been assisted by the fund—such as the multi-purpose sports centre at Woodward Park, to which the contribution was $360,000, and the E. S. Marks Memorial Field, for which the State Government received $150,000. There have been other projects in Broken Hill, Tamworth and Wollongong. The St George-Budapest soccer club received assistance to develop Barton Park. One could list many others. I take pleasure in the fact that an outstanding youth club in my own electorate received significant help from the fund, and most honourable members will have had some experience of it. It serves the community well, and has the advantage that the money is raised in a comparatively painless way.

There is little objection to this form of gambling from people who object to gambling in general. Public opinion polls last year showed that 28 per cent of adults in New South Wales have participated in the soccer pools at least once and a further 25 per cent would like to invest if they knew more about the system. Obviously there is scope for expansion. I pay a tribute to Mr Cedric Bayliss, the director, whose dedication I know from personal experience. He has done a magnificent job. The increase in the proportion of the revenue derived from the pools to go to the sport and recreation fund from one-half to two-thirds will enable this work to continue. The removal of the limit of $3 million will allow expansion of its operations. This confirms the wisdom of the former Government when it introduced the soccer pools and established the fund. I can see no objection to the measure except the general philosophical one that I mentioned, and I do not press it.

Mr LEWIS (Wollondilly) [4.45]: As the former Treasurer who introduced the original soccer pools legislation, I should like to say a few words about this measure. There was some reluctance on the part of my Government to introduce the pools because is was felt that they would take money from other sources. If I remember correctly, I was advised that some 30 000 letters were sent from New South Wales to Great Britain each week in respect of soccer pools. That meant that money that could have been invested in this State was being lost to it. I did not think then, nor do I now, that the pools represented any competition to existing gambling or investment opportunities in this State. Indeed, I was surprised at the lack of comment or criticism by church leaders and other anti-gambling groups at the time. There was little opposition at all. That noted gentleman Alan Walker said a word or two, and the Young Women's Christian Association wrote me a letter.

According to the Treasurer, the estimate of money from the pools for the first year was about $4.5 million. According to the soccer pools group it was to be about $6 million, and this turned out to be correct.

Mr Renshaw: The returns have levelled out a bit now.

Mr LEWIS: I believe that is correct. It started off with a great deal of enthusiasm but has levelled out over the past few months, perhaps because of the economic climate rather than lack of gambling or investment instinct. That remains to be proved. At the time the Opposition criticized the Government for not spending any money on sport. I recall that the Minister at the time after two or three years had nothing in his budget and I felt it was necessary to do something to give some impetus to sport and recreation. I persuaded Cabinet that we should invest 50 per cent of the income up to $3 million, which was the estimate of the soccer pools group. This we did. I remind the Treasurer that at the time the spokesman for the Opposition, the honourable member for Liverpool, and the Opposition generally said that all the money from the soccer pools should be allocated to sport, but I notice that this measure provides that only 66⅔ per cent is to go to sport and recreation. I have been in Opposition and I know that promises are harder to keep when one gets into government, but the Opposition did say that 100 per cent should go into the fund. The Treasurer says the returns have now levelled out; in other words, there could be a slight reduction of the income and the amount made available by the end of 1977–78 might be no more than is available now. There might be a maximum of $3 million, although the Treasurer's estimate was that it could possibly be $3.5 million. That is not much more than was available to the Government that I had the honour to lead.

Despite what the previous speaker had to say about ticketing revenue for specific purposes, I found in my dealings with the Treasury that it is extremely difficult to tie the officials down to anything. Perhaps the member will find the same when he has had more experience. One thing that the Treasury should be tied down in respect of is sport, so that provision can be made for future years. If one is building a grandstand over a period of years, it is not much good having $100,000 one year and nothing the next. Half a grandstand is not much good.

In this instance I have no objeotion whatsoever to the commitment of the amount of money over a number of years, but as the subject of commitment has been raised, may I recommend something to the Treasurer, who happens to be the chairman of the Sydney Cricket and Sydney Sports Ground Trust. I suggest to him that this would be an admirable opportunity for him, as Treasurer, to take the extra one-third of the money in the soccer pools and to invest it in the Sydney Cricket and Sydney Sports Ground Trust. He could hardly deny that the Crust could well use this money for the benefit of sport and recreation for the people of New South Wales. He might

comment on that suggestion in replying to this debate. We certainly need more money out there, and the Government could well provide it out of the soccer pools. No doubt the trust could help sport and recreation in this State by implementing improvements which I am sure it would like to see at the Sydney Cricket Ground. All in all, I support the bill, although I am sorry that the previous Opposition's promise of 100 per cent of the soccer pools revenue being devoted to sport has not been implemented in this instance.

Mr RENSHAW (Castlereagh), Treasurer [4.51], in reply: In reply to the honourable member for Wollondilly, might I say that the matter he mentioned relating to the Sydney Cricket Ground is under serious consideration.

Motion agreed to.

Bill read a second time.

Third Reading

By leave, bill read a third time, on motion by Mr Renshaw.

## PAY-ROLL TAX (AMENDMENT) BILL

Second Reading

Mr RENSHAW (Castlereagh), Treasurer [4.53]: I move:

That this bill be now read a second time.

The main object of the 'bill, as outlined in my budget speech, is to raise the existing general exemption to assist small businesses. At present no tax is payable by an employer not associated with a group of employers if the annual payroll does not exceed $41,600. This exemption has operated since 1st January, 1976. Obviously, if the level were left unchanged, employers who currently enjoy an exemption would soon become liable because of the effects of wage increases. The State Budget has been based on an expeoted increase of 12 per cent in wage levels over last year and an adjustment of that order would be required to avoid this. The Government decided, therefore, that it would be preferable to adopt a 15 per cent increase to ensure that firms would not be brought back into the tax bracket solely because of the effects of inflation. The exemption is thus to be set at $48,000.

The tapering of the exemption on a $2-for-$3 basis is also to be retained. Where annual wages exceed $48,000 the deduotible amount will be reduced by $2 for each $3 by which the taxable wages exceed $48,000. No deduction will, (therefore, apply if the annual wages exceed $120,000. Under current legislation the deduction cuts out at $104,000. The concession is to apply to wages paid or payable on and after 1st January, 1977, and eligible employers will be able to deduct up to a maximum of $4,000 a month thereafter, instead of the existing limit of $3,466. In relation to the calculation of the final amount of deduction at the end of the financial year to determine the annual amount of tax payable, the increase from 1st January means that differing rates of exemption will apply to the two halves of the year. Special transitional provisions have 'been included in the bill to cover this situation.

Item (6) (c) of schedule 1 to the bill provides for a new section 11A (2A) to be inserted in the Act setting out a formula for the calculation of the exemption applicable after 30th June next, when the transitional period will have expired. Although the formula might appear somewhat complex, it simply expresses in mathematical terms the principles already incorporated in the Act for the application of

the existing exemption. Item *(6)* (c) in schedule 1 also incorporates a formula for the assessment of the exemption available during the transitional period. This is provided for under new section 11A **(2).** The formula is designed to cover a variety of situations—for example, employers who pay wages only in New South Wales for the whole or part of the year and also employers who in addition pay interstate wages for the whole or part of the year. It has also been necessary to have regard to the fact that because of seasonal and other factors, wages may not be paid evenly throughout the year. Though the proposed provision may appear complicated, it is designed to avoid anomalies and the principle on which it its based is a straightforward one.

The basic exemption applicable is to be calculated by combining the old and new exemption levels on the basis of the number of days for which wages are paid in each half year. In the simple case where the employer is liable for the whole year, the basic annual exemption is the average of the old and new levels. The amount arrived at is then used to calculate the deduction applicable to the total wages for the full year where these exceed the basic exemption so calculated. It is emphasized that the taxpayer will have to use the formula only once a year when compiling his final return to 30th June. Equivalent provisions for group employers are included in item (10) of schedule 1. The estimated cost of the concessions is between *$6* million and $7 million.

Two other variations are to be made to the existing legislation. Section 19 at present allows for the refund of tax overpaid, provided the employer makes an application within two years of the overpayment. Under the former Commonwealth legislation—that is, prior to the takeover of payroll tax in September, 1971—no time limit was set. In view of the fact that in New South Wales almost all State taxes set some limitation on the period in which refunds can be sought, the legislation was then drafted to apply a 2-year period. Since the takeover of this measure a number of instances have been brought under notice where employers who have been paying wages liable to the tax in another State have unwittingly paid the full tax to New South Wales.

In came cases applications have not been made within the 2-year period and the Commissioner of Pay-roll Tax has no authority to make the appropriate refund. Under Commonwealth administration this problem would not have arisen as the employer was paying only one tax. In order to rectify the situation it has been decided to extend the time limit in section 19 from two to six years. This has been made retrospective to 1st September, 1971, and will allow for all current matters with the commissioner to be resolved to the satisfaction of the applicant employer. The amendment is to be of general application and will apply to any employers who have previously overpaid their tax liability, provided an application for an adjustment is lodged within six years of the overpayment.

The second variation relates to section 12. At the present time all members of a group are required to lodge returns with the commissioner even though one or more of them may not be paying wages. Under the new provisions the relevant employer will not be required to lodge nil returns. This procedure has, in fact, been followed by the commissioner and the amendment will validate these administrative arrangements. The bill also contains a number of changes of a purely mechanical nature which amend the Act to delete sections that are no longer relevant.

Before closing I should like to refer to the suggestions made by the Opposition in the budget debate that the increase in the exemption is not big enough. I do not need to remind the House that the previous Government doubled the rate of tax and did not vary the exemption level for four years, despite the **high** rate **of** inflation. We

shall certainly be reviewing the position in the next budget, and I hope that further concessions can be introduced at that time. Moreover, the Government has indicated that it will introduce a payroll tax rebate scheme dealing with decentralized industries. Details of the measures proposed are now being finalized. These will be of further, advantage to eligible employers in rural areas. An announcement of the details will be made as soon as the conditions of eligibility have been determined. I can say, however, that the concession will apply in respect of tax paid in the current financial year. I commend the bill to the House.

Mr MADDISON (Ku-ring-gai), Deputy Leader of the Opposition [5.0]: One certainly gets a different perspective when sitting on this side of the House and listening to members of the Labor Party in Government from that which one gets sitting on the Government benches listening to members of the Labor Party in Opposition. Over the years I suppose any of us who have been here for some length of time and listened to the fulminations of the Labor Party spokesmen in Opposition have heard them criticize up hill and down dale the incidence of payroll tax, concessional rates, exemption limits and so forth and so on.

I recall a couple of years ago listening to the Leader of the Opposition, now the Premier, speaking at length on this subject. I remember, too, the Minister for Industrial Relations, Minister for Mines and Minister for Energy, as Leader of the Opposition, speaking at length of the same subject. Last year the Minister for Consumer Affairs and Minister for Co-operative Societies, as the honourable member for Waverley, leading for the Opposition in his usual colorful style, paraded up and down on this side of the Chamber saying what a terrible tax this was and how he wept for the small businesses because the exemption limits and concessions were so niggardly.

When I look at the Minister for Consumer Affairs and Minister for Co-operative Societies and compare him with the Premier, I get the impression that the two of them are vying with each other to see who can get an academy award for the best performance. Last night we witnessed a classic performance from the Premier, but the Minister for Consumer Affairs is no amateur when it comes to dramatic performances in this House. Both of those gentlemen are long on words and short on action. Last year during a debate on amendments to the Pay-roll Tax Act the Minister for Consumer Affairs endeavoured to make out a strong case for assisting small businesses by increasing the exemptions and concessions that would apply in the area of payroll tax. Now apparently the Minister for Consumer Affairs finds that in Government he is unable to influence decisions and virtually he is shown up as a toothless tiger.

Statistics reveal that for the quarter ended 30th June last, the average weekly earnings for males in New South Wales was $183.90. On my calculations that gives the average male in New South Wales an annual salary of $9,562. The payroll tax exemption proposed in this legislation would exempt payrolls only up to $48,000. It is simply a matter of mathematical calculation, as I see it, to ascertain that this means that to gain exemption a small business could have no more than five employees. This time last year the Minister for Consumer Affairs was referring to businesses with 100 to 150 employees as small businesses. Clearly the views of that Minister have not been translated into this legislation. All that the business community can expect from this Government by virtue of this bill is that should they have fewer than six employees their payroll will be exempt from taxation.

At the introductory stage I said that the policy speech of the Liberal-Country party coalition, delivered at the last elections, intimated that the exemption figure would be lifted to $62,400, an increase of 50 per cent on the existing exemption limit. When one looks at that figure and makes a mathematical calculation one sees that it means

a business with seven employees would be exempt from payroll tax. All this Government proposes to do is maintain the *status quo*. It offers no scope for expansion to employers who might be minded to take on extra staff. It is interesting to compare what the Minister for Consumer Affairs said last year and what the Government proposes now. The proposed exemption limits would apply to a small business employing fewer than six people.

Last year the honourable member for Waverley quoted the average weekly earnings of a male in New South Wales as **$160.10.** In the ensuing twelve months that figure has increased to **$183.90.** The exemption level provided for in this bill offers no advantage whatever to small business. Of course, had the Liberal-Country party proposals at the elections been implemented, small business would have gained a real advantage. I regret that this has not happened. Payroll tax is one of the few economic measures that the State Government can use to offer incentives to business to expand and take up the slack in employment.

I say quite categorically that the Government has missed the opportunity to do something about unemployment in New South Wales. It is a problem we know is most serious. It has required the Premier to go on record in most extravagant terms, and say he is relying on the Commonwealth Government. The Premier says he is doing something to alleviate unemployment. He has appointed various advisory committees of one kind or another but in truth when it comes to the only tax that it is within his power to reduce, he does nothing. He turns his back on the only area of taxation which he can use to stimulate employment.

Young people who are unemployed now and also those who leave school in the near future will soon find that they have nothing to look forward to. Certainly there is nothing to look forward to in this measure in terms of encouraging employers, be they in a small or large business, to open their doors and take people on strength. Every time the Premier talks about unemployment he gets headlines. What is he going to do? What kind of organization will he set up? When the Opposition makes some positive suggestion about the ways in which incentives might be provided to employers to enable them to take up some of the unemployment slack, there is clearly no reference to that.

I said at the introductory stage yesterday that the Commonwealth Government Youth Employment Scheme was the golden opportunity for the State Government to come to the rescue of employers who were willing to employ youth under that scheme. I remind honourable members that the scheme recently announced by the Commonwealth Government applies to youths aged between 15 and 19 who left school twelve months ago, who have been registered for employment with the Commonwealth Employment Service for not less than six months and are still currently registered for employment. For those people the Commonwealth scheme offers to the employer a subsidy of $58 a week. Here was a glorious opportunity for the State Government to come in in a complementary way and provide a payroll tax concession for employers who took on young people who, apparently, this New South Wales Government is willing to neglect and discard,

Mr Renshaw: That is not right. That has been looked at by a special committee.

Mr MADDISON: I know the Premier came back and said this matter had been looked at by a committee. The Government has had committees that have been appointed to look at this question of unemployment ever since it came into Government, as the unemployment rate continues to aocelerate. The committee said that no action ought to be taken. That is what we can expect from the Wran Government at the moment—strong on talk but weak on action.

I say to the Treasurer, as he is sitting there, that he should consider a payroll tax concession to employers to take on employees under this Commonwealth Government Youth Employment Scheme. He can do it before the House rises and the stimulus to the private sector would be enormous. The taking up of the slack in unemployment would be quite dramatic. Apparently, the Treasurer is satisfied with having a committee look at this. The committee will look at it and probably report, but if anything is done it will probably be when the Pay-roll Tax Act is amended next year—twelve months away. I seriously urge the Government to take heed of what I am saying, because, as I say, a reduction in payroll tax is one of the few means by which the Government in practical terms can produce a result that will save perhaps some thousands of young people from the unemployment scrapheap.

This is a niggardly measure. It is not going as far as the Opposition was willing to go. The Opposition, of course, does not intend to vote against the second reading but proposes to move amendments in Committee to give effect to the limitations proposed in our policy speech, namely, by liftiig the exemption limit on payroll tax to the sum of $62,400 and providing the same kind of concessional arrangements beyond that figure. The bill is a dismal measure that offers nothing whatsoever to the unemployed of this State. It offers nothing to the business community by way of incentive to encourage it to expand its operations, production, and plant in order to get the economy in New South Wales going again. It is a poor effort by the Government. I condemn the Labor Government for its approach to payroll tax.

Mr COWAN (Oxley) [5.15]: I suppose that the Parliament will approve any legislation that reduces taxes such as the payroll tax. I am most concerned about the effect of this tax on country industry. Only on Friday in the Oxley electorate we had a meeting of seven or eight fairly large decentralized industries. We talked about the problems that they faced in the past three or four years but of course we talked about an increase in rail freights and charges and other matters. The one thing they were unanimous about—and it is of grave concern—was payroll tax. It is having a tremendous effect on industry in country areas and elsewhere in the State. I know that the tax was imposed in the forties primarily to finance child endowment. It has grown since and we know that the States have the administration 04 it. Naturally it will be used by the States as an important source of revenue.

I do not want to be critical of the Government; I appreciate that the coalition parties have been on this side of the House for only three, four or five months. Perhaps we should have done more about it. We have reached the stage where we can afford no longer to sit back and allow a tax of 5 per cent on the wages 'bill of a private firm, company, or enterprise of any kind. It is having a drastic effect, even though there has been some form of reduction which, I think, as the Deputy Leader of the Opposition has pointed out, is only a catch-up of inflationary trends. The thing about it is that I understand that it will produce an extra $78 million for the Budget this financial year, $600 million in the State and $1,500 million in Australia. This is a lot of money. Though we know that the tax is an important part of the budgetary process, we have reached this climax when I am sure that we must look positively at its general effect upon country industries.

