Legislative Assembly

Wednesday, 15 April, 1981

Bills Returned—Petitions—Select Committee upon Aborigines—Questions without Notice—Telephone Rezoning (Urgency)—Aluminium Smelters (Personal Explanation)—Bills Returned—Election Funding Bill (Introduction, second reading)—State Bank Bill and Cognate Bills (Introduction, second reading)—Maritime Services (Amendment) Bill and Cognate Bill (Introduction, second reading)—Church of England (Norfolk Island) Bill and Cognate Bill (Introduction, second reading)—Northern Rivers County Council (Undertaking Acquisition) Bill (Introduction, second reading)—Apprenticeship (Amendment) Bill and Cognate Bill (Introduction, second reading)—Bills Returned-Colleges of Advanced Education (Amendment) Bill (Introduction, second reading)—Poisons (Amendment) Bill (Introduction, second reading)--Cumberland Oval Bill (Introduction, second reading)—Special Adjournment—Declaration of Urgency (Bills)—Bill Returned—Medical Practitioners (Amendment) Bill (third reading)—Water (Amendment) Bill (second reading, third reading)—Lord Howe Island (Amendment) Bill (Committee)—Luna Park Site Bill (second reading, third reading)—Printing Committee (Thirteenth Report)—Adjournment (Bridge Road, Hornsby)—Questions upon Notice.

Mr Speaker (the Hon. Lawrence Borthwick Kelly) took the chair at **10.30** a.m.

Mr Speaker offered the Prayer.

BILLS RETURNED

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

Growth Centres (Development Corporations) Amendment Bill

Poultry Processing (Amendment) Bill

PETITIONS

The Clerk announced that the following petitions had been lodged for presentation:

Moral Standards

The humble Petition of the undersigned citizens of Australia, New South Wales, respectfully sheweth:

That we, the undersigned, having great concern because of the spread of moral pollution in our State call upon the Government to introduce **immediate** legislation:

(1) To give positive support to the Lord Mayor of Sydney and other local government authorities in their attempts to clean up moral pollution in our communities.

(2) To give local government authorities the power to reject applications from individuals or companies for moral pollution centres which are against the public interest such as so-called sex shops, live sex shows, blue movie cinemas, massage parlours (brothels), escort services (prostitution), et cetera.

(3) To tighten up the standards used by the New South Wales Indecent Publications Classification Board so as to include the total prohibition of any pornographic publication or film containing child pornography, bestiality, sodomy or violent sex acts against women, such as rape and pack rape, sadism and torture, et cetera.

Your Petitioners therefore humbly pray that your honourable House will protect our society, especially women and children from moral pollution and its harmful effects.

Petition, lodged by Mr O'Connell, received.

Maitland Hospital

The Petition of certain citizens of New South Wales, respectfully sheweth:

That the Maitland hospital being over 100 years old is in desperate need of extensive upgrading. Many areas need immediate attention. In view of the major expansion of industry and population surrounding Maitland we urge haste in the planning and provision of new facilities.

Your Petitioners therefore humbly pray that your honourable House will intercede on our behalf with the Minister for Health.

Petition, lodged by Mr Toms, received.

School Funding

A Petition of the undersigned citizens, residents within the State electorates of Eastwood and Nepean, respectfully sheweth:

That it is vital for the Government of this State to increase funds available for government schools in order to improve educational programmes and allow for the development of education to meet the needs of changing technology and social requirements in the 1980's and beyond. In particular we call upon the Government to allocate sufficient funds to allow for—

(1) Adequate development of pre-school educational facilities to meet the needs of all children progressing to enrolment in government schools.

(2) Increased employment of all categories of ancillary staff to assist teachers in implementing educational programmes and to undertake the non-professional duties required in all schools.

(3) Employment of increased numbers of remedial teachers throughout infants, primary and secondary schools.

(4) Allocation of sufficient teaching staff to ensure that no class exceeds 30 pupils in infants, primary and junior secondary schools; 25 in senior secondary schools and to ensure that no kindergarten class exceeds 22.

(5) Increased staffing to allow for release of teachers to carry out duties such as lesson preparation, curriculum development and parent interviews.

(6) Greatly increased facilities in technical and further education. to allow for lifelong education to meet the needs of our rapidly changing society.

We call upon the Government to substantially increase its allocation of resources to education in government schools and colleges in order to achieve these ends.

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

Petitions, lodged by Mr Anderson and Mr J. A. Clough, received.

Truscott Street Public School

The Petition of Truscott Street Public School Parents and Citizens' Association and Truscott Street Public School Mothers' Club respectfully sheweth:

We call on the Hon. Paul Landa, LL.B., M.L.C., Minister for Education, to show cause why he has negotiated with interests outside Truscott Street Public School for the lease of buildings and grounds for the establishment of a non-departmental pre-school, without prior consultation with the recognized school parent organizations and the school staff.

We further call on all concerned and relevant Government depart ments to immediately take the following action:

(1) To conduct a detailed survey to establish the present and future pre-school and long day care needs of the entire Ryde and North Ryde area.

(2) Should an additional pre-school facility be found to be necessary, to establish a departmental pre-school within a public school in the area.

(3) To consult immediately with the recognized school parent organizations and the staff of Truscott Street Public School to ascertain their wishes with regard to the leasing to outside organizations of any buildings or grounds of the school.

Your Petitioners therefore humbly pray that your honourable House direct that these actions be taken immediately and your Petitioners, as in duty bound, will ever pray.

Petition, lodged by Mr Cavalier, received.

Road Courtesy

The Petition of certain concerned citizens of New South Wales respectfully sheweth:

That New South Wales drivers are far too aggressive and show a lack of courtesy and patience. These bad characteristics contribute significantly to the shocking road toll.