We do not want--.and I am sure the Government does not want—to see the decentralized industries adversely affected. We all want to see decentralized country industries expand their workforce and new industries established outside the city areas. The important thing is the serious effect of this tax on the viability of all those companies. Most of the companies—not all—have re-established themselves in the country. I can supply the Treasurer in fact with all the names of those within my own electorate —Speedo, Grasslands, Stebercraft, Beacon Cable—which are large firms employing up

to 250 people, males and females. They are making an important contribution. We should be amazed at the general effect of payroll tax on the community. It is a tax that actually inhibits industries from expanding. Before an industry can expand it must have confidence. It has to have the confidence that it is able to go ahead and expand its machinery, buildings, and plant, look at new markets and put on extra staff.

I know something about abattoirs in New South Wales as does the Treasurer. Payroll tax vitally affects abattoirs. Some abattoirs pay hundreds of thousands of dollars a year in payroll tax. Honourable members fail to examine at close quarters the effect of this type of measure upon production, employment and prosperity in an area. That remark applies not only to the country areas of the State but also to the cities. It applies also where there is decentralized industry or any form of industry in a country town. The effect of payroll tax on industry is considerable. Its impact is as great as that of poker machine taxation is on the community. Payroll tax affects small legal firms, accountancy firms, gift stores, chemists and people in the community who are battling to make a living.

I appeal strongly to the Treasurer and to the Government to examine critically as soon as possible the effect of payroll tax. People in the community would be unanimous in the view that payroll tax is an iniquitous tax. If at all possible, it should be removed. The Government has the opportunity to remove payroll tax because under the new federal system this year the State will receive approximately $170 million more than it received last year. We shall get a greater return in the reimbursements. If the Government is genuine, it has the opportunity to start reducing payroll tax. I appeal to the Treasurer to look critically at this tax and to be constructive about his approach to it, in order to assist country industry.

Mr RENSHAW (Castlereagh), Treasurer [5.22], in reply: It is somewhat strange to hear some of the remarks made by those who sit on the other side of the House and were the architects of payroll tax. In 1971, when the Commonwealth Government vacated the payroll tax field it became a contribution to State revenue. Prior to then payroll tax had no effect on the State budget at all. In the five years since 1971, the former government increased payroll tax to about $500 million or $600 million a year. The honourable member for Oxley mentioned that payroll tax is the biggest single component in State tax income. It is perhaps the Government's only secure tax from the point of challenges that might be made to the Australian Constitution. One is faced with difficulties——

Mr Maddison: The Government may have to go to income tax.

Mr RENSHAW: We shall discuss income tax on another occasion; at the moment we are discussing payroll tax. No matter what the tax is, the money comes from the taxpayer. Payroll tax was given to the State as a concession. The Deputy Leader of the Opposition suggested that the New South Wales Government should exempt from payroll tax wages paid by employees in receipt of the subsidy from the federal Government under the scheme to assist young people to obtain employment. I commend that action on the part of the Commonwealth Government. About 400 people have applied for work under this scheme already. Automatically, half of the income tax collected on those wages goes back to the federal Government. The State of New South Wales is the main gatherer of income tax and company tax. The Deputy Leader of the Opposition intimated that his Government had proposed to double the exemption. That would have cost the State about $20 million. The exemptions given by the Government in this measure will cost between $6 and $7 million. I indicated in my second-reading speech that legislation would be introduced to exempt secondary industry in country areas——

Mr Fischer: What about the border areas?

Mr RENSHAW: There are problems associated with the borders. On previous occasions when exemptions were granted, liability to pay the tax cut out at about $100,000. The Commonwealth Government followed that action with similar action. As far as I know the Commonwealth Government intends to follow the action taken by the State of New South Wales on this occasion. There will be uniformity within the Commonwealth relating to taxation in the Australian Capital Territory and the Northern Territory. The same exemptions will apply federally as apply in New South Wales. Problems are encountered at the borders with other States when two different methods of payroll tax calculation are involved. These matters are being considered by the committee conjointly with the general exemptions and the formula to be applied to stimulate decentralization. That will be a further charge on the Budget but it is hard to say what it will be. In Victoria the exemptions cost $15 million or $16 million. In that State there is an inner zone——

Mr Mutton: It amounts to only 15 per cent of the budget in Victoria.

Mr RENSHAW: That is right, but Victoria is a much smaller State. I do not compare one State with another; for quite elementary reasons, that ought to be apparent to the honourable member for Yaralla. Not one railway station in Victoria is more than 500 feet above sea level. Many railway stations in New South Wales are more than 5 000 feet about sea level. Wheat and wool have to be hauled over grades of that type in New South Wales. That makes transport of those commodities more costly than is the case in Victoria. Some people try to set one State against the other but the circumstances are so different that they must be obvious. It is impossible to use such an argument. That is just a diversion. The present concessions are made on a higher scale than those that were introduced last year, namely, 15 per cent against an estimated 12 per cent. The measure has been dealt with in good faith. Further investigation of the matter is taking place. An examination is being made not only of the general rate of tax but also into its effect on decentralized areas. I commend the bill to the House.

Motion agreed to.

Bill read a second time.

In Committee

**Schedule 1**

**Page 4**

(a) in relation to a return for a return period of one month, means $4,000; and

(b) in relation to a return for a return period of two or more months, means the product ascertained by multiplying $4,000 by the number of months in that return period;

Mr MADDISON (Ku-ring-gai), Deputy Leader of the Opposition [5.29]: To emphasize the feeling of the Opposition that the exemption limits are too low I propose to move an amendment. I had proposed to move a series of amendments but I have no faith that the Treasurer will agree to the initial amendment, and if he does not agree to it the other amendments would be rather superfluous. There are a number of amendments that would be necessary if the exemption rate were lifted. It would

also be necessary to make some complex alterations to the complex formulae already in the bill. I shall move my only amendment *pro forma*; I shall not press it. I merely want to emphasize the view that the Opposition takes. I move:

That at page 4, line 13, the symbol and figures "$4,000" be left out and there be inserted in lieu thereof the symbol and figures "$5,200.".

My second amendment would be for the same alteration in line 17 of the same page. Those two amendments reflect the policy of the Liberal and Country parties in proposing that the exemption ceiling for payroll tax should be $62,400 a year. That is $5,200 a month, if my calculations are correct. I move my amendment to indicate that we believe the Government is being niggardly and should be more generous in the interests of the economy of the State.

Mr RENSHAW (Castlereagh), Treasurer [5.32]: The Government has no intention of accepting the amendment. The whole concept of the adoption of payroll tax into the Budget was one that had been pursued over the past six or seven years by the very people who now move amendments such as this one. In view of the undertakings I gave to the House in relation to other concessions affecting country people, and also the general principle of payroll tax, this is the only positive step taken since the tax was introduced by the Liberal-Country party administration. It doubled the amount of tax on one occasion.

Mr Maddison: But this is not a concession. It is only keeping pace with inflation. Not one more taxpayer is added to the exemption list.

Mr RENSHAW: That is not so. I can give the number of present taxpayers who will be relieved. It is idle to argue in relation to their numbers. It is estimated that this year the increase in the wage structure will be 12 per cent; yet the Government is giving 15 per cent. That is a better concession than the ones that were given last year by the previous Government.

Amendment negatived.

Schedule agreed to.

Adoption of Report

Bill reported from Committee without amendment, and report adopted on motion by Mr Renshaw.

Third Reading

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

## TOTALIZATOR (AMENDMENT) BILL

Second Reading

Mr RENSHAW (Castlereagh), Treasurer [5.38]: I move:

That this bill be now read a second time.

The objects of the bill are to prescribe the rate of commission to be deducted for multiple selection totalizators conducted by race clubs and the manner in which such commission is distributed, and to rewrite existing provisions of the Totalizator Act relating to distribution of amounts invested in totalizators. When introducing the bill, I mentioned that though the term "multiple selection totalizators" described all forms

of totalizator betting where the rules require investors to select a combination of two or more contestants in an event or combination of events, for the purposes of the relevant legislation it does not include doubles, forecast, quinella and reinvestment totalizators in respect of which the rates of commission are already prescribed. I also referred, first, to the higher costs that would be involved in operating multiple selection totalizator betting such as trifecta, trio and quadrella totalizators when introduced and, second, to the Government's intention to allow race clubs and the Totalizator Agency Board 1 per cent additional commission to help offset these costs. Further, I mentioned that the bill provided for a minimum unit of investment of $1 on these forms of betting.

A survey arranged some time ago by the Totalizator Agency Board indicated a demand for some choice of multiple betting alternative to doubles and quinellas which would offer the prospect of higher dividends. The board is of the opinion that trifecta betting would meet this need, but that it would be reluctant to introduce a further class of multiple choice betting without being assured that the increased costs of operation would be recovered by way of additional commission. The New South Wales National Coursing Association has also expressed a desire to introduce trifecta betting which it feels would be a popular betting medium with its patrons. However, this association also considers that it could not meet the costs of operation without additional commission.

Trifecta totalizator betting requires the successful investor to select the first three placegetters in an event in the correct order. The appropriate regulations and rules are presently being drafted and will ensure that a dividend will always be paid even though the winning combination has not been backed. There are 336 possible combinations in any race with 8 runners and, with the prospect of large dividends, this form of betting is expected to appeal to totalizator investors. Honourable members will appreciate that the need to record the numbers of three contestants on trifecta totalizator tickets, and that the work involved in collating investments on the various combinations that can be backed, will increase the costs of totalizator operations. The additional 1 per cent commission to be allowed the Totalizator Agency Board and race clubs combined with a minimum unit of investment of $1 on multiple selection totalizators should provide adequate compensation for these extra costs.

The bill provides for the rate of commission payable to consolidated revenue and the racecourse development fund to be the same as for doubles totalizators. This is considered reasonable because the introduction of any new form of multiple selection totalizator betting can be expected to have an effect on investments on the doubles totes. In all, it is proposed that commission at the rate of 17 per cent be deducted from multiple selection totalizator investments. This compares with Victoria's 19 per cent for off-course quadrella betting, while in Queensland 20 per cent is deducted from off-course treble investments. In South Australia the rate is 17.5 per cent for treble and fourtrella totalizators.

The bill includes a number of provisions that rewrite provisions of the Totalizator Act relating to distribution of amounts invested in totalizators by way of commission and dividends. These amendments are extensive but simply express the commission payable to the Government as percentages instead of fa-actions of total commission without altering the proportions payable. Drafting difficulties associated with providing for a further rate of commission make these amendments necessary. The opportunity is also being taken at this time to include in the Totalizator Act the commission payable to the Totalizator Agency Board on investments transmitted to on-course totalizators—that is, when the board acts as agent for a race club. The view has been taken that this matter should rightly be enacted under the Totalizator Act and not the Totalizator (Off-course Betting) Act.

The bill also makes provision for amendments of a consequential or revisionary nature. The proposed amendments are contained in the schedule to the bill. Item (1) of the schedule defines certain terms including "multiple selection totalizator'. Item (2) provides for the principal amendments by rewriting the provisions relating to distribution of amounts invested in totalizators; prescribing the rate of commission for multiple selection totalizators and its distribution; and including provisions rebating to the commission payable to the Totalizator Agency Board when acting as agent for a race club. The remaining amendments included in the schedule are either consequential to the principal amendments, ox necessary to achieve consistency in use of terms. I commend the bill to the House.

Mr COLEMAN (Fuller) [5.45]: I welcome the introduction of multiple selection totalizators. I have no criticisms to make of many aspects of the bill, except perhaps that it is a shame that its presentation has taken so long. My attitude is diierent when it comes to the 17 per cent deduction. I know that the Treasurer has said that, in his opinion running and operating costs justify a deduction of 17 per cent, but it is strange that in a package of taxation measures that give welcome concessions to bookmakers and racing clubs, no concessions are given to the investors with the Totalizator Agency Board. The point is that the bookmakers' turnover tax is really paid by the punters, by the shortening of the odds offered by bookmakers in order to meet the tax, so one would expect here some concession rather than an increased deduction. I know the Treasurer justifies it by the rising cost argument, but I am talking generally when I say that there should be a concession to punters corresponding with the bookmakers' turnover tax concession. Even if this particular deduction be higher than the other TAB deductions, there should be a general reduction rather than an increase here at a time when concessions are being made in the other areas.

Mr O'Connell: When you were in office you doubled the bookmakers' turnover tax.

Mr COLEMAN: I am talking about the tote. It may be that the failure to give a concession in this area, coupled with a higher deduction for multiple betting, will give support to the fears expressed frequently that the starting prices offered by illegal bookmakers are attracting punters away from the TAB. Indeed, this was stated in the last report of the Totalizator Agency Board, which referred to the continued trend away from doubles. But apart from that, I also draw the Government's attention to the increase in illegal starting price betting. The board said that it is concerned about the incidence of illegal starting price betting, notwithstanding the widespread cover given to TAB betting through the State. It said that it was disturbed by reports of an alleged upsurge in unlicensed premises. There is no doubt that there has been a recent upsurge, which has taken place since the present Government came to office.

Mr Renshaw: It has been going on for years.

Mr COLEMAN: The board would not mention an upsurge if it referred to something that had been going on for years.

Mr Renshaw: But you know——

Mr SPEAKER: Order! The Treasurer will have the light of replying to the remarks made by the honourable member for Fuller.

Mr COLEMAN: I believe that the upsurge refers to what has happened since the Government came to office. The upsurge, as distinct from the continued existence of starting price betting, started since the Government came to office. Be that as it

may, the upsurge in starting price betting in the two months' period of the Government's term covered by this report has been mentioned not only by totalizator agents but also in press reports generally.

Mr Wilde: But the honourable member instigated those.

Mr COLEMAN: I went out of my way to have discussions with them, but they approached me. The honourable member may reject the point I am making, but the fact remains that the Totalizator Agency Board is concerned about the illegal starting price betting and its effect on the board's operations. These illegal operations rob the State and the TAB of revenue. As a result of robbing the TAB, they affect the distribution to the clubs and also the legitimate on-course betting operations. This is a serious problem. By increasing this deduction and failing to give throughout the TAB operations a concession comparable with the welcome concession given in relation to the bookmakers' turnover tax, the Government will only encourage and strengthen the illegal starting price operators.

I shall refer to the debate when this legislation was last before the House, and I intend to mention some of the strong statements made by colleagues of the Treasurer. The honourable member for Waratah spoke during that debate a year ago, and when referring to the increased TAB deductions, he said:

> The proposed bill will increase the Government's take from TAB daily doubles from 15 per cent to 16 per cent, and on all other transactions from 13 per cent to 14 per cent. The mighty hand of the Government once again is plunging into the pockets of the punters.

I should have expected him to be in the Chamber now, criticizing his Government on its failure to give the concession for which he was asking. The honourable member for Liverpool spoke during that debate, and also opposed the increase that was made at that time. He said:

> This is an imposition on punters, who will have to foot the bill. The clubs are in a desperate position, as shown in an economic analysis of the racing industry in New South Wales, which is one of the best documented reports that I have seen on any subject. There is no doubt that the punter will pay far this increased percentage by way of lower dividends . . .

Mr Renshaw: Overall.

Mr COLEMAN: But there is no concession here; indeed, there is a higher rate of deduction for this new form of betting. I said a year ago that it would be unjust to take another 1 per cent out of totalizator investments and leave untouched investments with bookmakers. It was an attempt to deal fairly with totalizator and bookmaker investors. I said:

> The State would lose money as people might be attracted to bet with bookmakers instead of the totalizator because of the advantage that bookmakers would gain. Off-course bettors might turn from the TAB to illegal starting price bookmakers who pay no betting taxes to the State. This is an essential aspect. It would be unjust to take 1 per cent from totalizator investments and leave untouched the investments made with bookmakers.

That has not happened in this measure, which is one of a series of bills being presented by the Treasurer. In one of the bills he proposes to grant a concession to bookmakers. I shall comment on that legislation at the appropriate time. I shall certainly welcome it but, using the same argument that I put to the House a year ago, I stress that if the

Government is to give a welcome concession to bookmakers it should also give a concesion to totalizator investors. That is what was contended by the honourable member for Waratah, the honourable member for Liverpool and other speakers who were in Opposition at that time. I regret that with these new forms relating to the totalizator there are to be increases and not deductions. I place these criticisms on record. The rewriting of some provisions of the Act to overcome drafting difficulties is a sensible step forward.

Mr RENSHAW (Castlereagh), Treasurer [5.51], in reply: I think the honourable member for Fuller would recognize that this measure is setting up something new and that there is an increase in the percentage taken from quinella and doubles bets.

Mr Coleman: Why not give a concession?

Mr RENSHAW: From where would the concession come? The legislation was brought in originally to assist the racing industry. The increase by 1 per cent above what is collected elsewhere is to cover the cost of the new type of operation. Revenue from this source goes first to operating expenses and second to the racing community. I do not think the Opposition can criticize the Government in this area as it has handsomely assisted the racing industry by relieving it of heavy costs. Last year an increase across the board of 100 per cent was imposed on 'bookmakers' turnover tax. That is one of the largest increases I have ever seen and is even more severe when one bears in mind that, as a matter of principle, it is not a good tax. Turnover, even though a loss is shown, is taxed. I think the honourable member must accept the situation that, over all, the Government is taking a reasonable and proper approach to the problem.

Motion agreed to.

Bill read a second time.

Third Reading

By leave, bill read a third time, on motion by Mr Renshaw.

## TOTALIZATOR (OFF-COURSE BETTING) AMENDMENT BILL

Second Reading

Mr RENSHAW (Castlereagh), Treasurer [5.54]: I move:

That this 'bill be now read a second time.

The measures proposed to be enacted are similar or consequential to those contained in the Totalizator (Amendment) Bill, 1976, and apply in circumstances where the Totalizator Agency Board does not transmit investments to on-course totalizators. Briefly, the objects of the bill are to allow the board 1 per cent additional commission from investments on multiple selection totalizators conducted by the board and to legislate for a $1 minimum bet for this form of totalizator betting with the board. The proportion of commission payable to the Government for credit to consolidated revenue and the racecourse development fund will be the same as for doubles totalizators operated by the board.