Your Petitioners therefore humbly pray that the Government design and implement a long term advertising campaign to educate the driving public on road manners and that questions on road courtesy be made compulsory for all licence tests.

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

Petition, lodged by Mr Smith, received.

SELECT COMMITTEE UPON ABORIGINES

Report

Mr KEANE (Woronora) [10.33]: I bring up and lay upon the table of the House the Final Report, Minutes of Proceedings of and Evidence of the Select Committee of the Legislative Assembly upon Aborigines for whose consideration and report this subject was referred on 21 November, 1978.

Ordered to be printed.

QUESTIONS WITHOUT NOTICE

INDUSTRIAL UNREST

Mr MASON: I direct a question without notice to the Premier and Treasurer. In view of the continuing industrial unrest that causes such serious public inconvenience as the present strikes in the transport industry, and threatens the economic stability of business and industry and endangers the State's export trade, will the Premier and Treasurer consider calling a tripartite conference in an endeavour to see if commonsense might prevail among men of goodwill and a way be opened that may lead to industrial peace, for the sake of the future of New South Wales? Will the Premier and Treasurer call to such a conference trade union and business leaders, both State and national, in the hope that long-term solutions might be found in this most serious area of community concern?

Mr WRAN: All serious-minded people are concerned with the direction in which industrial relations in Australia are heading at the present time. The worst example of provocation and domination is given by the Prime Minister. It is a matter for great regret that the Prime Minister, on the question of a shorter working week, which is the subject of debate in Australia, has clearly deserted the middle ground and converted what should have been a matter for serious consideration and discussion, by all sections of the community, into virtually a confrontation between the federal Government and other sections of the community, both at the employer and employee level.

If, for one moment, I thought that the Liberal Party and its leaders were really serious about coming to grips with industrial relations, the vexing problem of strikes and their settlement and perhaps even the cause of strikes, I would join in. It is not to be taken that all strikes are the responsibility of employees. In many instances the quality of middle management in Australia is poor, untrained and quite incapable of dealing with day-to-day problems in relation to personnel and industrial matters. If, for one moment, I thought that the Liberal Party was sincere about entering into a serious debate, certainly I would join in it, but it still rankles me that on an occasion about eighteen months ago the Australian leader of the party to which the Leader of the Opposition belongs, the Prime Minister, made a grandiose gesture in a speech

during a period of industrial upheaval. He said that there should be one industrial system and that the only way it could be achieved would be for the States to give their powers to the Commonwealth in order that Australia could have a unitary system of government. I agreed, but I have not heard from the Prime Minister since——

[Interruption]

Mr SPEAKER: Order! I call the honourable member for Lane Cove and the honourable member for Gordon to order.

Mr WRAN: On the day that I agreed, those two great libertarians, Mr Bjelke-Petersen and Sir Charles Court, said that they would not trust the federal Government with their powers. The reality is that there are too many unions and too many strikes in Australia. Perhaps it is because there are too many unions that there are too many strikes. The Government through the Minister for Industrial Relations and Minister for Energy has been active in encouraging the process of amalgamation by consultation with the trade union movement and such bodies as the Manufacturing Industries Advisory Council and the Building Trades Consultative Committee and it will soon be doing the same thing through the recently established Coal Industry Advisory Committee. The Government has been anxious always to have communication and consultation with all elements in the industrial spectrum.

Strikes, as irritating as they may be and as inconvenient as they may be, are puffed up with an importance that they really do not merit in Australia. I do not mean by that remark that I am satisfied with the industrial situation in Australia—far from it. One would think, however, that Australia is the only nation in the world that has strikes. In terms of days lost the record in Australia is comparable with the record in the United States of America. Our record is better than a comparable democracy such as Canada. Since the second world war Australia has never had a crippling and disastrous strike like the 111-day coal strike in the United States of America, which crippled the steel industry and the automobile industry and brought the President of the United States of America at that time to the point of threatening to declare a national emergency throughout that great nation.

May I depart from this subject to say, on behalf of the Government and, if I can borrow the term of the Leader of the Opposition, I hope on behalf of all people of goodwill, how proud, pleased and relieved we all are that the men who took the Columbia space shuttle into orbit have returned safely, proving how great has been the technology achieved.

[Znterruption]

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

Mr WRAN: The United States of America may not have had any airline strikes to worry about, but at least it has an airline. The federal colleagues of the Opposition in this House are preparing to sell off TAA. I am glad to see the honourable member for Gordon back in the House. He has been doing more aeroplane travelling than the space shuttle men lately and has been back only for one day. I emphasize that obviously much can be done. This Government does everything it can within the rules laid down by the Commonwealth, the State laws and the practices and traditions of the community. Talkfests suggested by the Leader of the Opposition achieve nothing. Each time a mass meeting has been held there has been no result. What is needed is a greater realization that the laws must be reformed and there must be fewer unions. New South Wales is leading Australia out of its economic morass.

When one talks of days lost through strikes it is worth remembering that if an additional holiday had been granted for Anzac Day, which this year falls on a Saturday and is traditionally held on the day upon which it falls, more manhours would have been lost through that one holiday than through all the strikes this year in this State. Unused manhours, hardship, and inconvenience caused by unemployment infinitely exceed those lost through industrial disputes. If at any time the Opposition wishes to put forward meaningful proposals concerning industrial matters, they will be considered seriously by the Government. Certainly, the Government does not see any future in mass meeting talkfests. In the past they have achieved nothing and, quite frankly, will achieve nothing in the future.