The reasons for the introduction of these provisions were given by me in my second-reading speech on the Totalizator (Amendment) Bill, 1976, and I am sure there is no need to repeat them on this occasion. However, I should like to refer to the proposed $1 minimum bet. Rules for operation of the various types of totalizators provide for a minimum unit of investment on course, which may be varied with

ministerial approval. For some time now a minimum unit of investment of $1 has operated in respect of doubles, forecast and quinella totalizator betting at a majority of racecourses due to costs of operation. No complaints have been received from the investing public and investments do not appear to have been adversely affected.

The situation in respect of off-course totalizator betting is somewhat different in that the Totalizator (Off-Course Betting) Act prescribes the minimum bet that shall be accepted by the board. At present the minimum bet is 25c for win and place and 50c for doubles and quinellas. In considering what should be the minimum bet for what will be a relatively sophisticated form of betting, the Government has had regard to the costs involved. It has also concluded that a $1 minimum bet off course on an additional class of multiple betting would not prevent people of limited means having a bet if they so wished. It will, of course, be open to them to bet on either doubles or quinella totes at the existing minimum investments.

I should emphasize that the Government's concern in this matter is solely to provide racegoers and TAB investors with a further choice in the type of totalizator betting available. In accordance with current practice, the proposed amendments are contained in the schedule to the bill. Item 1 to the schedule defines certain terms, including multiple selection totalizator. Items 2, 3 and 4 omit unnecessary phrases from existing provisions of the Act. Item 6 rewrites existing provisions relating to the distribution of money paid in to totalizators conducted by the board and prescribes the rate of commission and its distribution for multiple selection totalizators conducted by the board. Items 5, 7 and 8 are amendments consequential to the Totalizator (Amendment) Bill, 1976.

Item 9 clarifies the position in respect of the minimum bet which will be accepted by the board on behalf of an authority conducting off-course betting in other States and the Commonwealth Territory. It also amends the Act to prescribe the minimum bet to be accepted by the board as an investment on multiple selection totalizators. The remaining amendments are of a revisionary nature. I commend the bill to the House.

Mr COLEMAN (Fuller) [5.57]: Once again the Opposition welcomes the new forms of betting and the re-uniting of parts of the legislation in order to achieve clarity. However, it deplores the 17 per cent commission deduction. I reiterate the criticisms I made of the earlier measure but shall not weary the House by detailing them again.

Motion agreed to.

Bill read a second time.

Third Reading

By leave, bill read a third time, on motion by Mr Renshaw.

*[Mr Speaker left the chair at* 5.58 *p.m. The House resumed at 7.30 p.m.]*

## MISCELLANEOUS ACTS (TAXATION) REPEAL BILL

Second Reading

Mr RENSHAW (Castlereagh), Treasurer [7.30]: I move:

That this bill be now read a second time.

As I explained when introducing the bill, its purpose is to abolish, as from 1st January, 1977, the levy and supplementary tax imposed on racing clubs and racing associations. Many of these clubs have been having difficulty in coping with rising costs and the current economic recession. The Government's action is designed to provide a measure of relief and assist clubs in maintaining the level of their services to the public. The levy on horse racing and trotting clubs and associations is imposed under the provisions of the Finance (Taxation) Act and on greyhound racing clubs under the provisions of the Finance (Greyhound-racing Taxation) Act.

Under the relevant provisions, the five major city race clubs are required to pay a levy of 50 per cent to the Treasury of all moneys received from any bookmaker for a licence or registration fee or for a permit to carry on his business. All other race clubs are levied at the rate of 20 per cent of such income from bookmakers. New South Wales is the only State that imposes a levy of this type on racing clubs. The supplementary tax is of much more recent origin, having been introduced from 1st January, 1975. It is levied on the gross income of racing clubs and associations after deducting income from admission charges, members' subscriptions, totalizator commission, amounts received from the Totalizator Agency Board, grants from the racecourse development fund and certain other minor items of income. The tax is payable at the rates of 7½ per cent for city clubs, 5 per cent for provincial clubs and 3 per cent for country clubs.

The main items of club income which are subject to the tax are receipts from bookmakers, catering, nominations, acceptances, race books, training fees, interest and hire of facilities. A survey has shown that in current economic conditions many of these items are barely profitable and with the imposition of the supplementary tax losses have been sustained on particular activities. Numerous representations for tax relief have been made on behalf of racing clubs and associations throughout the State and considerable emphasis has been placed on the damaging effect of the tax upon the racing industry. The Labor party opposed this tax from the outset and after a close review of the various forms of racing taxation the Government has decided that as from 1st January, 1977, clubs should be exempted from all contributions by way of levy and supplementary tax.

Accordingly, the bill provides for the repeal of the Finance (Taxation) Act, 1915, which imposed a tax and supplementary tax on horse and trotting racing clubs and racing associations, and certain provisions of the Finance (Greyhound-racing Taxation) Act, 1931, being the provisions that imposed a tax and supplementary tax on greyhound racing clubs. Apart from the repeal of these Acts the bill provides for the repeal of other Acts, some of which have remained on the statute book although no longer operative, and others that will become obsolete upon the abolition of the taxes and supplementary taxes as from 1st January, 1977. This is consistent with principles laid down by the Law Reform Commission. It is expected that these measures will afford a worthwhile measure of assistance to racing clubs at a time when many of them have had a reduction in allocations from the Totalizator Agency Board and I commend the bill to the House.

Mr COLEMAN (Fuller) [7.35]: The Opposition of course recognizes the concessions of the kind that the Treasurer has outlined. Indeed, k is proper to see this new concession as part of the pattern to give assistance to the racing industry during the whole period in office of the former Government, as well as the racing clubs in particular. As Mr Cole, secretary of the Totalizator Board said earlier this year, without that board racing clubs would not have survived. Since the board's establishment by the former Labor Government, and because of its vast expansion of operations during the period in office of the Liberal-Country party Government and the establishment of the race course development fund, over $100 million was distributed to the

industry. The $100 million contribution to the clubs and to the industry is the financial record of the former Government. That is a commendable record. In many other ways the former Government assisted the clubs and the industry generally.

I remember during my period of service as Minister for Revenue halving the stamp duty on bookmakers betting tax, legislating to allow improved accommodation in TAB agencies, and reducing the age at which young people were allowed to place bets on the on-course tote. I remember also halving from 15 per cent to 7.5 per cent the supplementary tax received by the metropolitan racing clubs and that saved the clubs $275,000 a year. Now the Treasurer is doing away with the other half of the tax and this measure, as I say, forms part of the pattern the former Government established. There were, of course, exceptions in periods of financial stringency. It would be appropriate to go into that in a little more detail later.

Exceptions of course were forced on the Government because of financial climate, but generally speaking the ambition of governments—and I have no wish now to criticize the former Labor Government of which the Treasurer was Premier, or its predecessors—has been to assist racing clubs and the racing industry. As I say, the former Liberal-Country party Government was outstanding in that respect. There are wild men in this Chamber who make absurd attacks on clubs and club directors from time to time. They are not present in the Chamber at the present time; their real interest in the financial situation of the clubs is quite evident and it is basically a matter of sounding off in a foolish way from time to time. This measure abolishing the levy and the supplementary tax imposed on the clubs and racing associations forms part of the pattern of all governments-and especially, I should say, of the former coalition Government—and, along with the bookmakers' measures still to be debated, it is a welcome one.

Mr PICKARD (Homsby) [7.38]: From the outset I add my support to the remarks made by the honourable member for Fuller and the accolades he paid to the fine record of the board, the work it has done over the years, and the service it has rendered to this State, particularly in support of horse racing. Honourable members, on both sides of this House are only too ready to extend to these gentlemen who are fine servants of the State, and the people of this State, a word of thanks and a word of commendation. It was interesting to hear the honourable member for Fuller mention the effect of $100 million made available to clubs during the period we were in government. It is good to support this great sport and many other sporting bodies and ventures within this State.

As with the soccer pools legislation when it was introduced, this legislation caused a great deal of heated discussion from the side of the House where the Opposition sits, though the present Opposition was the Government then. There was a time when the Government was called a gambling government for permitting football pools. It has been interesting to see the way that the pools, along with the Totalizator Agency Board have been able effectively to support sport and sporting bodies in New South Wales. I am sure that the Treasurer would appreciate the tremendous boost that funds from the football pools and the TAB have provided in terms of assisting sport in the country areas, particularly country racing clubs. Some racing clubs in the Treasurer's own electorate have reached the stage where the courses are not just bare patches in a country town but are graced by lawns and new pavilions. Country people in that way receive a benefit similar, if on a smaller scale, to the benefit received by those in the city. Country people are able to enjoy the sport known as the sport of kings.

The traditional attitude of my party has been one of support for sporting bodies. The Opposition is glad to see a reduction in this tax. The Leader of the Opposition, who was the Premier at the time, in making his policy speech said that

he, too, would be reducing the tax. It was a temporary tax. That was announced at the time it was imposed. It was a tax that unfortunately the Government of the day was pressed into introducing. It was necessary in order to find funds for two purposes —first, to match grants that were at that time coming in great profusion from Canberra but unfortunately could not be used unless the State found money to match the grants on a $1 for $1 basis or whatever was the equation of the Whitlam Government. Also, the Government had to raise additional taxes to give it a little bit of fiscal freedom in order that it might have funds that were not tied in any way. Faced with that pressure the Government introduced the tax. The Opposition is happy to see the tax being reduced though it is not being removed completely. When the present Opposition was in Government it proposed not only to reduce the tax but indeed to remove it altogether. When it is possible for the Government to find fiscal freedom without being bound and when it has a cash flow to an industry or a sport of this nature, the Opposition hopes that the Government will consider the possibility of removing the tax completely.

I hope that the Treasurer will pay attention to the matter raised in Questions Without Notice in the House. The racecourse at Wollongong is dear to the hearts of some honourable members and has played a vital part in the growth of the sporting life of the city of Wollongong. The Wollongong racecourse has given the people of the district a great recreation facility. I trust that the Minister will be able to foster it and give it special relief in some way or another. The Opposition is concerned on one point: it was led to believe that there were to be great changes in these tax concessions—not just this one, but others as well. The Opposition was led to believe that great things would occur without any increase in taxation and with reductions in taxation at certain points. The reduction in train fares was said to be the first action taken to fulfil the promises made to the public. The people in the community hoped that they would receive the benefit of those promises.

Where have all the great concessions gone? I am sure that the amount by which the Government has reduced this taxation is not the amount of reduction that the racing fraternity expected. It expected a greater reduction. People listened to the remarks made by the Premier, who was then Leader of the Opposition, when he made his policy speech. Though members on this side of the House are glad to see the reduction in taxation, as it will go some way towards helping sporting bodies, they hope that the promises made by the Premier will be kept. Had the Opposition made those promises it would have kept them. The Government made the promises. We hope that in the future, over the life of the Government, the promises of concessions to sporting bodies such as the racing fraternity will be honoured, in order to help them continue to play the part they play in giving the people of New South Wales the recreation they so richly deserve.

Mr RENSHAW (Castlereagh), Treasurer [7.46], in reply: I want to put the record straight. The honourable member for Hornsby has been speaking about a reduction of taxation by this measure. He alleges that certain increases were made a couple of years ago. The taxation provisions with which the House is dealing go back to 1917. It is true that the former Government considerably reduced the charges but the honourable member for Hornsby is under a misapprehension if he thinks the bill is about a reduction of those charges.

Mr Pickard: I was referring to bookmakers.

Mr RENSHAW: That measure will be dealt with by the House shortly. This bill provides for the abolition of the tax—not reduction. As there may have been some confusion in the minds of members of the public because of matters raised in the speech made by the honourable member for Hornsby I wanted to put the record straight.

Mr Pickard: I am sorry about the misunderstanding.

Motion agreed to.

Bill read a second time.

Third Reading

By leave, bill read a third time, on motion by Mr Renshaw.

## RACING TAXATION (BETTING TAX) AMENDMENT BILL

Second Reading

Mr RENSHAW (Castlereagh), Treasurer [7.48]: I move:

That this bill be now read a second time.

This measure is the second of a series of three bills relating to racing activities which are necessary to give effect to proposals outlined my budget speech. The purpose of the bill is to reduce as from 1st January, 1977, from 2 per cent to 1¼ per cent the turnover tax payable by a bookmaker on bets placed with him. Honourable members will recall that the previous Government introduced legislation to double the rate of tax payable by bookmakers on bets made with them from 1 per cent to 2 per cent, with effect from 1st January, 1976.

When the impact of this decision became apparent, strong representations were made from many quarters expressing concern regarding the implications not only for bookmakers but also for the racing industry generally, which benefits substantially from the presence of bookmakers at race meetings. Before the elections, both the Government and Opposition parties undertook to review the harsh increase in tax imposed by the previous Government. In our review, the Government found cause for concern about the impact of the doubling of the tax on the industry and concluded that some relief was justified.

Honourable members will agree that the presence of bookmakers at race meetings lends life and colour to the various forms of racing and provides an important attraction for racegoers. At present the tax on bookmakers' turnover retained by the State for general revenue purposes is higher in New South Wales than in any other State and the Government sees the need for some relief for the benefit of the industry generally.

The bill is a brief and simple measure designed to reduce the rate of bookmakers' turnover tax to 1¼ per cent which will still be 25 per cent higher than the rate that applied prior to 1st January, 1976. It is proposed that the new rate should take effect from 1st January, 1977. I commend the bill to the House.

Mr COLEMAN (Fuller) [7.50]: This is a welcome measure. Certainly, one of the most controversial measures on taxation introduced in the past year or so was the legislation now being amended. It was introduced during a period of great financial stringency when the State was reeling under the full impact of the Whitlam Government's policies, either through reduced returns of income tax or increased section 96 tied grants requiring matching State revenue. As the honourable member for Hornsby pointed out, the State's fiscal freedom was greatly reduced and the racing tax measure was part of a package of unpleasant tax legislation which, whatever else may be said about it, kept the State financially alive. It was possible by degrees, after that terrible crisis passed, to dismantle that set of taxes. The abolition of petrol tax was one example. The proposed concessions by the former Government in respect of death duties and

this tax were others. It is fair to say—and I am sure that the Treasurer will not quarrel with this—that the reduction of the tax was, as it were, a bi-partisan policy. It was announced by the present Leader of the Opposition when Premier in his policy speech for the recent elections, as it was by the Premier when Leader of the Opposition. With petrol tax abolished, it is now possible to turn to this tax.

This tax, taken with the club levy on bookmakers, means that bookmakers in New South Wales were paying more tax than their counterparts in the comparable State of Victoria. It was too much and could only be justified in the short term. Certainly, the bookmakers made their irritation felt. They were at my office frequently in deputation, either as individuals or through their organizations, just as service station proprietors were in relation to petrol tax, business people in relation to payroll tax, and other people in relation to death duties and the whole range of taxes. The bookmakers organized themselves effectively and the point was reached where this concession had to be made.

The Government has not reduced the tax to the original figure of one per cent. This tax was first introduced in **1932.** It remained unchanged until **1938,** when it was reduced to one-quarter of one per cent. In **1939** it was increased to half of one per cent, and in **1952** to one per cent. It remained at this figure of one per cent until last year when it was increased to **2** per cent. However, that **2** per cent is misleading because bookmakers have had to pay a club levy. That was part of a tax on the clubs introduced in **1916.** It was quite a different tax—a tax on clubs, not on bookmakers—but it was still paid by bookmakers to the clubs and the Government taxed the clubs. This brought up their taxes to a higher level than in Victoria. That was not really acceptable except in the short term. It demonstrates the unsatisfactory nature of things when this Government gives a welcome concession to bookmakers, and that means to the punters, because the bookmakers met the tax by shortening the odds. This concession will not be available to punters betting on the tote. That seems to be unjust.

Reference was made in an earlier measure to the new forms of totes being introduced. The Government is increasing the percentage to be paid on the new forms of betting. It would have been better, particularly in the light of this measure, to reduce the percentage generally and increase it only on the new forms of multiple betting. It is quite unfair to give the concession to punters betting with the bookies without giving a comparable concession to the tote punters, when we bear in mind that both percentages were increased last year during the crisis. It was not suggested then that the tax be increased for one and not for the other. It was generally accepted that both should be treated equally. The same point applies: if the Government intends to reduce one tax, it should reduce the other. It is indefensible for the Government to give this concession to the punters betting with the bookmakers and not to tote punters.

I do not wish that to be interpreted as saying that I am against the measure. I am against this sort of concession not being extended. It weakens the whole effect of the package of bills that the Treasurer has introduced tonight. However, it is at least welcome in relation to the bookmakers, and those punting with the bookmakers. Bookmakers add a great deal of colour and excitement to the indu try. They are stronger in this State and in this country than in most parts of the world. Indeed, in many racing countries bookmakers had disappeared from the scene. They are a great part of the New South Wales scene. No government would want to take action to remove them from the industry or even to arouse a fear that things are moving in that direction.

A justified concession such as this is to be welcomed, particularly in view of the fact that the earlier tax was too high and was intended only as a temporary measure. At the time it was subject to review after a period. That was announced initially. It was examined in the State review of taxation and finally the Leader of the Opposition

announced its reduction. In those circumstances, it is impassible to criticize this measure and I have no wish to do so. I welcome it and only wish that the Treasurer had not weakened his total package by not extending this concession to the punters on the tote.

Motion agreed to.

Bill read a second time.

Third Reading

By leave, bill read a third time, on motion by Mr Renshaw.

## BOOKMAKERS (TAXATION) AMENDMENT BILL

Second Reading

Mr RENSHAW (Castlereagh), Treasurer [7.48]: I move:

That this bill be now read a second time.

This bill is the last of the series of three relating to racing activities which I referred to earlier. It provides for amendment of the Bookmakers (Taxation) Act, 1917, to permit the Minister to forgo or allow time for the payment of any additional tax that may become payable due to the late payment of turnover tax; and to require a racing club that conducts horse, pony or greyhound races, or trotting contests, to furnish a return showing the names and addresses of persons who carried on business as bookmakers at a race meeting conducted by the racing club.