KIRRAWEE HIGH SCHOOL

Mr KEANE: I direct my question without notice to the Minister for Planning and Environment representing, in this House the Minister for Education. Is the Minister aware that when Kirrawee High School was constructed during the term of the Askin coalition Government, plans to construct an assembly hall were not proceeded with? Does the Minister know that since I became the member for Woronora I have made repeated requests on behalf of the Kirrawee Parents and Citizens Association, students and the teaching staff, for the construction of a multipurpose assembly hall? Will the Minister give a guarantee that when the planning lists for the construction of new multipurpose halls are compiled, Kirrawee High School will have a high priority?

Mr BEDFORD: I thank the honourable member for Woronora for his question on behalf of the students, teachers and parents of children attending Kirrawee High School. I acknowledge the magnificent effort he has made since he has been the member for Woronora to gain additional facilities for that and other schools in his electorate. When I was Minister for Education a large number of requests came to me from that honourable member on behalf of schools and their students in his electorate.

Kirrawee High School was one of the earlier designs of multipurpose spaces. It is acknowledged that it does not provide the same space or facilities as more recent designs. The existing older style multipurpose centre does provide a sheltered assembly space. Members may recall a promise made by Sir Eric Willis, as Minister for Education in the coalition Government, that before the end of 1976 every high school in New South Wales would have a multipurpose centre or assembly hall. That promise was not kept. His Government fell far short of that promise. To be truthful, it was an unrealistic promise. When that Government fell there was a large shortfall of multipurpose centres at schools within New South Wales.

Despite the severe financial cutbacks in federal funding already experienced by the Department of Education, a limited programme of construction of multipurpose centres is continuing. Priority must be given to schools which do not have any form of sheltered assembly area. Any extension of this programme will depend upon increased availability of funds in the next financial year. The need for the construction of multipurpose centres throughout this State has been recognized. Since coming to office this Government has achieved the completion of eighty-six such centres with another seven under construction. I assure the honourable member for Woronora that every consideration will be given to the provision of a multipurpose centre at Kirrawee High School within the Government's financial means.

ATTACK ON THE HON. P. J. BALDWIN

Mr PUNCH: I direct my question without notice to the Minister for Police and Minister for Services. Why has the Minister not yet publicly responded to the concern expressed a month ago by the New South Wales Labor Women's Conference, as well as by the community, about the Labor Party's head office handling of the Baldwin bashing? Is the Minister aware that that horrific event took place more than eight months ago? In view of widespread concern, will the Minister advise what progress has been made by the police to discover who was responsible for Mr Baldwin's bashing? If there has been no progress, why not?

Mr CRABTREE: The Commissioner of Police appointed a special squad to inquire into the bashing of the Hon. P. J. Baldwin. Inquiries to date have been abortive in establishing the identity of any attacker, but are continuing. The investigation has been monitored by Assistant Commissioner Whitelaw. If the Leader of the Country Party has any information——

Mr Punch: The Minister is endeavouring to bounce it back.

Mr CRABTREE: The Leader of the Country Party should not laugh. On one occasion he failed to go before a Royal commission to give certain evidence. If he put that on his election pamphlet he would not be returned to this House.

Mr Punch: Answer the question.

Mr SPEAKER: Order!

Mr CRABTREE: If the Leader of the Country Party can assist the police, Re has a responsibility to do so. As a citizen he knows about water rights within his own electorate and should know his responsibility in other areas. If the Leader of the Country Party knows anything about the attack to which he has referred it is his public duty to inform the police. He should do that and not ask snide questions in this House. The attack is still the subject of inquiry. The Leader of the Country Party should not use the forms of this House to smear the New South Wales Police Force. As the Leader of the Country Party and as a citizen he has a duty to assist the police. He has abrogated his public duties on more than one occasion in this House, and for that he is shamed.

Mr Mason: The Minister is sweeping the matter under the carpet.

Mr Punch: What is the Minister hiding?

[*Interruption*]

Mr SPEAKER: Order!

Mr CRABTREE: If the Leader of the Country Party has any information on this matter, I shall arrange for the Commissioner of Police to attend the House this afternoon so that the Leader of the Country Party can speak to him. I repeat: I have every confidence in the police and their inquiries and I reject the smear that the Leader of the Country Party placed on the police force.

[*Interruption*]

Mr SPEAKER: Order!

RADIOACTIVE MATERIAL

Mr BRERETON: I direct a question without notice to the Minister for Health. I refer to my question of 8th April regarding an allegation of radioactive leakage following a road accident in the Port Macquarie region. Have Health Commission officers made further tests and, if so, what are the results?

Mr K. J. STEWART: The truck accident on the Pacific Highway at Heron's Creek near Laurieton on Thursday, 4th December, 1980—not on Monday, 1st December, as previously suggested—resulted in spillage of cargo including a quantity of DDT pesticide granules in drums; a quantity of sodium propionate—a fungicide, also used in antifungal lotions for human and animal treatment; and two protective containers of radioactive materials. The spilled cargo was examined by police from Laurieton and Port Macquarie, health surveyors from Hastings municipal council and a technical officer from the Australian Atomic Energy Commission. The cargo included also a tool box containing two or three 50-millilitre bottles labelled "Strip-X—Fatal if absorbed through the skin". One bottle was broken. The contents have not been identified, but they probably consisted of organic solvents, perhaps methylene chloride.

Radioactive materials on the truck comprise four Americium-241 sources—1 x 8 curie, 3 x 1 curie—in one protective container, and one Caesium-137 source (375 millicuries) in another protective container. Outer shipping containers around the protective containers were damaged. However, both sources were considered to be safe, with no spillage or leakage of radioactivity. The sources and containers were later carried on to Brisbane, where their integrity was confirmed.

Maximum possible radiation exposure of persons handling the protective containers would have been 30 millirems per hour. The dose required to produce radiation sickness is about 50 rems, that is, about 2 000 times the maximum possible hourly exposure. Some containers of DDT and sodium propionate were broken. Broken containers and spilled contents, including about 70 kg of DDT and the small bottles of Strip-X, were buried beneath 2 metres of soil at the side of the road. Some fumes were reported to have been evolved when rain fell on the spilled material at the crash site. The fumes were reported to be slightly irritant. The significance of this is not known.

Dr McKay, a medical practitioner of Laurieton, claims that up to thirteen people have been affected by exposure to radiation. This claim has not been supported by Health Commission medical officers or the police medical branch, who examined eight members of the police force. Chromosome studies of two of the policemen with longest exposure showed no abnormality. Examination of DDT and HCB in blood from three of the policemen with longest exposure gave results within normal population limits. Possible contamination of underground and surface water nearby has been alleged. This is unlikely, and samples of water tested by the division of analytical laboratories showed no DDT.

I assure the honourable member for Heffron and the House that there is no danger to the people of Laurieton or Port Macquarie. Unfortunately, Dr McKay has persisted in his allegations. I inform the House, as I did when the honourable member for Heffron first raised this matter, that one should keep one's options open and not place too much reliance on Dr McKay's diagnosis. Dr McKay has been deregistered as a medical practitioner in New South Wales on two occasions. In March last year he caused a disturbance in a discotheque in Port Macquarie. He resisted arrest, assaulted a police officer, was arrested, wrecked his cell and was later convicted and fined. On 27th March this year he was charged with driving under the influence of alcoholic liquor, two charges of negligent driving, two charges of driving in a manner dangerous, and refusing a breathalyzer test. The hearing of those charges has been adjourned to

6th May. It has been suggested that some persons whose physical complaints were allegedly diagnosed by Dr McKay ——

Mr Cameron: On a point of order. From what the Minister has said this matter is ***sub judice as*** certain charges are awaiting trial and have been adjourned to a future date, yet he is traducing the reputation of a doctor in this Parliament. That is contrary to the principles of this House.

Mr SPEAKER: The honourable member for Northcott has drawn to the attention of the House that some of the matters of which the Minister for Health is speaking are the subject of a future court hearing. I agree that if that is the case those matters are ***sub judice*** and I ask him not to refer to them.

Mr K. J. STEWART: It has been suggested that some persons whose physical complaints were allegedly diagnosed by Dr McKay are not his patients. A telephone call has been received from a medical practitioner in Port Macquarie, who spoke on his own behalf and on behalf of a number of his colleagues, intimating that they had not observed among any of their patients any illness similar to that reported by Dr McKay. I hope my reply to the honourable member's question puts this matter to rest and allays the fears needlessly aroused by Dr McKay in the minds of residents of the Laurieton and Port Macquarie regions.

ALUMINIUM SMELTERS

Mr TOMS: I ask a question without notice of the Premier and Treasurer. Is the aluminium company Alumax of Australia Pty Limited about to withdraw from the Lochinvar smelter project? Is this project one of the most significant developments in the Hunter Valley? Were some of the reasons for that company's decision the Government's attempts to increase the power costs to the company and the Government's inability to resolve doubts on the suitability of the Lochinvar site? What action does the Government intend to take to ensure that this project, so vital to the Hunter Valley, is not completely lost?

Mr WRAN: I should have thought that if the honourable member for Maitland was concerned about the future of the Alumax project he would have taken the trouble to discuss it calmly and objectively with me or the Minister for Industrial Relations and Minister for Energy, rather than seek a headline in the local newspaper. The honourable member showed no enthusiasm for the project during the recent Maitland by-election. Indeed, it was a curious state of affairs in Maitland when the chamber of commerce of that city virtually turned its back on the Liberal Party because of the lukewarm support that party gave to smelter development in this State. Earlier this year the Liberal Party, in the personage of Senator Puplick and the Deputy Leader of the Opposition in this House, were raging in Canberra and in Sydney respectively, doing everything they could to ensure that the smelter proposals for the Hunter Valley would not go ahead. This Government intends that the Tomago and Lochinvar smelters will go ahead. The honourable member for Maitland has never lived in Maitland until the past few weeks and is only a temporary resident there. One would have thought that he would have become sufficiently acquainted with the desires and aspirations of the people of Maitland to know that they are overwhelmingly in favour of the development.

Those persons are not like the honourable member for Hornsby, who in a cowardly fashion travelled round the world endeavouring to belittle what was being done in New South Wales and endeavouring to sabotage these smelter developments. The honourable member for Hornsby telephoned a Sydney reporter from New York

and said that after talks with bankers in the United States of America he had been advised that the credit rating of New South Wales with major banks in that country had dropped because of discussions that were proceeding in Australia with smelter companies. The honourable member for Hornsby said to the reporter that he had been told ——

[Interruption]

Mr WRAN: Who said it was right? Which member of the Opposition will own up to that? The honourable member for The Hills said it was right.

Mr Caterson: I did not say that.

Mr WRAN: I shall read a letter that I received after the honourable member for Hornsby returned from the United States of America, from Memll Lynch and Company Incorporated—indeed, from Roger E. Birk, the chairman of the board. That company is one of the great broking corporations of the world. Mr Birk wrote in these terms—and for the benefit of the defrocked minister, the honourable member for Hornsby, who went round the world telling lies, I wish to read what the chairman of Merrill Lynch wrote:

I was delighted to learn ——

Mr Pickard: On a point of order. I take offence at the Premier and Treasurer saying that I was overseas telling lies. You have called other honourable members to order, including the Premier and Treasurer—who may find another word to get round it—for using those words. I ask you to direct that the Premier and Treasurer withdraw that remark.