On the first aspect I should like to explain that when, authorizing the waiver or deferment of taxes up to the present the Minister has relied on section 7 of the Finance Taxation Management Act, 1915, which gives a general power to waive late payment penalties incurred in terms of the Bookmakers (Taxation) Act, 1917. The Miscellaneous Acts (Taxation) Repeal Bill, which is now before the House, provides for repeal of the Finance Taxation Management Act, 1915, and accordingly it is necessary to include formal provision in the Bookmakers Taxation Act, 1917, to vest the Minister with necessary authority to forgo or allow time for the payment of additional tax payable under section 12 of that Act.

I am sure honourable members will agree that continuance of such a provision is important as there are occasions when through no fault of a bookmaker delays in payment of turnover tax may occur due to illness or mail strikes, et cetera, and it would be harsh to enforce the additional payment under these circumstances. As I have already indicated, the bill provides for a racing club to be required to furnish to the Minister a return showing the names and addresses of persons who carried on business as bookmakers at a meeting conducted by the club. This information is currently supplied in terms of the Finance Taxation Management Act, 1915, and the Finance (Greyhound-racing Taxation) Management Act, 1931, in respect of the tax levy imposed on their income from bookmakers' fees.

With the repeal of the legislation imposing the levy, it will be necessary to make separate provision under the Bookmakers (Taxation) Act, 1917, for the continued submission of a return of persons who operate as bookmakers at a race meeting. The bill provides for a penalty of up to $200 for failure of a club to furnish such a return. The return is essential as a means of checking that bookmakers pay betting tax for all race meetings at which they field. This is virtually a machinery bill, which I commend to the House.

Mr COLEMAN (Fuller) [8.2]: As the Treasurer said, this is virtually a machinery bill. It is perhaps the simplest of all in the series of racing bills that he has brought before the House. Honourable members on this side of the Chamber certainly welcome the amendment that will permit the Minister to forego or to allow time for payment of any tax payable under section 12 of the Bookmakers Taxation Act. Having repealed the legislation that provided for the submission of certain returns by race clubs, the Treasurer must now substitute other legislation. This has been done by the machinery provided in this measure. There can be no objection to the bill.

Mr JONES (Waratah) [8.3]: I support the Treasurer on his presentation of this essential measure. These are changing times, and often new provisions have to be made to meet difficulties that develop. One of these difficulties is that bookmakers, especially those who operate outside the metropolitan area, have difficulty in arranging for their returns to be delivered to the Treasury by the required time. Of course, they could drive their motor cars to Sydney and present them personally, but they should not be obliged to do that. I had in mind that the Minister might accept the postmark on the envelope containing the returns as evidence of the date of submission. If this practice were adopted, it would overcome the problem I have mentioned. I make this suggestion having in mind the delays that occur to mails, especially during postal strikes.

Another matter, which I have already mentioned to the Treasurer, is that the definition of race meetings includes pony racing, which disappeared many years ago. At an appropriate time when further amending legislation is being submitted to this Parliament, the Treasurer might give consideration to deleting pony racing from this definition. At one time pony racing was conducted for horses that were 14.1 and 14.2 hands high, but those horses were incorporated in the normal horse racing structure. I fully support the bill and congratulate the Treasurer on bringing it down so quickly. The measure helps to give effect to part of the Government's policy to assist the racing industry, to get it back into business again, and to enable it to operate effectively.

Motion agreed to.

Bill read a second time.

Third Reading

By leave, bill read a third time, on motion by Mr Renshaw.

## STAMP DUTIES (AMENDMENT) BILL

Second Reading

Mr F. J. WALKER (Georges River), Attorney-General, on behalf of Mr Renshaw [8.7]: I move:

That this bill be now read a second time.

The amendments contained in the bill represent probably the most important changes in death duty legislation since this tax was introduced in New South Wales. They exemplify the Labor Government's determination to ensure that death duty is applied with compassion and that the tax operates as equitably as possible. I chose those words deliberately since they describe so accurately the objectives of legislation in today's social and economic environment.

Death duty has, of course, been in force for over a hundred years. During that time major changes have occurred in family life and in the role of women in society. I think it is fair to comment that legislators have been slow to recognize that marriage is now very much a partnership and that women make a major contribution to the accumulation of family assets. By giving effect to the Government's promise to provide a complete exemption from death duty to property passing to a surviving spouse, the bill fully meets the tests of compassion and equity.

Another major change that has been of special significance so far as death duty is concerned is the widespread use of duty avoidance measures. Tax avoidance is certainly far from novel, but the past twenty years has seen an amazing growth of such schemes in the death duty area. The failure of governments to tackle this problem has resulted in the burden of death duty falling increasingly heavily on the shoulders of relatively fewer taxpayers. The loss of revenue has also provided a major dbstacle to the granting of reasonable concessions. In this fundamental regard, the existing legislation thus fails to meet the test of equity. The bill will overcome this failing.

I shall make just one further policy comment. It has been a far too commonly held view that tax laws are made just to be broken. We are aware that lawyers, accountants and tax consultants painstakingly seek out the flaws which inevitably creep into the language used in tax laws and then proceed to design schemes to take advantage of any loophole they find. We are resolved to make the game not worth the candle. If loopholes are found we will quickly close them. If new devices are developed we will tackle them. In short, we intend to ensure that the revenue is protected, and that no taxpayer gains an unfair advantage over another.

The exemption in relation to the surviving spouse is to apply to all property, real or personal, passing under a will or under the laws of intestacy. It will also cover what is known as notional property. So far as life estates are concerned, the position will be that the value, actuarially calculated in the normal way, of 'the interest of the spouse, either as life tenant or remainderman, will not be liable to death duty. The exemption will apply irrespective of the value of the estate. While some may argue that an upper limit should have been specified, this would have been contrary to the principles I referred to earlier. Moreover, it is commonly known that the more valuable an estate, the greater the incentive this provides for tax avoidance or, perhaps, even evasion. It will not be a valid plea in future that death duty is so heavy that taxpayers are forced to try to reduce the burden by such measures. The necessary amendments are contained in the schedule 1, which amends section 101D and 112D.

Schedule 2 contains the amendments aimed at closing loopholes in the Act. These relate to companies, the tracing of gifts and the granting of options. A modification is also to be made to the existing provisions of section 102 (2) (D) which bring within the charge for duty a gift of property which does not meet the test relating to bona fide possession and enjoyment. This latter amendment is of a concessional nature. In my opening remarks I referred to the widespread use of duty minimization procedures. Fcremost among these have been schemes which make use of family or controlled companies. These have been based on the premise that, unlike humans, companies never die and that what is transacted is an arrangement by the company as a separate entity and not by the person or persons deciding what the company will do.

I wish to make it clear that the new provisions do not alter the basic thrust of the death duty legislation. What they seek to do, however, is to bring within the dutiable estate, gifts or other dispositions of property which are made through a company over which the deceased had control, or over which he could exercise control. The provisions remove the veil and apply the same tests for duty purposes as

would apply had they been made by the deceased as an individual. Although the objectives are quite straightforward, extensive amendments are necessary to achieve them. These mainly involve defining the various acts, omissions and circumstances which are to give rise to a charge for duty.

There are two principal definitions, namely disposition of property and controlled company, but the definitions of associate and associated operations are also of considerable importance. With regard to the first of these, it has been considered desirable, for drafting purposes, to recast the existing definition of a disposition of property. Paragraph (e) of the existing definition has been considerably expanded while paragraph (f) and paragraph (g) are new.

It may assist honourable members to obtain a better understanding of the amendments if I relate briefly the nature of the transactions which have been adopted in duty minimization schemes. There are two basic arrangements involving companies. The best known is, of course, the Gorton type. Of longer standing is the Robertson device. This latter involves the automatic variation of the rights of shares immediately on the death of a shareholder. This results in a considerable reduction in their value and the consequent increase in the value of other shares.

In the case of the Gorton schemes, a series of transactions takes place, on the completion of which the value of shares of a certain class are diminished and the value is transmitted to other shares. Numerous variations of these arrangements have been adopted and journals and other literature are full of suggestions such as the appointment of managing directors, the making of loans, declaration of dividends in favour of particular classes. of shareholder and so on. The aim in all these schemes is to reduce the value of a person's estate while still leaving him in a position to control or determine the actions of the company.

In the light of these developments, the bill is directed to bring to charge the amount by which a person's estate or wealth, valued on the normally accepted basis, is diminished consequent on some disposition of property or transfer or benefit, by whatever name, which gives rise at the same time or at any later time to an increase in another's estate or wealth. Under the proposals this diminution is deemed to be property. Cases arise where a person has the power to acquire property such as dividends and could increase his own wealth but does not do so, or alternatively, can decide whether to have a dividend paid to others even though he cannot declare the dividend in his own favour. Where the property passes to another person this will be also regarded as a disposition and in most instances will represent a gift.

One of the problems encountered is the determination of the legal location of the diminution. In this respect the bill provides for the diminution to be regarded as personal property situated within the State. However, in order to avoid the net being too widely spread, the Commissioner of Stamp Duties is empowered to determine otherwise where he considers the circumstances so warrant. A disposal of property by a controlled company, be it a conveyance of realty or an allotment of shares, will be regarded as a gift, subject to any actual consideration passing. Moreover, each associate of the company—and this includes directors and shareholders—will be regarded as being the donor. The commissioner again has a discretionary power and will take into account the interests of all shareholders and any other relevant factors.

The amendments are directed also to debts that are allowed to become unenforceable. When this eventuates the person entitled to payment is to be regarded as having made a disposition of property. However, provision is made for cases where the debtor later, although not obliged at law to do so, makes repayment of the then unenforceable debt. In such cases no question of death duty liability will arise, either in respect of the debtor or the creditor. Provision is made also to cover option

arrangements. In recent years these have proliferated and those aimed at avoidance of duty invariably specify that the option must be exercised by the optionee in his lifetime. The amount paid for the option in these circumstances will & the amount liable for duty less the value of the option to the extent it has been exercised before death.

In all of the instances to which I have referred the bill defines the circumstances under which the disposition is deemed to have taken place, the person by and to whom the disposition is made, and the value and the time such disposition is deemed to have been made. These are all essential to establish whether or not the property involved is to be brought within the dutiable estate. In this regard the longstanding provisions of the Act relating to gifts of property, as amended by this bill, will apply. Those transactions which will be characterized as gifts by a deceased person will be liable to duty if made within three years of death.

As I mentioned earlier, the terms associate, associated operations and controlled company are specially defined. In addition, because a controlled company is defined, *inter alia,* as any corporation under the control of not more than five persons, and persons related to one another are to be treated as one person, the bill outlines in some detail the meaning to be ascribed to the term "related to". ***[Quorum formed.]*** I should have thought that tonight honourable members of the Country Party in particular would have packed the benches. Their estates will lose literally millions of dollars with the enactment of this measure.

Mr Punch: That is why the Minister is gloating so much.

Mr F. J. WALKER: I think it should cost the Leader of the Country Party at least $10,000 in legal fees to solve his problem.

***[Interruption]***

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

Mr F. J. WALKER: I refer honourable members to paragraphs (b), (c) and (h) of item (1) of schedule 2 to the bill for the relevant definitions. I might also mention a new subsection **(23)** which is embodied in the bill and referable to guarantee companies. While the provision is definitive only, it can lead to a guarantee company also coming within the definition of a controlled company. It is recognized that difficulties of valuation of shares can arise in the light of previous court decisions as to value. Rights attaching to shares, except those specifying entitlement to certain monetary benefits have been recognized only on rare occasions by the courts. Gregory's case is perhaps the most recent and does tend to suggest that more regard will be had in the future to rights and powers which cannot be measured in money terms, be these powers to full control, who shall vote or veto decisions voted upon, power to appoint or remove directors and so on.

To a layman it would seem inconceivable that a person who virtually had overall control of a company should allow his shares or rights to be assigned a relatively low value as against other holders with little or no control. This aspect is fairly simple to assess if shares have equivalent rights, but when **A,** B and ***C*** class shares are introduced it is impossible to law down firm guidelines for valuation because of the varied rights attaching to different classes. Arising from this situation, a special overriding provision is included in the bill which is designed to enable the commissioner, in his discretion, to assess as the dutiable property the net assets of a controlled company, having regard to all relevant factors. The provision may apply where the

deceased was associated with a company at his death. It may also be applicable where the company is wound up within three years of his death. Paragraph (h) contains the relevant provisions which are to be included in the principal Act as new subsections (19) to (22) of section 100.

I should, perhaps, add that in drafting the comprehensive provisions covering these matters a close study was made of the legislation in other States, in both the death duty and gift duty areas and of the Commonwealth income tax and gift duty Acts. At the same time, in accordance with the Government's overall objectives every attempt has been made to overcome shortcomings which have become apparent, especially in the company provisions in other States. I turn now to the other amendments proposed.

Following the decision in Drew's case some years ago the commissioner has been precluded from tracing property. As a result, gifts are frequently made in cash to enable other forms of property which were the object of the gift, to be obtained. The bill amends paragraph (c) and (d) of section 102 (2) to overcome the deficiency. Under the new provisions, the proceeds of the sale or conversion of property originally comprised in a settlement, trust or other disposition of property, and all investments for the time being representing it or in any manner substituted for such property, is deemed to be property passing under the settlement, trust, et cetera or the subject-matter of the gift for purposes of the two paragraphs. Section 102 (2) (b) which deals with gifts made within three years of death is not affected.

The commissioner is authorized, however, to have regard to any depreciation of the property and if the original disposition comprised money which cannot be identified, the amount of the money falls into the dutiable estate. In this area some schemes have been related to the purchase of annuities. As a normal commercial business transaction, this does not cause a problem. However, because of the deficiencies brought to light by reason of Drew's case, it is possible, for example, for a son to be paid a lump sum by his parent for an annuity, calculated on the basis of information supplied by a reputable insurance company, although without the security and recognized safeguards which would normally be expected.

In reality there is no intention on the part of the purchase to regard the transaction as a true business arrangement, even though the due annual instalment is often paid over. Usually the aim is to assist the son and, until now, the payment of the lump sum has not been able to be charged as it can no longer be identified at the date of death. Such transactions are to be brought within the scope of the Act, but the purchase of annuities as a normal commercial transaction is excluded from any liability if the arrangement is made with a recognized life insurance company. I should add that, with the inclusion of the new company provisions section 102 (2) (d) is extended so that the normal link for past gifts will cover gifts by a controlled company. The connecting link will be the deceased person's association with the company within the standard 3-year period prior to death.

The remaining provisions in the bill are in the main consequential. Allowance is made for the offset of duty payable outside New South Wales in respect of the notional classifications of property which might also be caught up in other States' legislation. Additionally, a charge is placed on assets in New South Wales of a controlled company in certain cases. There is also a requirement to notify the commissioner of specific dispositions of property, with an appropriate penalty for failure to comply with the provisions.

In my introductory remarks I mentioned that a concession was also to be provided in the case of section 102 (2) (d). Under the provisions of that section a

gift of property made outside three years of the date of death is brought within the estate where the donee did not retain bona fide possession and enjoyment of the property to the exclusion of the donor. This is a matter of great importance to the members of the Country Party. These provisions have operated somewhat harshly. It it often the situation that the donor is, for example, only residing in the residence on a farm with his son or daughter and has no interest and does not receive any real benefit from the total property which was comprised in the original transfer. The concession is limited to land and is designed to bring to charge only part of the property and, in the case referred to, would usually represent the residence and its surrounds.

Finally, section 137 has been redrafted to make it more effective. This section refers to actions taken with the intention of evading duty. It has been found in practice that it is virtually impossible to establish intention to the satisfaction of the court. The amendment has had regard to section 260 of the Income Tax Assessment Act. Similar provisions already exist in Victoria in the land tax, stamp duty and payroll tax fields, and it is understood that the corresponding provision is included in substantial amendments now being made to the Probate Act in that State.

Paragraph 8 of proposed new subsection (3) of section 100 of the principal Act, as set out in schedule 2 contains the relevant amendment. This makes absolutely void, for the purposes of the death duty provisions of the Stamp Duties Act only, contracts, agreements or arrangements with the purpose or effect of relieving any person from liability to pay any duty or file any statement, or of avoiding any duty or liability, or affecting values or preventing the operation of the Act.

That completes my review of the bill. There are, however, two other aspects which I wish to comment on before concluding. The first is the date of operation. The concessions and the new taxing provisions will apply in respect of deaths which occur on or after the date of assent. It was suggested in the debate on the Budget that the Government should have fixed an earlier specific date for the operation of the exemption for spouses. I can understand that view but it has always been the practice in this State to adopt the date of assent as the operative date for such measures, whether of a concessional or other nature.

In the present case the Government had undertaken in its successful election campaign to introduce the exemption and to close the loopholes. We made no firm promise as to the timing of these measures and the fact that they are being introduced as part of our first Budget indicates the importance we attach to them. Some estates, unfortunately, will miss out on the very substantial concession being provided. Although we regret this, exactly the same position would apply no matter what date was chosen. The Commissioner of Stamp Duties, however, is always willing to consider sympathetically deferment of duty where hardship can be shown to exist.

I also feel that I should comment, in advance of possible criticism, that the measures closing the loopholes will be retrospective in application. The measures will not catch up any estate where the death occurs prior to the date of assent, but they will apply to deaths from that date where the schemes are already in operation. For the Government's part, we do not view this as retrospectivity. Indeed, the former Government took the same view when it amended the legislation in 1972 to overcome the loophole which existed in respect of lump sum superannuation benefits following Wayne's case. Trust schemes had been set up allowing discretion in the choice of beneficiaries to the trustees. Substantial benefits paid out were not caught for duty in these cases, although many other superannuation schemes did not revert to making use of the deficiency in the legislation to avoid liability.

To adopt any other course would mean the granting of permanent immunity to those who are fortunate enough to have effected schemes before the legislation could be amended. It is known that solicitors warn their clients that a certain result will be achieved as the legislation currently stands. They probably warned the Leader of the Country Party to that effect when he set up his family planning scheme. The literature is full of warnings that possible changes in the legislation might take place. In my earlier remarks I made it perfectly clear that the Labor Government will act to make sure such warnings are well founded.