Mr SPEAKER: Order! The action that the Chair will take when a member says that another member has told lies is well established by previous rulings. Comments such as, "He has told lies" are not regarded by the Chair as offensive. However, if it is said of an honourable member in the Chamber, "He is a liar", or "He is telling lies", the Chair will regard that as offensive and will direct that it be withdrawn. As the honourable member for Hornsby has asked that the remark be withdrawn, I ask the Premier and Treasurer to withdraw it.

Mr WRAN: I bow to your ruling, Mr Speaker, and withdraw it. The letter reads:

> I was delighted to learn through Mr Norman Oakes, the Secretary of the Treasury, that you had decided to appoint Merrill Lynch to undertake the first United States Private Placement for a New South Wales authority. My firm has given to the Treasury an unqualified commitment of its resources and reputation to this important undertaking and I would personally like to confirm that commitment to you. You may be assured that Merrill Lynch will do everything possible to ensure the success of New South Wales first Private Placement in a manner that will establish the premier credit standing of your state in the United States market.
>
> As you know, Merrill Lynch has already made a substantial commitment to New South Wales with the establishment of a major office in Sydney. This growing involvement reflects our faith in your state's prospects ——

Mr Mason: What is the date of the letter?

Mr WRAN: The letter is dated 10th March. I shall give the Leader of the Opposition a copy so that he can inform the honourable member for Hornsby, a defrocked minister, that he should not go round the world denigrating this State. The honourable member for Hornsby said all sorts of things about Alumax and Pechiney.

He telephoned Pechiney from San Francisco before he made his statements; he did not speak to senior executives. I inform honourable members of what the Government was told by Alumax about the efforts of the honourable member for Hornsby:

> Initially Mr Brown from the Australian Consulate (West Coast) telephoned Mr Bob Miller regarding a meeting with Mr Pickard. Mr Miller explained that he would be very pleased——

Mr Miller is an executive of Alumax:

> —to greet Mr Pickard but could give him no further information than what had already been released, i.e., that they were reviewing the situation. Mr Pickard telephoned Mr Bob Miller seeking an appointment to see him in the hope of gaining further information. Once again Mr Bob Miller told him that he would be pleased to see him but that he could not give any further information. Mr Pickard wondered if Mr Miller could give any information or perhaps someone else in Alumax. Mr Bob Miller explained that Mr Mayers would be delighted to greet him but could not give him any additional information. Mr Mayers telephoned Mr Pickard's hotel——

That is in San Francisco:

> —to greet him but unfortunately could not make contact. Mr Pickard again spoke to Mr Miller a week before Parliament, suggesting that Mr Mason said——

He used the name of the Leader of the Opposition:

> —he could stay over for a few days if iit would be advantageous——

I interpolate, meaning if he could do New South Wales some injury:

> —and suggested it would be of benefit to the company to brief the Opposition on exactly what was going on. Mr Miller asked why. We are dealing with the Government and really had nothing more to say.

Here is the punch line:

> Mr Pickard said OK and commented he would spend a couple of days relaxing in Hawaii instead. Mr Miller said that sounded more fruitful.

I repeat that the Tomago smelter is proceeding and the Lochinvar smelter is proceeding. The Opposition geniuses, the defrocked ministers, the misspent real estate agents, developers, and failed businessmen in the Liberal Party—with the exception of the honourable member for Vaucluse, because honourable members know she said she made a bit of a killing in the mining boom—all these failures seem to forget that Alumax is part of a consortium. That consortium, apart from Alumax, comprises Australia's largest industrial corporation, the Broken Hill Proprietary Company Limited, and one of the great trading houses of Japan, Mitsui. It matters not a jot what happens to Alumax. Nothing would please me more than to see greater Australian participation in this great undertaking. If Opposition supporters would stop behaving as if they are members of some anarchy group when they travel round the world at the expense of mining companies and resource companies, which seem to pay their fares and their bills, and were to become more interested in the State and the placement of unemployed persons, New South Wales would go ahead at a greater rate.

I deplore a question such as this coming from the honourable member for Maitland, who should have the interests of his constituents at heart and not attempt to throw out fear and suspicion that this great undertaking will not proceed. It will not

only proceed; it will also provide much needed employment, much needed investment and much needed prosperity to Maitland, which all honourable members know stood still for years until the Labor Government was elected in 1976.

TELEPHONE REZONING

Urgency

Mr ANDERSON (Nepean) [11.81: I move:

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

That this House calls on the federal Government to apply some of the profits gained by Telecom to extend the metropolitan telephone zone to include the outer areas of Sydney.

This motion is urgent because, unless something is done in the near future to take the outer areas—the 045, 046 and 047 zones in particular—into the metropolitan area and to correct the antiquated system that is operating in the areas I represent and beyond, a great tragedy will occur. I am surprised that the honourable member for Hawkesbury would buy into this; because his electorate is affected as much as any other electorate. It is a pity he does not support the Government's view. The Government is attempting to do something about the problem. In parts of the outer areas it is impossible to dial 000 in an emergency. Somebody will die, unless something is done about this problem. It is not happening only with 000. People in the outer areas cannot telephone doctors or other people who may be able to assist.

Mr Mason: On a point of order. I am sure all honourable members would be concerned about any threat to life, or the possibility of such a threat, but the subject of the motion cannot be resolved by the House; it is entirely within *the* ambit of the federal Government and Telecom. This House cannot take any action or pass any motion that would assist the constituents of the honourable member for Nepean. I ask that you rule that the motion is out of order.

Mr SPEAKER: Order! The House can pass any resolution that it chooses. The honourable member is in order.

Mr ANDERSON: The matter is urgent also because unless the federal Government responds to the call of the people living in the outer western areas there will be mass demonstrations. It is a tragedy that people should have to go into the streets to obtain justice and to seek services for which they are being overcharged, but not receiving.

Mr Schipp: The honourable member should settle down.