I might also refer to the present phrasing in the Stamp Duties Act in the definition of disposition of property, in paragraph (e). This reads:

> Any transaction entered into by any person with intent thereby to diminish directly or indirectly the value of his own estate and to increase the value of the estate of any other person.

It is clear that, notwithstanding the deficiencies of this wording, the types of schemes now caught up were always intended to be dutiable in estates. I believe the application of the amendments to all estates of persons who die on or after the date of assent is fair and reasonable.

The second and final aspect relates to the revenue implications. In the absence of statistics as to the composition of estates, it is difficult to make precise statements in this regard. However, the likely cost of the concession could be between $20 million and $30 million but the closing of loopholes could offset most of this. We would expect that the net cost to the Budget would be of the order of $10 million in a full year. Because of the time which is usually taken to lodge estate affidavits there will be little if any impact this year. I stress, however, that every spouse of a person who dies on or after the date of assent will be relieved of the burden of having to pay death duty on the property left to her or him. I commend the bill to the House.

Debate adjourned on motion by Mr Maddison.

## LIQUOR (FURTHER AMENDMENT) BILL

### Second Reading

Mr **MULOCK (Penrith)**, Minister of Justice and Minister for Services [8.31]: I move:

> That this bill be now read a second time.

As has been stated many times in this House, liquor legislation is one of the most diicult and controversial areas upon which legislators may encroach. It does not matter which way the Liquor Act is handled, there are cries from one side of the fence or the other, the former wanting anything from a total prohibition to an increase in the strictures of the legislation, and the latter wanting anything from extended hours to no control whatsoever. To find a balance between the extremes of these views, which would make everybody happy, is utterly impossible. That being as it may, the legislation with which this bill deals is, in the main, applicable to only procedural aspects of the Liquor Act. There are two exceptions to this general rule which relate to registered clubs. However, I shall deal with those in due course.

As will be seen in this measure the Parliamentary Counsel has dealt with the four concepts involved in these amendments by way of separate schedules. Schedule 1 deals with the calculation of licence fees and imports a new definition of person

authorized to sell liquor as meaning licensees and holders of permits and certificates of registration and includes parsons authorized to sell liquor by the law of any other State or territory of the Commonwealth. The whole purpose of this definition is to achieve uniformity throughout the Act; whereas in various sections of the principal Act expressions such as licensed persons, persons licensed to sell liquor, secretary of any club, person who is the holder of a permit and the like are used. Item (1) (b) of schedule 1 now spells out by way of definition what the Licenses Reduction Board must take into account when calculating licence fees that are fixed on a percentage basis.

Honourable members may recall that around June of this year there was a slight coverage in the press about a scheme that would enable licensees to escape payment of some of their annual renewal fees. Briefly the scheme worked in this manner: a wholesaler would obtain his supplies from the manufacturer or brewer for $X; he would then sell it to the retailer for $X but he would, in addition, charge the retailer $Y and $Z for delivery fee and service fee respeotively. These delivery and service fees, of course, represented handling charges, profit margin and delivery charges. However, the amounts of $Y and $Z were calculated on a percentage basis—1.5 per cent and 3.5 per cent respectively—of the amount payable for the liquor.

Under the existing legislation it is provided that the fee that shall be paid for the renewal of a publican's. licence shall be a sum equal to 8 per cent of the gross amount, including any duties and sales tax paid or payable for all liquor, other than liquor sold by the licensee to other licensed persons, which during the twelve months ended on 31st December next preceding the date of application of renewal of a licence, was delivered upon or purchased for the premises in respect of which such renewal is sought. Similar provisions apply in respect of other forms of licences, except spirit merchants' licences, permits and certificates of registration of clubs. On the renewal of a spirit merchant's licence the licence fee shall be a fee equal to 8 per cent of the gross amount, including any duties and sales tax thereon, paid or payable by the licensee for all liquor which during the same period as mentioned above was sold or disposed of under such licence to persons other than persons licensed to sell liquor.

For the purpose of assessing spirit merchants renewal fees a person licensed to sell liquor includes not only persons licensed to sell liquor under this Act but also persons licensed to sell liquor in any State or territory of the Commonwealth. The aim of the exercise outlined was to enable the retailer, when he was submitting to the Licenses Reduction Board his figures for the gross amount paid or payable for all liquor supplied to him during the preceding twelve months for assessment of his renewal fee, to deduct the amount of delivery and service fees. One of the aims of this bill is to clarify in as precise terms as possible what the board must take into account when assessing licence renewal fees.

The definition says that the amount paid or payable for liquor by or on behalf of any person shall include any amount paid or payable for or for the hiring of any containers or packages in which the liquor is or is to be contained or packed; any amount paid or payable as packing or handling charges; any amount paid or payable as freight or other delivery charges to the supplier of the liquor other than an amount paid or payable to that supplier as reimbursement for those freight or delivery charges or paid or payable by that supplier as a common carrier, as well as any amount paid or payable for the liquor. The Licenses Reduction Board is empowered also arbitrarily to assess a licence fee if the board is of the opinion that an amount purported to be paid for the various items set out above is less than the true value of that item.

I might explain that with regard to the freight aspect several systems operate. First, in a zoned area within the metropolitan area which is fixed by the industry, freight is included in the price of the liquor and therefore included in the assessment figure. In

other cases, in certain country areas where the breweries have depots, liquor is delivered free on rail Darling Harbour, trucked to the country depot and then delivered to the licensee. The brewery pays the railway freight and also charges cartage from the depot to the licensee and shows the railway freight and cartage as a separate item. In this case the railway freight and cartage is not part of the price paid for liquor and is therefore not assessable. In the third case liquor can be delivered free on rail Darling Harbour for consignment to a licensee in the country where no depot is situated. The licensee is responsible to pay the railway freight and cartage from the country rail head to the licensed premises. This freight and cartage is not included in the price paid or payable for liquor and again is not assessable.

The majority of the amendments contained in schedule 1 are consequential on the insertion of the new definition of persons authorized to sell liquor and the new method of calculation of licence fees. I must point out, however, that the new definition of persons authorized to sell liquor has an effect on section 168B of the principal Act. As I have said, the new definition in schedule 1 of persons authorized to sell liquor includes persons authorized to sell liquor by the law of any other State or territory of the Commonwealth. Section 168B requires suppliers to furnish details to the Licenses Reduction Board for assessment purposes, of names and addresses of persons to whom liquor was sold, supplied or delivered; the quantity of the various kinds of liquor supplied and so on; and the amount paid for such liquor.

As a consequence of this new definition, section 168B is amended in such a way as to require suppliers to furnish details to the Licenses Reduction Board of liquor sold to persons licensed to sell liquor in other States. This information will be furnished by the board to the licensing authorities in other States. Following a recent meeting of all States licensing authorities it was agreed that an approach would be made to their respective Ministers to amend their legislation to accord with what this State is doing. The effect overall of the amendments would be to assist all States in obtaining similar information from other States in respect of liquor supplied to licensees in that State from interstate suppliers. In this regard it might be mentioned that the major interstate suppliers presently do this on a voluntary basis.

One final point I raise on this particular amendment is that item (1) (b) refers to the amount paid or payable by or on behalf of any person for any liquor. As the Act stands reference is made only to the amount paid or payable by the licensee for all liquor purchased. A number of the large stores make themselves responsible for payment for liquor purchased on behalf of their licensee employees. Strictly speaking therefore as the Act stands these particular licensees are not caught up in the assessment provisions. Item (1) (b) of schedule 1 seeks to overcome this by specifically referring to amount paid or payable by or on behalf of any person.

Schedule 3 introduces a system which will enable persons authorized to sell liquor to pay their fees on renewal by two instalments. It is not intended that the payment by instalment scheme shall apply to the following: new licences, permits or certificates of registration; booth licences; limited public hall licences; permits under section 57A to supply liquor with bona fide meals or suppers in licensed or club premises; extended section 57A permits with entertainment—by section 57B—permits under section 57C to supply liquor with meals where an Australian wine licence is involved, or brewers licences.

The Government recognizes the difficulties that are confronting many small licensees due to the current economic situation and consistent with its policy to assist small businesses within the State has decided to take this action. It does not believe that a similar concession should be granted in respect of new licences and so on, on the basis that if the successful applicant is unable to find the full licence fee on the grant, he

should not be entering the industry. The first instalment will be due on or before the 20th June and the second on or before 30th November each year. It might be noted that there is still provision within the Act for those persons who wish to pay the fee in one lump sum. If anyone elects to pay in this manner the fee will be due on or before 30th June, as at present.

Consequent upon the introduction of this scheme schedule 2 provides that all renewals of licences, permits and certificates of registration will now be granted by the secretary of the Licenses Reduction Board, where no objection to renewal has been taken. The secretary will also renew section 57A permits which, as I have said, allow licensees and holders of certificates of registration to supply liquor with bona fide meals outside normal trading hours, and section 57C permits, which enable holders of Australian wine licences to do the same. This means of course that all licence fees on renewal will be paid to the secretary of the Licenses Reduction Board instead of to the clerk of the licensing court for the district in which the licensed premises are situated.

The present procedure with respect to renewals of licences and so on is that the licensee, lodges with the clerk of the licensing court for the district in which the premises are situated a notice of his intention to apply for a renewal of his licence. The clerk then refers the notice to the district licensing inspector for his report. The application is set down for hearing and the court makes a decision. If there are no objections the matter is dealt with by the court on the day and it authorizes the clerk of the court to issue the renewed licence. If there are objections the matter is adjourned to a suitable date for hearing. This outmoded procedure makes severe inroads into court and police time.

The new procedure will require that licensees, both country and metropolitan, will lodge their renewal applications direct to the secretary of the Licenses Reduction Board who will, if no objections have been lodged on or before 31st May, issue the renewed licence without the necessity for the licensee to attend the court. If objections have been taken, the matter will be set down for hearing by the court of the district in which the licensed premises are situated. If the court grants the renewal, the secretary of the Licenses Reduction Board will still issue the renewed licence. Apart from saving the time of the court and the licensing police, the new procedure is warranted by an alteration to the board's computer programme as well as facilitating payment of renewed licensing fees by instalments. It might be added that schedule 2 contains also provisions for proportionate refunds to licensees where fees have been reassessed in their favour.

I now turn to schedule 4 which has the effect of enabling registered clubs to make more than one application to the licensing court to increase their memberships. As honourable members will know the former Government amended the Liquor Act in 1969 in a manner that had the effect of fixing ceilings on club membership. When that amending bill was before the House on that occasion we as an Opposition objected strenuously to the introduction of these provisions. As honourable members will know, the former Government introduced legislation that had the effect of limiting club memberships in the following manner. If a club that was registered prior to 30th June, 1969, had a membership of 5 000 or fewer it could increase its membership to only 6 250; if its membership was between 5 000 and 10 000 it could increase membership by only 25 per cent; if it was more than 10 000 it could increase only by a maximum of 12.5 per cent. If a club was registered after 3rd December, 1969, there is no way in which its membership could be increased beyond 6 250.

The former Minister proclaimed that this amendment would be for the benefit of the club industry as a whole but as we all know by the protestations that went on at the time the club industry thought otherwise. The coalition Government, however,

adopting a paternalistic role, thrust these unwanted restrictions on the club industry notwithstanding the vehement objections that were raised. Honourable members will recall also that during the debate on the Registered Clubs Bill earlier this year, we as an Opposition again pressed strongly for some relaxation of this burdensome restriction. In moving an amendment to the section in the Registered Clubs Act relating to club membership I said, among other things, "The Opposition seeks to delete the restriction and thereby leave the way open for a club to approach the court on any number of occasions that it might wish, should changed circumstances prevail". The Premier indicated that the Opposition, as we then were, "is committed wholly and solely to introduce an amendment in this legislation which will give effect to the real and practical amendment". This was a reference by the Premier to the amendment moved by me on behalf of the then Opposition. I said also: "I think it is sufficient to revert to the real issue, which is first whether the court should have as a guideline the precept that special circumstances must be established to increase club membership; second, whether clubs will be able to approach the court more than once on the issue of membership. We say there should be no need to establish special circumstances. In our contention a club should be able to approach the court more than once on the issue provided its application is fair and reasonable".

The amendments to section 134A of the Liquor Act as contained in schedule 4 are aimed at honouring the undertakings we gave while in Opposition. Section 134A (4) allows for clubs in existence prior to the commencement of the Liquor (Amendment) Act, 1969, to make application to increase membership. Under section 134A (3), of course, no club which came into existence after the commencement of the 1969 Act could ever increase beyond 6 250. That position will be remedied. Riders to section 134A (4) (a) provided:

> Any application under this paragraph shall be made within three years from the date of the Liquor (Amendment) Act, 1969, or such further time as the licensing court may in special circumstances allow.
>
> Where a club has made an application under this paragraph it shall not be entitled to make any further application under this paragraph.

The licensing court, quite naturally interpreted the phrase "may in the special circumstances allow" to mean special circumstances why the application was not lodged within the three-year period. The situation now is, of course, that no club may make an application for an increase in its membership.

A typical case of how changing circumstances can effect a club is the Albury Commercial Club. I shall quote from a letter I have received from that club. It is in these terms:

> As you are no doubt aware our club has reached the limit of 6 250 and have no avenue available to apply for increased membership. Briefly the story is as follows—
>
> In 1969 when the Liquor Act was amended the club under different management and directors considered it unnecessary to make application for the right to apply for an increase above 6 250. Since 1972 the club has changed management and directors and has become a progressive club.
>
> Also Albury/Wodonga has been declared a Commonwealth Growth Centre with an expected population of 300 000 by the year 2000.

The effect of Item (2) of schedule 4 is simply to allow a club to apply to a court on any number of occasions to increase its membership and the question of special circumstances does not arise. The effect of item (1) is to enable clubs which came into existence after the commencement of the Liquor (Amendment) Act, 1969, also to

apply to increase their memberships. In removing these restrictions the Government believes that the guidelines set out in section 134A (4) (b) to the licensing court are sufficient to ensure that sizes of clubs do not get out of hand as seems to have been the worry of the Government in 1969 when it imposed these restrictions. As at present framed one of the matters that the licensing court shall take into consideration is:

> any financial embarrassment likely to be occasioned to a club which had at the date of commencement of the Liquor (Amendment) Act, 1969, facilities sufficient to accommodate an increase in membership beyond the number which would otherwise be applicable to the clubs.

To give effect to the Government's intention it is essential that relevant dates should be updated. Accordingly the effect of the amendment made by item (3) of schedule 4 is to require the court to look at the financial embarrassment likely to be occasioned to a club which had on the date on which the application commenced facilities sufficient to accommodate an increased membership. In other words, if the club cannot accommodate the increased number sought, the application should not be granted, which is in itself a brake on membership numbers getting out of hand. If one of the larger clubs such as South Sydney Junior Rugby League Club Ltd, for example, makes an application for an increase in its membership it must prove that it has facilities already existing to accommodate the extra members.

A consideration of the number of applications made for increases since these limits were imposed and their results, is interesting. There were a total of 65 applications made for increases, of which 59 were successful. More than 33 per cent of the successful applications were for premises situated outside the metropolitan licensing district. Obviously, the former Government did not have the country dweller in mind when these unconscionable restrictions were introduced. Only slightly more than 25 per cent of the successful applications were for membership increases greater than 20 000. Yet almost 29 per cent were for membership within the range of 6 250 to 10 000. Naturally, this leaves the remaining 46 per cent, the bulk, in the 10 000 to 20 000 bracket. I might say that the former Government saw danger in clubs becoming larger. Certainly its approach has proven far too restrictive.

I assure all honourable members that this Government does not agree to an open-slather approach. The guidelines will be maintained and will be a reasonable protection in themselves. I might just add that the fourth guideline contained in section 134A (4) (b) is no longer applicable; item (4) of schedule 4 deletes the provision. I think I have made it abundantly clear that we have always been opposed to this restrictive provision and have no apologies to make for introducing these amendments.

This brings me on to another matter that appears in the Registered Clubs Act. That is, the situation regarding persons between the ages of 18 to 21 playing poker machines. Section 30 (2) (b) of the Registered Clubs Act provides that the rules of a registered club shall be deemed to include a rule that a person under the age of 18 years shall not use or operate poker machines on the premises of the club. The Deputy Leader of the Opposition referred to the Registered Clubs Act which his Government enacted earlier this year. It is true that the Act has not been proclaimed to commence—for the very good reason that the Government, in conjunction with the club movement, is having another look at it.

With a view to giving the club movement an opportunity actively to participate in advising the Government on matters affecting the day-to-day administration of registered clubs, a registered clubs advisory council, consisting of representatives from

the various registered clubs associations and organizations, has been established by me. The council is currently reviewing the Registered Clubs Act and, when its recommendations are received and examined, the Government will introduce legislation that will provide a charter within which registered clubs may operate.

In the meantime, of course, this leaves the anomalous situation of persons 18 years and over. The Minors (Property and Contracts) Act, 1970, regards persons of 18 years and over as of full age and adult, being able to marry, go to war, sign contracts, and so on, but being unable, should they wish, to play poker machines. Criticism of the Government's action in reaffirming the Parliament's decision to allow 18- to 21-year-olds to play poker machines as provided for in the previous Government's Registered Clubs Act passed earlier this year does not stand scrutiny. As honourable members will perceive from the wording of the amendment in schedule 5, it is not intended to compel clubs to allow persons under 21 to play the machines. The amendment merely permits a club, if it wishes so to do, to amend its articles to allow persons not less than 18 years to play poker machines. At the introductory stage I was happy to hear that the Deputy Leader of the Opposition supports this amendment. Also, at the moment persons between the ages of 18 to 21 years must be nominated and seconded for membership of a club by members over the age of 21. One of the amendments contained in the bill is designed to rectify this anomalous situation.

Another procedural amendment that is introduced by this bill in schedule 6 will empower the licensing court to impose conditions and provisions on the grant of a spirit merchant's licence or a permit under section 57A and 57C of the Liquor Act. The present procedure is that every year the licensing court requests certain licensees and permit holders to attend at the hearing of their renewal application to give undertakings to the court. An example of this would be for a spirit merchant to give an undertaking that he would sell liquor only to persons authorized to sell liquor under the Act. The original undertaking would have been given on the grant of the licence, and the licence would have been issued only on the basis that the undertaking was given.

At the introductory stage the Deputy Leader of the Opposition expressed some concern whether this amendment is acceptable. I point out that the present provisions of the Act permit, for example, even the clerk of the licensing court to issue a booth licence subject to such conditions and provisions as he may impose. Another example is that theatre licences and public hall licences are issued subject to such conditions and provisions as the court may impose. There is nothing sinister, therefore, in giving a statutory power in relation to spirit merchant's permits and section 57A and 57C permits which the court insists upon at the moment.

Clause 4 deems any previous undertaking given on the grant of a spirit merchant's license or section 57A or 57C permit before the commencement of this legislation and recorded in the court records to be a condition or provision imposed by the court. Various amendments contained in schedule 6 give the court the power to impose conditions and provisions in the future. The new procedure will remove the necessity for licensees and permit holders attending the court, which has been a bugbear for many years. The court will be empowered to revoke or vary any of the conditions imposed, on an application being made by the licensee or permit holder or the district licensing inspector. Further, under item (6) of schedule 6 the licensing court will be empowered to disqualify any person who breaches any of the conditions or provisions imposed by the court.

Items (7) and (8) of schedule 6 merely correct an existing anomaly. At the moment the court has no power to restore lapsed or expired certificates of registration

of clubs or permits to sell liquor held by universities and colleges of advanced education. This amendment brings these two classes in line with other licences, et cetera, under the Act.

To illustrate the existing problem which will be cured by this amendment, I shall describe a case that occurred this year. A Sydney club, in accordance with the Act, made an application for renewal. On 30th June it gave to a courier service, for delivery to the Licenses Reduction Board, a statutory declaration that is required by the Act and a cheque for the requisite amount. The cheque was delivered to the court but in transit the declaration was apparently mislaid. As the requirements of the Act were not met, in that the declaration was not furnished in the specified time, the club was forced to close. It was then required to make an application for a new certificate of registration. At present the court, by section 131, has power to restore lapsed or expired licences. This amendment merely cures an anomaly because if the same set of circumstances, as outlined above, had occurred with an hotel the court has power to restore the licence and no fresh grant is required.

Other amendments contained in the bill are of a minor or ancillary nature. I do not intend to go through them as I do not feel they warrant mention at this stage. Apart from aiming to correct a problem that affects the revenue of this State, the bill honours an undertaking the Government has given to ease the financial burden on persons authorized to sell liquor by enabling them to pay licence fees on renewal by instalments. It also aims to assist the club industry in certain respects.

The Government is mindful of the fact that the Liquor Act is in need of general review and not only as it affects clubs. The Registered Clubs Act has not been scrapped but, as I indicated earlier, is being reviewed by those who are closely associated with the practices and procedures in operation in the club industry. When the advisory council's deliberations on the Registered Clubs Act have been given to me, I shall move to have a registered clubs charter introduced without delay. I commend the measure to the House.

Mr MADDISON (Ku-ring-gai), Deputy Leader of the Opposition [8.58]: We have listened to a fairly dreary account of what is contained in the measure. I am grateful to the Minister for his indulgence in providing me with a copy of what he was about to say, but I must confess that half-way through his speech I realized that two pages were missing from the copy of the speech I had been given. Those two pages contained some of the vital statistics relating to the number of applications that had been made to the court for an increase in the number of members permitted in a licensed club.

At the outset I wish to indicate quite clearly that the way in which this measure has been brought on is in contra-distinction to what I understood the Attorney-General to say this afternoon when he was speaking to a motion the Government had moved to deprive private members of their right to debate matters tomorrow and the following Thursday. He made great play of the consideration that the Government has shown towards members of the Opposition, by providing legislation in advance to enable them truly to consider the measures. Indeed, this afternoon the Attorney-General waxed eloquent about how sufficient time was being given to the Opposition to look at matters in depth, to provide research, and to come up with substantial and penetrating debate. I make it clear to the House that this bill arrived about midday today. That was the first time the Opposition had seen the measure.

True it is that yesterday this bill was introduced and a brief outline of its contents was given. In that debate the Minister indicated that the Government proposed to reverse the former Government's policy with regard to club membership ceilings, though he did not indicate the extent to which or the manner in which that

change of policy would be effected. We know now that this measure contains a vital reversal of the previous Government's policy on limitation of the number of members of clubs. Because this is the most important matter in this bill I suppose one should deal with it at the outset. So far as the other provisions are concerned, many are of a technical nature, in respect of which exception will not be taken. A few are matters of substance but again the Opposition will raise no objection.

Perhaps I should recapitulate the principles that were in the mind of the Government in 1969 when it determined that registered clubs were in a privileged position compared with other licensed establishments in the State, and that consideration should be given to fixing some limitation on their growth. As the Minister has intimated this evening, the Government of which I was a member and indeed Minister of Justice at that time, brought forward legislation that fixed limits as outlined by him. Clubs with a membership of *5 000* or less at that time were entitled to increase their membership to *6 250*. Provision was made for clubs with a membership in excess of *5 000* to increase their membership in varying percentages. At that time a provision was written into the Liquor Act which made it possible for a club to make application to the licensing court within three years of the date of commencement of that amending Act, which was December, 1969, and indicate that it had facilities far greater than were necessary for a club of, say, 6 *250* members and therefore ask the court to fix a higher membership ceiling. The court had power to fix a higher ceiling so long as the application was made within three years of the commencement of that amending legislation. The considerations which the court had to entertain were:

(i) any hardship which would be caused to the club if the application were not granted;

(ii) the purposes for which the club is formed, or the activities pursued by its members and any special objects of the club which in the opinion of the court would render it desirable to allow the club to increase its membership beyond the number which would otherwise be applicable to the club;

(iii) any financial or other embarrassment likely to be occasioned to a club which had at the date of the commencement of the Liquor (Amendment) Act, 1969, facilities sufficient to accommodate an increase in membership beyond the number which would otherwise be applicable to the club;

(iv) any financial or other embarrassment likely to be occasioned to a club which on or prior to the prescribed date applicable to the club, had approved of plans or proposals to increase the facilities available to the members of the club and which plans or proposals included provision for an increase in membership which would be beyond the number which would otherwise be applicable to the club.

That provision, section 134A (4) (b) of the Liquor Act, enabled a club that was embarrassed by the Government's decision to fix what might seem to have been an arbitrary membership limitation, to go back to the court and tender evidence of availability of facilities sufficient to cope with a higher ceiling and ask the court to set a higher ceiling. It is important to note that the application had to relate to accommodation which the club had at the date of the commencement of that Liquor Act Amendment which came into effect on 3rd December, 1969. Alternatively, the club must have had in train plans in respect of proposals to increase its facilities and therefore had an anticipation that with increased facilities it could increase membership.

*Mr Maddison*]

The Labor Government now would virtually strike out the whole provision. It is of no use the Minister saying that this Government has not adopted an open-door policy.. This is an open-door policy.

The amendment now under discussion is part and parcel of this bill. It would make the test of accommodation apply at the date the club goes to the court to ask for an increase in membership. The situation is quite clear. Under the proposed legislation a club may decide quite properly to increase its accommodation and facilities and, having completed work on that accommodation and facilities, go to the court and say it has facilities that are far more extensive than its current membership needs, and then ask the magistrate to increase the ceiling on the membership number.

The Minister in his second-reading speech referred to the Albury Commercial Club. He intimated that the Government had received support from that club for the provisions now under discussion. Clearly, the history of the Albury Commercial Club is that it has taken a decision and improved its facilities and increased the size of its premises. With the passage of this amending legislation, it will be able to go to court and seek permission to admit more members. I understand that already that club has a membership ceiling of 6 250. It could well be that the court, in all the circumstances and having regard to the principles that I have outlined, would grant an application for the increased membership ceiling.

It appears to me that that is an open-door policy. It will be open to any club in the future to add to its premises and facilities and go to the court. After a few more years it can add to its premises again and go to the court once more. When the previous Government introduced this restriction it was having regard to the total licensing situation. Any Minister of Justice who picks out one segment of the licensing or registration area under the Liquor Act and has no regard to the other sectors involved in licensing under this Act is not doing justice to the total scene in terms of the services and the provision of facilities for the community at large. One of the most difficult tasks in my experience over eleven years as Minister of Justice was to weigh the merits of arguments put to Government by hotelkeepers on the one hand, and wine and spirit merchants, registered clubs, licensed restaurants, and another series of registries and licensees on the other. One of the most difficult tasks in the world for a Minister is to hold the balance.

More particularly is it difficult to hold the balance when one has the registered club movement, which is in a privileged position in relation to the proceeds of profits on poker machines, against the entrepreneur who has an interest in a hotel, a wine and spirit merchant's business or a restaurant. The poker machine subsidy built into the registered club movement enables registered clubs to compete with outside commercial enterprise. The registered club movement in this State has been able to compete with the catering industry, the hotel industry and the entertainment industry. I believe in this city of Sydney the entertainment industry has suffered immeasurably from the monopoly that has been obviously accorded to the registered club movement in terms of visiting international stars from the American and European scenes. There are very few indeed of what one could call first-class nightclub restaurants in Sydney, unfortunately, as a result of the move into the registered club area by these people who come from overseas with their promoting entrepreneurs.

Perhaps one should not complain about that, except that registered clubs, and clubs generally, were set up originally as places where people with common interests, such as cultural or sporting interests, could gather. I suppose many of them had just drinking interests or meeting interests. Nevertheless, they were places where people with common interests could gather together. Over a period of time registered clubs

in this State have set themselves a much wider scene which moves into the public area. It is quite clear that the law for some time—and my Government did not seek to change it in any significant respect—has opened up the club movement so that visitors, in the company of members, wuld enter registered clubs. Once it was established by the courts that visitors could go into club premises, there began a massive movement of the general public with members into the registered clubs themselves. Indeed, when one talks about an arbitrary membership ceiling of, say, 6 250, one is really talking about a fairly theoretical figure having regard to the number of visitors who enter these clubs in the company of members.

As I said, one of the diiculties for the Minister of Justice is to hold the balance between competing interests. I hope I have not painted a picture of the registered club movement in New South Wales not having provided a social meeting place which is available to many people who enjoy entertainment and excellent amenities, and who are attracted by the temptations of poker machines. People are enjoying themselves in these clubs. Had the clubs not been established these people would never have had the opportunity of enjoying them. I am not knocking the club movement. The Minister looks at me cynically when I say that. I am saying the problem is to keep in perspective the capital investment which the rest of the community has in entertainment, catering facilities and liquor facilities. If Government supporters are not willing to acknowledge that these people have this investment, if not an interest in what is going on within the club movement generally, then they are more stupid than I think they are.

I do not believe that the Minister, for example, has taken the Australian Hotels Association into his confidence about what he is doing in this measure. I am certain he has not taken the Liquor Stores Association into his confidence. I am certain also that he has not taken the Catering Institute into his confidence in relation to the measure, because what he is doing in this measure is opening the flood gates. I have a good mind to let him and the Government stew in their own juice, but I shall not do that. The Opposition will divide on this issue because it goes to fundamental principles.

Like other members, I can remember the vitriolic debate that occurred in 1969 on this issue. The Minister for Consumer Affairs, then the Deputy Leader of the Opposition, took a leading part in the campaign at that stage and presented the most magnificent petition of all time in this House. It turned out to be a dubious one with some phony names on it. Nevertheless, it was a deep-seated argument that occurred on that occasion. Quite frankly, over the succeeding years I have seen no reason whatever to change my view, nor did the Government of which I was a member see any reason to change its view. There could well be circumstances that would warrant a further application to the court, but not on the basis suggested in this measure. Time is not going to permit, unfortunately—because of the rush of legislation in the past few hours—a proper amendment to be put forward that might meet the situation. Quite frankly, for my part, I believe one might just as well write completely out of the Liquor Act the proposal in regard to ceilings on club membership if this proposal in the bill is agreed to.

Mr Whelan: You are against clubs.

Mr MADDISON: The honourable member for Ashfield knows very well that that is certainly not so.

Mr Whelan: I was being complimentary to you.

Mr MADDISON: It is completely untrue. It is making a mockery of an application to the court to say that one of the overriding factors to be taken into account before the court is any financial or other embarrassment likely to be occasioned to the

club which, on the date the hearing of the application commences, has facilities to effect an increase in membership which would not otherwise be applicable to the club. A club could build a Taj Mahal far too big for its existing membership and then say to the court that it has tremendous facilities and needs to have its membership extended. In four or five years' time the club could buy a few more acres of adjoining land and before long it would dominate the local commercial and social scene to the exclusion of virtually every other commercial enterprise. I do not intend to say more on this aspect.

I was interested to hear that the Minister has established a registered clubs advisory council to advise him on what should be the law relating to registered clubs. Honourable members know that earlier this year the former Government put through the Parliament the Registered Clubs Act. It was given Royal assent on 1st April, 1976, but was never proclaimed by the Government that came to power on 14th May last. As I said at the introductory stage, that legislation provided a complete charter—not by any means perfect: I should be the last to claim perfection for it—that set the parameters within which clubs should operate and be administered. It set standards. What it attempted to do--and what I think it did—was to involve the rank and file club membership to a far greater extent in what was going on at board level. That development is no further ahead because the Government has obviously decided to discard that legislation and to set up a council to advise it.

I advise the Minister, and not in any patronizing way, that when he sets up an advisory body consisting of people with a vested interest in what they are looking at, he should have second, third and fourth thoughts about what the body puts to him. It does not matter whether it is related to registered clubs, professional organizations or whatever it is—the advice of people with vested interests should be looked at critically.

Mr Whelan: Why did you not put that into practice?

Mr Barraclough: You were not here then.

Mr SPEAKER: Order! There are far too many interjections. The Deputy Leader of the Opposition has the call.

Mr MADDISON: Let me say quite categorically that no doubt this worthy group of people will come up with some good suggestions from their own point of view. They may well be good suggestions when viewed in the total scene, but do not let us be carried away with the suggestion that vested interest groups necessarily reflect community interests in the wider sense of the term.

Let me turn quickly to the other major provisions of the bill. I do not propose to deal with the machinery matters which do not seem to me, in the time I have had to look at them, to be matters with which I should be concerned. Certainly, any scheme or device designed to avoid or evade the payment of proper licensing fees should be stopped. I recall to the House that the Government of which I was a member decided in 1969 that it was necessary to appoint inspectors under section 121A of the Public Service Act, in addition to the licensing inspectors. It was important to have inspectors qualified in accountancy and in the examination of accounts with powers to examine the books of licensees or registered clubs in order to see precisely what was happening with them and whether they were returning bona fide statements of their liquor sales to the licensing court for the purpose of assessment of licence fees. Up to the time I left the Department of the Attorney-General and of Justice those inspectors appointed under section 121A had brought to light some peculiar practices engaged in by licensees under the Liquor Act.

The proposal contained in this bill to do away with the discounting of liquor purchases, because of the provision of services and the cost of packaging, is one of the matters that was first brought to light by inspectors appointed under section 121A. I am all for closing the gaps. I have no objection to that. The other matter to which I shall refer is the question of payment of licence fees by instalment. No one would cavil at the relieving of licensees of the obligation and quite onerous task of finding in one lump sum the licence fees that they have to pay. The Opposition certainly has no objection whatsoever to the proposed instalment arrangements for the payment of licence fees. With regard to the power that is to be given to the licensing court to impose conditions on the provision of spirit merchants' licences or in respect of permits under section 57A or 57C of the Act, it is clear that the licensing court in many cases has been imposing such conditions. What is now provided in the bill gives the force of law to the conditions that have been laid down by the court. Again, one cannot cavil at those provisions in the bill.

I do not propose to take up the time of the House any longer. I believe that the measure in all respects—other than that which opens the door to the expansion of club membership without proper controls—is to be supported. I have indicated that we shall oppose most strongly the expansion of membership provision because it is a matter on which the political views of this side of the House have been diametrically opposed to those of the Government. We believe our aim to be basic to a better standard within the club movement and a proper balance of licences and registrations under the Liquor Act. We believe that the community interest will be bed served by opposing this open-door policy on ceilings of club membership.

Mr AKISTER (Monaro) [9.32]: I intend to speak for only a few moments. As the Deputy Leader of the Opposition said, the main part of the bill is schedule 4, which refers to the maximum number of members of a registered club. I speak from personal knowledge of the Queanbeyan Leagues Club. It has a unique situation in that it is in juxtaposition to the Australian Capital Territory. Its membership has become inappropriate to the facilities of the club. It has a membership of 20 000. The facilities that were included in the club when it was built were adequate but the reality is that there has 'been a fall-off in the use of the club. People have become more discerning in their use of club facilities—especially to poker machines.

***[Interruption]***

Mr DEPUTY-SPEAKER: Order! I call the honourable member for Fuller to order for the first time. I have indicated that there are too many interjections. The honourable member will be heard in reasonable silence.

Mr AKISTER: The facilities of the club have become such that it is now not viable economically. ***[Quorum formed.]*** The facilities are now under-utilized and it would be desirable for membership to be expanded. The expansion of membership is in line with the existing provisions of the Act. The only difference is no longer will a time limit be set on applications. The court, not the Minister, will decide whether it is appropriate that a club be allowed to increase its membership. The court will take into consideration all the factors that are necessary to give such a judgment.

It is most desirable that the Queanbeyan Leagues Club remains a viable club. It provides a great deal of entertainment and recreational facilities, of which there are few in the city. The removal of the three-year limitation on applications for increased membership redeems an election promise that was well canvassed in the elections. I remember that in the phoney by-election campaign up until 10th April, many members of the Opposition turned up in Cooma to debate this very matter with me and the shadow Minister at a public meeting. So it cannot be said that this is a surprise or that

it has not received the endorsement of the electorate. In fact it was well supported. I commend the bill to the House.