Mr ANDERSON: The honourable member for Wagga Wagga wants me to settle down. He would not settle down if he had a woman attending his office with a child who had taken ill and the woman was unable to telephone for an ambulance. The honourable member might feel differently if for three hours a doctor practising in his electorate could not make a call from his office to obtain an ambulance when he wanted a seriously ill patient to be transported to the hospital for an urgent surgical procedure. The quality of life of the people in the western districts of Sydney is being

affected. They cannot telephone emergency numbers or any other numbers for hours at a time. Frequently it is not possible to get a dial tone on the telephone, and then when one gets the dial tone one hears a junction busy signal or an engaged signal.

Last week on twelve occasions in fifty minutes constituents tried to ring my office. Though my office telephone number has a prefix of 35, on each of those twelve occasions in fifty minutes a subscriber with a 33 prefix received the call. If people are having difficulty contacting their local member, one can imagine the concern that is erupting when they cannot contact other people. Business people who have their offices in the western areas of Sydney are losing orders. Employment opportunities are being reduced because government departments, especially Commonwealth departments, will not ring STD to contact those who apply, or tender or quote for jobs. It is scandalous that cities such as Campbelltown and Penrith should be cut in half by the discriminatory division that is drawn. The dividing line runs from the city of Penrith between Werrington and Cambridge Park, and yet one has to make an STD call to those areas across the boundary line, even though the call is charged at the local rate. It is well and good to be charged at the STD rate, but frequently one cannot even make a call.

Many married women in the outer western districts of Sydney need to contact their husbands who are working in the city, but are unable to do so. The discrimination has been allowed to continue for too long. Unless something is done quickly, a tragedy will occur. People living in the 047 zone particularly have called upon the federal Minister for Post and Telecommunications to assist them. They have said that if the Minister refuses to give assistance, they propose to demonstrate. I am not speaking about people who would normally go on the streets to demonstrate; I am speaking about housewives and business people. The Penrith Chamber of Commerce persistently has expressed its concern. From my discussions with the honourable member for Campbelltown I know that the business people in his electorate are also concerned. The problem extends across to Windsor and to Richmond, as the honourable member for Hawkesbury well knows. Undoubtedly he is having similar problems in his zone.

When one mentions the problems to people who do not live in the outer western areas they tend to suggest that there are problems with the Sydney exchange. If problems are being experienced with the Sydney exchange, one can understand that the difficulties in the outer metropolitan area are much greater. Often when one tries to make a call one hears a weird noise on the line. One of my constituents tape-recorded the noise and referred the tape to Telecom, but no action was taken.

It is urgent that the federal Government should respond to the call of the people and to the motion that I seek leave to move, to take the area into the metropolitan zone. It appears that Sydney is the only capital city in Australia discriminated against in this way. That is because the centre of the metropolitan zone is at the General Post Office in Martin Place, though it should be between Granville and Parramatta which is the geographical centre of Sydney. Half of the metropolitan zone is in the Pacific Ocean. That does not happen in Melbourne or in any other capital city. Unless something is done it will not be possible to attract industry and commerce to areas such as Penrith and Campbelltown and to provide job opportunities for residents of those areas. Continual problems will arise because people are not able to maintain contact socially or in an emergency. Recently, at the insistence of the federal Government, Telecom introduced Community Access 80, which it was said would bring great benefits. The benefit it brought to my electorate was that a person living at Katoomba could not telephone a person living at Springwood in the Blue Mountains without being charged at the STD rate.

It is deplorable that a person who wishes to make a telephone call from Penrith to Blacktown or to Campbelltown should have to dial STD. It has been said that Telecom cannot go to nine digit numbers, because it would be too expensive, but in its last balance sheet Telecom declared a profit of $200 million. It is about time some of that money was used to provide justice. It is urgent that justice be given to the people of the outer western area of Sydney. The lack of adequate telecommunications services does not affect only those living in the outer western districts. It affects also those who live in the metropolitan area, and wish to keep in contact with their children who have grown up, married and now live in the western areas of Sydney. People living at Cranebrook in the electorate of the Minister for Mineral Resources and Minister for Technology waited six months to get a public telephone box because Telecom would not respond to the needs of the people.

Mr Caterson: The honourable member is not speaking to urgency.

Mr ANDERSON: The honourable member for The Hills should visit the outer western areas of Sydney. He would then learn what is happening there and would take action to provide assistance to make sure that his constituents have telephone services.

Mr Caterson: That is rubbish.

Mr SPEAKER: Order!

Mr ANDERSON: It is clear that unless something is done urgently, a tragedy will soon occur. The Leader of the Opposition smiles. I wonder whether he would smile if a tragedy occurred to a child because the parents had been unable to telephone: for an ambulance. That has been a possibility on many occasions in the past few weeks. I request that the House grant urgency.

Mr WRAN (Bass Hill), Premier and Treasurer [11.18]: It is obvious, having regard to the matters detailed by the honourable member for Nepean already in support of his motion for urgency, that the state of telephone services in the outer western suburbs of Sydney, and indeed in the whole of the outer areas of Sydney, is of such importance and urgency that a debate should take place. During the remarks of the honourable member for Nepean I was shocked by the interruption of the Leader of the Opposition, by taking a point of order, when he said that telephone services in the outer areas of Sydney were of no concern to honourable members of this House. Is it any wonder that the Liberal Party is falling apart in Australia, when it has a leader in this State who is so lacking in knowledge about the affairs of people?

Mr Mason: The Premier and Treasurer is twisting my words.

Mr SPEAKER: Order!

Mr WRAN: The Leader of the Opposition asserted that the House should not even discuss this important motion.

Mr Mason: You are telling lies.

Mr SPEAKER: Order! Earlier I told the House that I would treat such remarks as "You are telling lies" and "You are a liar" as offensive. I ask the Leader of the Opposition to withdraw the remark, "You are telling lies."