Mr OSBORNE (Bathurst) [9.35]: I realize that time is running out, but I should like to speak briefly to schedule 4. I was a member of a committee that looked at the original amendments to the Liquor Act which introduced the ceiling on club membership. It was not done, I submit, for any other reason that in the interests of the club movement and its members. I was on the committee by virtue of the fact that at that stage I was president of a club in New South Wales and a member of this Chamber. The purpose of putting a limit on club membership was to ensure, first, the best administration of the club by the directors and, second, a flow-on of benefits from the club to the community around it. I argued at that stage, and I do so again tonight, that the viability of a club is not necessarily tied to its size. There are many medium-sized clubs within the community which are quite viable and good clubs.

I support what the Deputy Leader of the Opposition has said, that it would be wrong to get away from that principle that was established in 1969. The coalition parties set out to limit club sizes—I supported the principle at that stage and I still do—because if in a centre where a club reaches its maximum and there is a need for more club facilities, another club should be formed. That is one of the principles on which we acted in 1969. We felt that it was better in a country centre to have six clubs with 5 000 people than three with 10 000 people. We felt that this brought about better administration because of the relationship of members to directors and a better spread of the benefits that flowed from the club to the community. In my opinion that has not changed.

Recently in Bathurst a group of people came to me and said: "We want to apply to form a club in Bathurst." They did so. It was a small club but it served a particular need of a section of the community. Had no restriction been placed on the size of other clubs, I doubt whether that group would have been able to get a licence. But it did. It was a church organization and it was able to go to a court and obtain a licence. That is one of the principles we sought to establish in the 1969 legislation. We still believe that the smaller clubs give a better administration because of the relationship of the board of directors to the members. Also, it left the door open for other clubs to be formed. It may be that a club is small to start with but if it can get going it will serve a need of a section of the community, whether it be sporting, charitable or religious. Those principles still apply. I support the remarks of the Deputy Leader of the Opposition.

Mr JONES (Waratah) [9.40]: The bill seeks to correct an anomaly. The provision relating to retail outlets of spirit merchants is long overdue. At present the people who are cutting prices add transport charges. I believe that this practice should be stopped, and the bill provides a means of doing this. The provision relating to the numbers of members in clubs is long overdue. The previous Government imposed a limitation, but I believe that clubs should be able to control the numbers of their members. They should be able to make an assessment and know how many members they can cope with in their premises.

Mr MULOCK (Penrith), Minister of Justice and Minister for Services [9.41], in reply: I thank honourable members from both sides of the House for their contributions to this debate. I indicate to the Deputy Leader of the Opposition that I am sorry that two pages were missing from the copy of my speech, which was given to him as a matter of courtesy in view of the rush with the timetable. My officers have carried out a check and they have found that the two pages concerned were missing from their copy also. They say that it is a communist plot. In any case, the main thing is that my copy and the *Hansard* copy were complete.

The Deputy Leader of the Opposition argued mostly about the provision for the new approach when clubs seek increases in their membership. However, he was careful to avoid placing any weight on the fact that the measuring stick for the approach to the court is the same as the measuring stick that was in the legislation he introduced in 1969. The requirements will still be hardship, availability of premises, and so on. The only difference is that in this amendment the availability of the premises will relate to the premises available when the application is made to the court.

Mr Maddison: That is a rolling date; the other one was a static date.

Mr DEPUTY-SPEAKER: Order!

Mr MULOCK: It might be a rolling date, but the Deputy Leader of the Opposition assumes that when an approach is made to the court for increased membership, the court has to apply not only relevant matters but specific matters and then automatically the application will be granted; and, if there is another application, that also will be granted. That presupposes that club directors will have made the decision to increase their accommodation, and then go to the court on the basis of that increased accommodation and say that they want increased membership. That does not involve the principles that will be retained in the legislation. The Deputy Leader of the Opposition carefully avoided that, and put up a smokescreen by saying that this would be an open slather. It will not be an open slather.

He gave me a little fatherly talk about maintaining the balance of the various interests in the liquor industry. I did not need him to give me that little talk; I appreciate only too well the balance that must be maintained. In the context of this he said, "Have you had a discussion with the Australian Hotels Association, the Liquor Stores Association and the catering organizations?" The answer is, no. However, both the Premier and I have made this proposal public. As no approaches have been made, what the Deputy Leader of the Opposition is saying is a storm in a teacup. It is already possible for a club to have a membership up to 6 250. Variations can be made to that figure, and a club can go to the court if it wants an increase. Of the 1 519 clubs registered in New South Wales in 1976, 1434 had memberships up to 5 000. Those clubs, under the existing legislation, can increase their membership to 6 250.

Mr Maddison: Those are not the ones the Minister should worry about.

Mr MULOCK: I am explaining that they have a margin, and could increase up to 6 250. However, 94 per cent of the registered clubs in New South Wales in 1976 have a membership of fewer than 5 000. The Deputy Leader of the Opposition and the honourable member for Bathurst have rushed in, saying, "Keep the clubs small." In New South Wales fifty-three clubs have a membership of from 5 000 to 10 000, and thirty-two clubs have a membership above 10 000. The provision is quite clear: if a club runs the risk of increasing its accommodation and then goes to the court, it still has to satisfy the criteria of hardship, special need and the like, as laid down in the provision that the Deputy Leader of the Opposition introduced in 1969. It is absolute rubbish for him to talk about this being an open-slather approach.

The honourable member for Monaro gave a clear example of the need for this legislation. He mentioned the Queanbeyan Leagues Club. Also, I gave the example of the Commercial Club at Albury, which has already approached the court, and under the present law cannot return to the court. Circumstances can change from time to time, and the bill will enable the club to make an approach. However, it can do so only in the context of availability of accommodation at the time of the approach to the court. I suppose there is little likelihood of club directors deciding that they will expand in the hope of getting an increase in membership if they go to the court. This

provision will make them responsible, and they will expand in the context of the needs of their membership at the time. I believe that there will be sufficient embargoes and criteria in respect of which they will have to satisfy the court. This measure is in no way an open-slather approach. The House is discussing the 4.5 per cent of the clubs which do not already come into the category. Certainly the clubs that already have large memberships—tied at the time in many instances—will think twice before deciding to get larger.

To say that this will affect the balance of the liquor industry is poppycock. The Deputy Leader of the Opposition knows only too well that all he sought to do here this evening was to maintain a principle that he espoused in 1969. On his own admission, it was the subject of vitriolic debate on that occasion. Indeed, it has proven nothing in the meantime. The bill seeks to correct the anomalies that have been thrown up. 1 believe that these provisions of the bill will effectively provide relief, but will not allow an open-slather approach.

The remainder of the bill meets with the approval of the Opposition. So it should, because it covers matters that require relief. I say without fear of contradiction that this legislation, even the provision that has been subject of some argument and controversy, has been shown by the arguments advanced by the Government to be clearly needed. The Deputy Leader of the Opposition has been talking in generalities, but his generalities disappear like a puff of smoke in the face of the statistics I have quoted in this Chamber tonight. I commend the bill to the House.

Motion agreed to.

Bill read a second time.

## In Committee

Schedule 4

Mr MADDISON (Ku-ring-gai), Deputy Leader of the Opposition [9.51]: For the reasons I advanced at the second-reading stage the Opposition cannot support schedule 4 of this measure and proposes to divide the Committee on it.

Question—That the schedule stand—put.

The Committee divided.

Ayes, 49

| | | |
|---|---|---|
| Mr Akister | Mr Gordon | Mr Neilly |
| Mr Bannon | Mr Haigh | Mr O'Connell |
| Mr Barnier | Mr Hatton | Mr Paciullo |
| Mr Bedford | Mr Hills | Mr Quinn |
| Mr Booth | Mr Hunter | Mr Ramsay |
| Mr Brereton | Mr Jackson | Mr Renshaw |
| Mr Cleary | Mr Jensen | Mr Rogan |
| Mr R. J. Clough | Mr Johnson | Mr Ryan |
| Mr Cox | Mr Johnstone | Mr Sheahan |
| Mr Crabtree | Mr Jones | Mr Stewart |
| Mr Day | Mr Keane | Mr Wade |
| Mr Degen | Mr Kearns | Mr F. J. Walker |
| Mr Durick | Mr L. B. Kelly | Mr Whelan |
| Mr Einfeld | Mr McGowan | |
| Mr Face | Mr Maher | Tellers, |
| Mr Ferguson | Mr Mallam | Mr Petersen |
| Mr Flaherty | Mr Mulock | Mr Wilde |

Noes, 45

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

Question so resolved in the affirmative.

Schedule agreed to.

### Adoption of Report

Bill reported from Committee without amendment, and report adopted on motion by Mr Mulock.

### BILL RETURNED

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

Appropriation Bill

## GAMING AND BETTING (AMENDMENT) BILL

### Second Reading

Mr MULOCK (Penrith), Minister of Justice and Minister for Services [10.2]: I move:

That this bill be now read a second time.

As I said at the introductory stage, this amendment follows a similar amendment to the Liquor (Amendment) Bill. There are a number of clubs that are licensed under the Gaming and Betting Act to operate poker machines. If the law is to be amended to permit persons between the ages of 18 and 21 years to use and operate poker machines in clubs registered under the Liquor Act, similar provision should apply to what may be termed Gaming and Betting Act clubs. This bill does precisely this. It also enables persons between the ages of 18 and 21 years to nominate and second persons for membership to these types of clubs. I commend the bill to the House.

Mr MADDISON (Ku-ring-gai), Deputy Leader of the Opposition [10.3]: The Opposition recognizes that this measure is similar to the provision in the Liquor Act that was dealt with earlier. I recall that I made no comment when that bill was going through. This is an identical provision to the one that was made in the ill-fated

Registered Clubs Act passed by this Parliament earlier this year. I have no objection to a provision that allows 18-year-olds to play poker machines, and the Opposition supports the measure.

Motion agreed to.

Bill read a second time.

Third Reading

By leave, bill read a third time, on motion by Mr Mulock.

## CHILDREN (EQUALITY OF STATUS) BILL

Second Reading

Debate resumed (from 16th November, *vide* page 2965) on motion by Mr F. J. Walker:

That this bill be now read a second time.

Mr MADDISON (Ku-ring-gai), Deputy Leader of the Opposition [10.6]: This is a somewhat ill-fated measure that the House began to consider previously but was interrupted by debate on the Energy Authority Bill. I welcome the opportunity to support the bill, which acknowledges a need to redress the legal disadvantage of being born illegitimate. Whether it will redress the social disadvantage is, of course, another question altogether. The honourable member for Northcott gave some instances where there are problems with society becoming adjusted to changing attitudes and he instanced the problem of the word immigrant changing to new settler and then to new Australian and so forth. Whether this measure will in any way redress the social disadvantage of being born illegitimate remains to be seen, and will probably remain to be seen over a generation or two while the community seeks to adjust its attitudes to accommodate and accept the consequences of the legal changes in this bill.

While, therefore, honourable members are concerned with the mechanics of removing the term illegitimacy from the statute book and with the status and rights of the illegitimate child, they are concerned also with consequential effects on the rights and obligations of others who are related to the child. The debate so far seems to have reflected solely the rights of the illegitimate child to inheritance. There are others who, following the passage of this bill, will benefit as a result of their relationship with the illegitimate child. In clause 9 (2), for example, where an ex-nuptial child dies without a will, any relative of that child will be entitled to such interest under the Wills, Probate and Administration Act is if the parents were mamed to one another when the child was born. There are, therefore, substantial consequences flowing from the bill which are not only related to the rights of the child.

Thus it should be recognized that more than the rights and status of ex-nuptial children are involved in this legislation. As I said at the introductory stage, the community needs to he made aware of the far-reaching consequences of this measure. With that sentiment the Attorney-General has certainly agreed. Yet, so far as I am aware, very little publicity was given to the fact. I saw in only one or two newspapers any reference to it. Whether it had a wide coverage in other areas of the news media I do not know. Quite frankly, the measure has far-reaching consequences and the community needs to be made aware of the changes that are to be brought about in the law, particularly in relation to inheritance, as a result of the passage of this legislation.

Before I turn to the more important principles contained in the legislation let me for the moment sound a warning that, without more, this bill will not at once change community attitudes to illegitimacy. That is what I set out to say in my opening remarks. It is said that to be born illegitimate is to be born disadvantaged, and some research bears out this contention. The legally defined status of illegitimacy has been defended and is still defended, quite sincerely, as serving to protect the institution of marriage and all the rights, duties and privileges that flow therefrom. I have heard what the honourable member for Northcott has had to say in this respect. To those who take this stand, the social stigma that continues to be directed towards illegitimacy, the social sanctions, as distinct from the legal sanctions, against such deviant or minority behaviour are not punishment enough. Not only must the mother be made to feel the weight of disapproval; the child born outside wedlock must bear the punishment of being devoid of legal rights in relation to property and inheritance.

Argument is presented that to seek to improve the quality of life—that popular phrase—for such mother and child denotes more than acceptance of such bevahiour; it condones and even encourages it. When one considers that few ex-nuptial births are planned or welcomed, and that many are the direct cause of hardship for both mother and child, it is difficult to follow the logic of such an argument. The mother-to-be of an illegitimate child, even in 1976, when extra-marital relationships have become more widely a part of our society, still faces formidable difficulties, more particularly if she has no other means of support than her own earnings and cannot rely for assistance on her own family.

An element of punishment has always seemed to be a component of illegitimacy as expressed both in its social and legal aspects. Whatever may be one's personal view of the measure of responsibility born by the mother—and indeed by the father—surely we must agree, if we have any compassion, that the child is an innocent victim. Should we continue to punish the innocent offspring of adult behaviour? That is the question we have to resolve; that is the mainspring of this bill. Born illegitimate, born disadvantaged—an emotive statement but one confirmed by extensive research documented in a report by the National Children's Bureau of the United Kingdom published in 1971. That is worth saying, to put this measure into context in terms of the disadvantage suffered by the illegitimate child. The briefest summary of the findings of that study in the United Kingdom is as follows:

(1) More illegitimate than legitimate babies were born with a birthweight lower than 2 500 grams and twice the proportion are of a very low birth weight.

(2) In all aspects examined, the home environment was more unfavourable. It was also noted that there had been a marked degree of downward social mobility among the families who had not given up the illegitimate child for adoption.

(3) A significantly greater number of illegitimate children died during the first seven years of life and the proportion who died from accidents was also higher.

(4) In all aspects of ability and attainment—levels of general knowledge, oral ability, creativity, reading and arithmetic attainment, the illegitimate group did significantly less well, being, on average, a year behind in reading level.

(5) From conception onwards, a complex and interacting network of adverse circumstances begins to affect the illegitimately born child. The disadvantages continue over the years, the combined and cumulative effect serving to heighten the differences in development and adjustment.

*Mr Maddison*]

I emphasize that to be born illegitimate is to be born disadvantaged. The disadvantages to which I have referred in the past few moments are not tackled by the bill, nor was it intended that they should be. I have drawn attention to them lest it be thought that the measure is the cure-all for the ex-nuptial child's problems and the problems of the mother. It certainly is not. It moves into the legal field and that is where it stays. It may condition attitudes that may help to bring about more enlightenment on the problem of the illegitimate child and the child's mother.

I suppose the scene is set in part III of the bill which establishes a series of rebuttable presumptions to establish paternity or maternity. It may be a bit immodest to say so, but I shall say it: when this matter was being looked at in the department it was being approached from the point of view of proving paternity. I indicated to the departmental officer, the charming young lady sitting over there in the officers' gallery, that it seemed to me that it was necessary to consider the question of establishing maternity as well. The honourable member for Gosford is looking at me and asking what need is there to do that. Take the case of a waif left as a foundling at the front door of an establishment. That sort of thing concerned me, and I felt that perhaps one should be looking further than just trying to establish paternity. With some modesty I say that it seemed a relevant point that one should look at both sides of the relationship that results in the birth of a child. Without part III, which establishes the rebuttable presumptions, it would be difficult for the legislation to proceed at all.

Thus, for example, where a woman gives birth to a child during her marriage or within ten months of the termination of her marriage by the death of her husband or the grant of a decree *nisi* and she has not remarried before the birth of the child, the child is presumed to be a child of the marriage. Subclauses (1) and (2) of clause 10 cover that. There seems to be a problem here and it has been drawn to the attention of the Attorney-General. Under clause 10 (3) as it is drawn at present a man shall be presumed to be the father of a child if he has cohabited with a woman, not his wife, at any time during a period of 24 weeks commencing with the beginning of the forty-fourth week before the birth of the child. One wonders whether a period of 24 weeks, roughly six months, within a 44-week period, or eleven months, is too long a period to establish such a presumption. Perhaps that should be reconsidered.

More important, as I gave further consideration to the subject I was worried by the word cohabited, which is there on its lonesome, so to speak. One really cannot define it satisfactorily. The honourable member for Lane Cove said that perhaps it was a 2-night stand. I do not know whether that was based on knowledge gleaned from decided cases or from other experience he has had, but nevertheless it seems to me that it is a rather difficult clause.

I draw the attention of the Attorney-General, though I think it has already been done by the honourable member for Northcott, to the fact that the bill simply states that the woman has cohabited with a man: not cohabited over a period, not for a 24-week period, but if the woman has cohabited at any time within the 24-week period—whatever cohabitation means. An amendment has been suggested to the Attorney-General that would make cohabitation, within the meaning of this clause, something more than a casual association, even over a short period. It would have to be more than just a day or two. The important thing—and I draw the attention of the Attorney-General to it—is that in the working paper that was circulated prior to this legislation being drawn up, on page 4 under the heading "Cohabitation" appear these words:

> Where a man and woman have cohabited for a period of twelve months and during that period of cohabitation or within ten months after the cohabitation has ceased a child is born to the woman, the man shall, in the absence

> of evidence to the contrary, be presumed to be the father of the child if the woman has not married before the birth of the child.

That is a different concept from the one contained in clause 10 (3). That section of the working paper involved cohabitation for more than twelve months. The birth had to occur during that period of cohabitation or within ten months thereafter. I ask the Attorney-General to give serious consideration to what has been put on this subclause. It is recognized that there may be competing presumptions: the bill clearly envisages that problem and its resolution. Where one has a subsisting marriage and the child is born outside the marriage, such eventualities are recognized by clause 18 (3) where provision is made that where presumptions conflict the presumption will prevail which appears to the court to be the more or most likely to be correct. They are strange words to find in a statute — more or most likely to be correct.

I know that the honourable member for Northcott has indicated, if not directly, at least obliquely, that he is not particularly happy with these words. I confess that I share some doubt about the values to be attached to making that kind of judgment. Nevertheless, I am at a loss to suggest a substitute for determining two competing presumptions. Clause 18 already provides that presumptions are rebuttable by proof on the balance of probabilities. Part II provides that a man may by a formal document in a prescribed form acknowledge that he is the father of an ex-nuptial child. The acknowledgment must be countersigned by the mother and recorded in a register of births or in a register to be opened under the Registration of Births, Deaths and Marriages Act. There is an obligation cast upon the person who witnessed the acknowledgment to register the acknowledgment within fourteen days. There is provision in the bill for such acknowledgment to be annulled by an order of the Supreme Court; otherwise the man who is making the acknowledgment is presumed to be the father of the child.

In summary form, the bill provides that presumptions of fatherhood arise in regard to a child where an order has been made under the Maintenance Act; an order for preliminary expenses of a woman in respect of an unborn ex-nuptial child or a born ex-nuptial child has been made; an order for the payment of funeral expenses of an ex-nuptial child has been made; an order has been made under part XII of the Child Welfare Act requiring a man to maintain or contribute to the maintenance of an ex-nuptial child; or an order has been made requiring a man to pay to the Minister money to reimburse part maintenance of an ex-nuptial child.

In any of the foregoing cases the presumption arises as to fatherhood if the court at the time of making the order names the man as the father of the child. Similarly, provision is made for a like presumption to arise if a court in a Territory or State of the Commonwealth makes a like order. Again, a presumption of fatherhood arises if an order for custody of an ex-nuptial child is made under the Commonwealth Family Law Act and the man is named as the father of the child.

I feel there will be problems with this measure. It is not the be-all and end-all of what we are about. It is a piece of legislation in advance of any other in Australasia and it has attempted to remedy the defects and deficiences to be found in legislation in other places. Nevertheless, there may well be constitutional law issues that arise as between the Commonwealth jurisdiction under the Family Law Act, and the extent to which that Act may have power and jurisdiction as against the courts of New South Wales. I do not offer to this House any considered view on this aspect as I believe we have made substantial advances with this legislation. I simply say it is not the end of the road.

Clause 13 enables an application to be made to the Supreme Court for a declaration of paternity by any person who, being a woman, alleges that the relationship of father and child exists between any named person and her child; or alleges that the relationship of father and child exists between himself and another named or identified person; or, being the principal registrar of births, deaths and marriages, or a person having a proper interest in the result, wishes to have a determination made that the relationship of father and child exists between a named person and another named or identified person. While such a declaration is in force, there is a conclusive presumption that the man named in the declaration is the father of the child, but it must not be lost sight of that the bill provides power for the declaration to be annulled in the light of further facts and evidence coming to light. On those facts and circumstances coming to light, an approach can be made to the Supreme Court to annul the declaration of paternity to which I have referred. Similar provisions apply where orders are made under the Maintenance Act or Child Welfare Act against a woman in respect of a child. Provision is made also for declarations of maternity in the same way, as opposed to declarations of paternity.

There are many practical and beneficial changes that accrue to the child who establishes his or her relationship with a parent or parents. The most important relates to benefits created by disposition of property by will or otherwise. For example, at present a gift in a will to children of a named person excludes an ex-nuptial child. After the passage of this bill there will be abolished the rule that would enable only legitimate children to benefit—that is, unless express words to the contrary are used. So will it be also that on intestacy of the parent, children will be of equal status irrespective of the marital status of the parent, and thus all children will benefit equally with one another. Such rules, either by will or intestacy, will apply not only if it is the will of the parent or intestacy of the parent that is involved, but also where a person by will benefits the children of another person, being the parent, or where the intestacy of a relative benefits the children of the parent and one of the children is an ex-nuptial child.

Take another example of benefits accruing under the legislation. Where there is established a father-child relationship, in the event of the child dying intestate his or her estate will be distributed to relatives on the same basis as if he were a legitimate child of the father. That is what I was saying earlier: the benefits flow backwards—or sideways, if you like—from the illegitimate child. They are not all benefits flowing towards him; they are flowing in all directions. To draw the attention of the House and the community to the fact that rights do not accrue under the intestacy of a person dying before the commencement of the bill, it is important to recognize that so far as concerns benefits to be taken under a will made either before or after this bill becomes law, the beneficiaries to receive benefits under such a will will be as determined after the bill has come into effect. That is to say, in respect of wills that are in existence now and which take no account of the existence of an illegitimate child or an ex-nuptial child, and there is a bequest to children, the illegitimate child by reason of this bill will take. So it is necessary for the community to be aware that once this bill becomes law people should look to their testamentary dispositions to see whether they are in accordance with their desires, for this measure will affect the rights of beneficiaries.

I am assuming that clause 6 of the bill is wide enough in its terms to catch up other legislation which is not specifically referred to in the bill. I refer to such matters as concessional arrangements under the Stamp Duties Act in respect of death duty for dependant children. I am taking account of the exemption from death duty in respect of dependant children in certain circumstances and the question of a child under the Testators Family Maintenance and Guardianship of Infants Act. There is no mention in this bill of that Act but I am assuming, without being dogmatic or authoritative, that clause 6 copes with those problems.

There would be many other pieces of legislation, probably not nominated in the schedules to this bill, which are caught up in the principles that appear to be contained in the measure, more particularly in clause 6. I shall not detain the House any longer, and I am sorry that I have detained it as long as this. However, I have sought to emphasise that the bill is a stimulus to community thinking and understanding, and I hope that some of the disadvantages to which I drew attention earlier will not be ones that the community continues to maintain forever and a day. That is to say, I hope that in time the illegitimate or ex-nuptial child—the bastard child, if you like—will not suffer in comparison with any other person who is born into this world.

Debate adjourned on motion by Mr Dowd.

## ADJOURNMENT

### Sydney (Kingsford-Smith) Airport

Mr F. J. WALKER (Georges River), Attorney-General [10.31]: I move:

That this House do now adjourn.

Mr MAHER (Drummoyne) [10.31]: I rise to mention a matter that has been of great concern to me today. Yesterday in Melbourne Sir Reginald Ansett, the chairman of Ansett Transport Industries Limited, called for a 24-hour service at, and the expansion of, Sydney (Kingsford-Smith) Airport at Mascot. I appreciate that Sir Reginald Ansett is a man of considerable experience in air transportation and is a leading figure in the business world, but I cannot believe that that hard-headed businessman is serious when he seeks to end the curfew at Mascot and advocates the duplication of the north-south runway. I believe that he was advocating these incredible proposals as a means of capturing media cover for his address to the annual meeting of his company.

The development of this airport is at present the subject of inquiry by a joint Commonwealth-State committee of senior officials. I am glad that previous governments in Canberra rigidly enforced the curfew, particularly during the Christmas period. I have ascertained that during the past year there have been twenty-nine approved violations of the curfew, mainly in September this year. These violations proved quite distressing to old people, children and the sick, particularly in my electorate and other electorates affected by the north-south runway. I understand that it has been suggested that the runway be duplicated by constructing a second north-south runway 1 000 feet to the east of the present runway. This has been totally discredited by recent research, which has proved that the landing of a jet aircraft creates such an enormous vortex in the air that no safety can be guaranteed when two aircraft land simultaneously on adjoining runways. Apparently the only safe way to construct a second runway at Mascot would be to place it 5 000 feet away from the existing runway. From my limited knowledge of the airport, and from what I have been told, there is no possibility of the construction of such a second runway at Mascot.

Nowhere in Australia is there a system of nose-to-nose operation, which is envisaged in plans for a duplicated runway. Australia has one of the best safety records in air transport in the world, and it has gained this reputation because this country runs its airports on a basis of nose-to-tail takeoffs. The duplication of the north-south runway was totally discredited some years ago by an earlier committee of inquiry, which reported in 1973. It admitted that there was no need for a second runway if the curfew were lifted. Yet yesterday in Melbourne Sir Reginald Ansett advocated both the lifting of the curfew and the development of a second north-south runway.

I am concerned tonight to rebut these proposals, which have obtained a certain measure of publicity today. I seek to point out to this Parliament and to honourable members the environmental dangers and problems that are created by the north-south flight path over the suburbs of Sydney. My main concern is the element of danger ano the problems created by aircraft flying over densely populated suburbs of Sydney.

On 19th July, 1974, at East Roseville, a Pan American Boeing jet lost a wing flap. Fortunately no one was hurt but had that incident occurred over a densely populated area, there could have been loss of life or serious injury. One shudders when one thinks of what would have happened if that incident had occurred over a school, a hospital or some other institution. There is every reason for removing the airport completely from Mascot to another site. This was always the policy of the Government when it was in Opposition and I trust that it is its policy now it is in Government.

There is also a need to restate some of the environmental and pollution problems that emanate from flights to and from Sydney airport. These days no company should attempt to make profits out of ignoring the welfare and the realities of day-to-day living in suburbs that are subject to aircraft noise and pollution. I believe that private profit and private gain must come second to the welfare of the citizens of Sydney in the suburbs that are affected by the flight path. I believe that the touchstone of airport development in Sydney is the welfare of the citizens and not the increasing of company profits.

The incident at East Roseville has greatly concerned me every time I have mentioned aircraft over the city region. I have endeavoured to inquire further into the incident but have received no co-operation from the officials I have approached. However, this matter really concerns me and I trust that it concerns every member whose electorate is similarly affected. I wish to emphasize the distress and discomfort that is caused to schools, churches, organizations, meetings and so on when passing aircraft cause noise pollution. Unfortunately, I am unable to give full details of the troubles that are caused because my time on the adjournment is limited, but in conclusion I again seek to rebut the comments that were made today by Sir Reginald Ansett. His proposals are not realistic or genuine; they contain an element of selfishness. It appears that he wants the best of all worlds and he seeks these changes in total disregard to the welfare of the citizens of Sydney and the good government of this State.

Mr HAIGH (Maroubra), Minister Assisting the Premier [10.40]: I compliment the honourable member for Drummoyne for bringing this most important matter before the House. He indicated clearly that he is fighting to preserve the welfare and wellbeing of three-quarters of a million people in the Sydney area. The honourable member for Drummoyne is not only speaking on behalf of the people in his electorate but obviously he is concerned for people from Ashfield, Rockdale, Hurstville, Kogarah, Georges River, Miranda, Caringbah, Cronulla, Botany, Maroubra, Hunters Hill and Woronora. People in all those areas must be protected against avarici highlighted by the statements by Sir Reginald Ansett in his attempt to influence a most select and special committee representative of both the Commonwealth and State governments which has the task of considering the needs of this city in relation to airport facilities.

Sir Reginald Ansett has advocated that the curfew at Kingsford-Smith Airport should be lifted and that there should be a duplication of the north-south runway. Of course, if these proposals were accepted his airline activities would be made more economic, especially when compared to operation costs at a second airport. Sir Reginald Ansett is concerned only about the dollars he will make for himself and the other people associated with his company. He should learn that there is more to life than making money. The Labor Government in New South Wales appreciates that there

must be development within the city of Sydney and in other cities throughout the Commonwealth. However, that development must be balanced and planned in conjunction with the needs and the rights of the people for a proper environment and a better quality of life.

What Sir Reginald Ansett has proposed was described clearly and precisely by the honourable member for Drummoyne. Sir Reginald would set aside all codes of safety in air traffic control and operation. He has admitted that air space in the Mascot region is already overcrowded. The problem cannot be overcome merely by saying that there will be twenty-four hour operations in and out of Sydney (Kingsford-Smith) Airport. Even with round-the-clock operations at Mascot the time would soon come when again air space was overcrowded and something further would have to be done to alleviate the position. It is not good enough for Sir Reginald Ansett merely to say there should be dual runways. The honourable member for Drummoyne quite rightly pointed out that there is no safety factor at all in the type of dual runway proposition put forward by Sir Reginald Ansett.

Mr Fischer: A dual north-south runway would reduce air traffic noise by half.

Mr HAIGH: If we could reduce the honourable member's noise by half it would be a great contribution to this Parliament. His noise is as empty as the ideas put forward by Sir Reginald Ansett. The honourable member for Sturt has no regard whatever for the quality of life of people who live near Mascot airport. He would never get my commendation, as I give it to the honourable member for Drummoyne who is concerned about people, their welfare and their way of life. If ever there were a person who would be likely to be influenced and stampeded to make a political decision for financial gain in favour of, say, Sir Reginald Ansett, it would be the honourable member for Sturt. He might even be a personal friend of Sir Reginald Ansett and would want to see his financial position improved.

Mr Coleman: Nonsense.

Mr SPEAKER: Order! I call the honourable member for Fuller to order for the third time.

Mr HAIGH: The Government is concerned that this special committee initiated by the Commonwealth Government which has requested the State to participate in an analysis of the need for airport facilities in Sydney should not be inhibited by persons such as Sir Reginald Ansett. Already he has moved to try to frustrate the deliberations of this impartial committee. If private enterprise is allowed to operate in this way there will be no democracy in government in this State or in Australia. I appreciate sincerely the valid points raised by my colleague the honourable member for Drummoyne. I assure him that the Government will pay great regard to the important matters he has brought to the attention of the House. I assure him further that the Government will look to the interests of the three-quarters of a million people who would be directly affected should the Ansett proposal be taken up.

Mr Fischer: Not even 50 000 people would be affected.

Mr SPEAKER: Order!

Mr HAIGH: The Labor Government of New South Wales will oppose strongly any attempt to lift the curfew at Mascot airport. It will oppose strongly any suggestion that the north-south runway should 'be duplicated. Mascot is not the only region affected by crowded air space. Bankstown airport is also affected. This special committee will make a 'broad umbrella-like assessment of the problem with a view to retaining existing safety measures. Some positive and realistic decisions must be made.

I am sure that this committee of inquiry will face up to its task and make the right decisions in the interests of the people of New South Wales. The right decisions with regard to this problem were not made by the Liberal-Country party coalition government when in office. Its only concern was to fill the coffers of people such as Sir Reginald Ansett and to disregard totally the needs of the people.

Motion agreed to.

House adjourned at 10.46 p.m.

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## QUESTIONS UPON NOTICE

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

### GOVERNMENT OFFICES, COOTAMUNDRA

Mr SHEAHAN asked the Premier—

(1) When did public servants first occupy the N.S.W. Government Offices Block at 87 Cooper Street, Cootamundra?

(2) Has the building been officially opened? If so, when and by whom?

(3) If not—

(a) is it customary to have official opening ceremonies for such projects?

(b) why was there no official opening in this case?

(c) will he now arrange an official opening?

(4) What area of floor space in the building is presently either (a) vacant? or (b) allocated to a public service position which is currently not filled?

*Answer—*

(1) Officers of the Department of Public Works occupied part of the uncompleted Stage 1 section in July, 1964 so that demolition of existing buildings could commence prior to construction of Stage 2. The building was fully occupied by mid 1965, but variations and additions were not completed until 2 years later.

(2) No. However, after the building had been in use for some time, it was opened for public inspection in conjunction with a Wattle Festival in the town.

(3)—

(a) It is customary, but not mandatory for official opening ceremonies to be arranged.

(b) As indicated above the building was progressively completed and occupied and it would seem that this led to the decision to make the building available for public inspection at an appropriate time instead of holding

an official opening. Whilst full departmental records are not now available it is understood that the former local Member was not available to take part in an official ceremony at the time.

(c) As over ten years have lapsed since the building was brought into use it is not proposed to hold an official opening now.

(4)—

(a) There is presently approximately 2 **280** sq. ft of office space vacant. The Government Real Estate Office has been requested by the Public Service Board to submit proposals to the Board regarding the possible utilization of the vacant area.

(b) No floor space has been allocated to a Public Service position which is currently not filled.

## DECISIONS OF INDUSTRIAL COMMISSION OF NEW SOUTH WALES

Mr MOORE asked the Minister for Industrial Relations, Minister for Mines and Minister for Energy—

**(1)** How much revenue was raised in **1975** and **1976 to** date from the sale of roneoed decisions of the Industrial Commission of New South Wales?

(2) Into which public account is this money paid?

*Answer—*

The fees obtained from the sale of reserved decisions of the Industrial Commission of New South Wales was **$1,477.00** in **1975** and **$984.00** up to approximately the end of October, **1976.**

Of these fees, **$13** was paid into the Consolidated Revenue Fund in **1975.**

In explanation of this answer I advise that for some time a practice has been followed whereby the responsibility for the preparation and supply of reserved decisions of members of the Industrial Commission of New South Wales has resided with the associates to the Judges.

This practice has received the approval of successive Attorneys-General in **1955** and **1966,** respectively, and provides for the supply of copies of judgments to interested parties upon payment of a fee which is approved in each instance by the Judge or Judges concerned. Rarely does such a fee exceed $4. The associates are entitled, in accordance with the approval of the Attorneys-General, to retain such fees as compensation for the fact that no overtime or tea money would be payable to them in respect of the work, except as to 1/5th thereof which is paid to the tipstave for checking duties.

I am informed that some of the associates in fact do not take advantage of the approval to charge a fee for supplying copies of judgments issued by their respective Judges, and that copies of judgments of one Judge are in fact supplied by the Court Reporting Branch of the Attorney-General's Department at a cost of **$1** per judgment.

The situation which has developed over many years now seems to call for review as to the appropriateness of the present method of compensating the persons involved in the preparation of copies of these judgments and I have already referred the matter for consideration by my colleague, the Attorney-General.