Mr Mason: Mr Speaker, I withdraw, but——

Mr SPEAKER: Order! I did not ask the Leader of the Opposition to debate my ruling. I asked him to withdraw the remark, "You are telling lies."

Mr Mason: At your request, Mr Speaker, I withdraw the remark, but ——

Mr SPEAKER: Order!

Mr WRAN: Is it any wonder, with that sort of attitude displayed by the Liberal Party, that the Minister for Industrial Relations in the federal Parliament, the Hon. A. S. Peacock, resigned from the federal Cabinet this morning? I despair at the lack of relationship of the Liberal Party and its leaders to the people of Australia and their problems. The motion of urgency and the substantive motion should be of concern to every honourable member. It is amazing that the honourable member for Hawkesbury has sat in the House week after week and ignored the problem while members such as the honourable member for Gosford, the honourable member for Peats, the honourable member for Penrith, the honourable member for Blue Mountains and the honourable member for Nepean have expressed their concern at the second-rate treatment Telecom is providing to the people of the outer areas of Sydney. On a matter of this importance, despite the workload before the House, I have no hesitation on behalf of the Government in agreeing to urgency so that the matter may be properly ventilated and perhaps those in Canberra, with the best service in Australia, may have brought home to them the problems of the people of the outer areas of Sydney who have the worst service in Australia.

Motion of urgency agreed to.

Suspension of Standing Orders

Suspension of so much of the standing orders as would preclude consideration of the motion forthwith agreed to on motion by Mr Anderson.

Motion

Mr ANDERSON (Nepean) [11.23]: I move:

> That this House calls on the federal Government to apply some of the profits gained by Telecom to extend the metropolitan telephone zone to include the outer areas of Sydney.

If one peruses the report of the Australian Telecommunications Commission, and examines the profit and loss account for the year ended 30th June, 1980, one sees that the retained profit that was transferred to the general reserve in 1980 was $211,545,000. That should be compared with the figure of $190,519,000 in 1979. If one looks at the earnings and expenses of Telecom one sees that $602 million was received in telephone rents. Income received from telephone calls was $1,355 million. The amount of $102 million was forthcoming from telephone connection fees and rearrangement charges. Under each heading within the account the income increased substantially over the amount received in 1979. The expenses did not increase to a comparable extent.

For many years Telecom has enjoyed an increasing profit. In 1975–76 earnings were $1,424.2 million. Expenses in that year were $1,271.8 million. In 1976–77 expenses are shown at $1,510.6 million as against earnings of $1,675 million. In 1977–78 Telecom's expenses were $1,671.6 million compared to earnings of $1,856.5 million. The trend continued in 1978–79 with expenses of $1,853 million and earnings of $2,044.4 million. In 1979–80 the expenses were $2,069.3 million, with earnings of $2,280.8 million. In each year the profit has escalated rapidly. Despite that, Telecom and the federal Government have refused point blank to do anything about the situation in the 045, 046 and 047 telephone zones, let alone any other zones on the periphery. It is abundantly clear that, unless something is done, a considerable price in human terms will be paid.

Let me comment on some broken promises. In 1977, the citizens of Penrith were told by the candidate for the Liberal Party in the approaching elections that, if he were returned to office, Penrith would come within the 02 metropolitan telephone zone. The Liberal Party member was returned but that promise was not kept. I recall leading a deputation from a number of towns in the western area of Sydney to Mr Staley, the federal Minister whose portfolio included Telecom. He intimated that he was not willing to take any action, as the federal Government was happy with what Telecom was doing. He said that Telecom was operating under the Act and that the federal Government could not interfere with it. I put it to him that the coalition parties had control of both Houses of the federal Parliament and that in any event no opposition would be forthcoming from anybody within the federal Parliament to a move to make Telecom take action to put these areas into the metropolitan telephone zone. I have been surprised at actions by the honourable member for Hawkesbury and I should be most surprised if he does not support this move.

Mr Rozzoli: I take my own action, which is much more effective than that of the honourable member for Nepean.

Mr ANDERSON: That action has not been effective in these areas. Representatives from Baulkham Hills, Penrith, Blue Mountains, Windsor and Campbelltown attended as part of the deputation. The mayor of Campbelltown, Alderman Fetterplace, was chairman of a conference at Emu Plains. Total agreement was reached between all present as to the need for action. That was in 1977–78. Despite all the attempts, letter writing, petitions and meetings, nothing has happened. No response has been forthcoming from the federal Government to honour the promise made to the people of the area in 1977. I have already intimated that a simple solution to the problem exists. It is the bringing of the centre of the metropolitan telephone zone away from Martin Place, Sydney, to a point more in the geographic centre of the population. ***[Quorum formed.]*** I have said that discrimination exists against the outer western areas of Sydney. The federal Government should be ashamed of that discrimination.

Mr Mason: Government supporters do not care about this motion; they are all leaving.

Mr SPEAKER: Order! I draw to the attention of the Leader of the Opposition the provisions of Standing Order 156. He shall not converse aloud to interrupt an honourable member addressing the House. If the Leader of the Opposition is called to order a second time, that will be disorder and he will be dealt with by the House.

Mr ANDERSON: It is a shame the Leader of the Opposition does not convey to his federal colleagues the concern he feels for matters affecting citizens of the outer western and southwestern suburbs of Sydney. Discrimination against those people by the federal Government is self-evident. Why is it that Sydney is treated differently from every other capital city by the federal Government? The initial capital cost of taking those outer areas into the Sydney metropolitan zone clearly would be outweighed both in the medium and long term by the increased income that would ensue to government departments. Because we in those areas are in a zone other than part of the metropolitan area it is difficult to get services connected. All the people who move into those areas are having difficulty getting telephone services put on. When they are finally connected, they do not work. Time and time again people ring a number and find it engaged, subsequently to discover that that could not have been so as no one was at home on that day. Another person might ring a number all day and no one answers, only to be told subsequently that someone was waiting hour after hour for the telephone call which did not come. I pointed out last week that on 12 occasions

within 50 minutes a subscriber on the 33 network in the 047 zone received calls directed to me on the 35 exchange. I concede that the 35 exchange in the 047 zone is worst of all but the 21 zone, which was the original zone, is not much better.

Many people are coming to live in the areas to which I have referred. They try to get a telephone service connected and even if they are successful they do not get the service they pay for. If a telephone service does not function correctly it causes untold harm in human terms, let alone in business and commercial terms. Something must be done. Would any member of the Opposition suggest it is not urgent that people who live in those outer areas should get justice in these matters? The press in Penrith reports that the local community is calling for action and is proposing to take certain steps to get the federal Government to accept its responsibility to those living in the outer western areas of Sydney. It will be a sorry state of affairs should the federal Government not accept that responsibility.

Quite frankly, I cannot understand how the argument can be maintained that the federal Government cannot afford to provide these needed services. I have already spoken of the massive profits that will be made by Telecom in the medium and long term if these areas are taken into the metropolitan zone. The federal Government will more than recover the capital cost of having these areas taken into the 02 metropolitan network of telephones. It is clear from past public discussions that the people of the outer areas of Sydney have the total support of the media. The editorial writers in the ***Sydney Morning Herald,*** the ***Daily Telegraph,*** the ***Sun*** and the ***Daily Mirror,*** support the claim for inclusion within the metropolitan zone. On several occasions editorials have covered the matters to which I have alluded, though I do not think the writers are aware of the massive problems that have come to light within the past week or two.

This Parliament should express an opinion on this subject, and it ought to be made known to the federal Government that we expect something to be done. I regret that members of the Opposition do not support me in this motion. The honourable member for Lismore comes from an area totally dependent upon STD services. The Leader of the Opposition on several occasions today has attempted to deny me the opportunity of putting this matter before the House. As the business community in the outer areas is adversely affected by telephone service problems I should have thought members of the Opposition would have supported the motion. I have concern for the operations of business enterprises in such places as Penrith and Campbelltown. They are most important for they provide employment opportunities.

Mr Duncan: They are more like city electorates.

Mr ANDERSON: If the honourable member for Lismore comes to my electorate he will see that it is certainly not a city electorate, even though included within the metropolitan electoral schedule. Thousands of people have moved into such electorates as Hawkesbury, Penrith, Nepean, Campbelltown and Blue Mountains.

Mr R. J. Clough: They are good electorates.

Mr ANDERSON: Yes, they are. All except one are magnificent. Many people who grew up in the eastern suburbs or southern suburbs and have moved into the outer areas often find that their only means of regular contact with family and friends is by telephone. They are unable to use their telephone services, even if they get them connected. That is a national disgrace. It is the greatest impediment to the creation of job opportunities within the western and southwestern sectors of Sydney that one could imagine. Serviced industrial land in many of those outer areas is waiting to be utilized but one of the problems confronting the establishment of industry and commerce in outer areas is the STD problem.

People in the developing areas of Blacktown and Fairfield, or others in the metropolitan zone, are not hit with the enormous telephone bills that flow from being in an STD area. It is an inconvenience for them to have to dial 02, but not a real problem. The principal problem is that one may not get a dial tone; then, if one gets the dial tone, quite often there is the junction busy signal. When that is overcome one may get the engaged signal at the other end in the metropolitan area. An anomaly is created in the Blue Mountains where a telephone call from Katoomba to Springwood involves a charge at the STD rate. We have been told that Community Access '80 overcame these problems but it did not. It created others. With local calls the people who live in the greater western part of Sydney have to pay 9c for every three minutes on the telephone but people in the inner city pay the same amount for an unlimited period. That is inequitable. More than 1 million people live west of Parramatta and they are entitled to a service as good as that available to other members of the Sydney community. They pay the same price and they should not have to put up with the service difficulties encountered at present.

A continuation of this discrimination and inequity is most evident in the city of Campbelltown and the city of Penrith. The zones are divided by arbitrary lines drawn in 1960 — twenty-one years ago. It is conceded that in the early 1960's there was not a lot of people living in those areas. The population of Penrith trebled in the past nineteen years and will double in the next nineteen. It is inconceivable that a city the size of Penrith, which in 1977 had something like 76 000 people and now has 105 000, and only one hour's travel from the centre of Sydney by train, has people who virtually cannot get a telephone and, if they can, it will not work. I suggest to honourable members that if they have friends living in those areas they should contact them to ascertain how bad their service is and what sort of bills they must pay for it. The honourable member for Hawkesbury knows the magnitude of telephone accounts resultant from conducting electoral business. The offices of other honourable members will reveal the same thing. Telephone bills are expensive but if one concentrates on what business people must pay, one realizes the effect those services have upon employment opportunities being made available and whether additional job opportunities will be provided.

The stage has been reached in the outer areas of Sydney when pensioners cannot afford to have a telephone. People come to my office — and I know others go to my federal colleague, the member for Macquarie — and complain that they could not possibly have made the number of calls for which they have been charged. For years I have complained about this matter. It is usual for my constituents to telephone me. I telephone them only to respond to their calls about problems they wish to raise with me. If a meter is checked and found to be operating properly, a subscriber either pays his account or has his telephone disconnected. For persons who do not have a pressing need for a telephone, that is all very well, but there are others who cannot carry on their affairs without a telephone. In some areas people have to wait for six months to get a public telephone installed. Others have to wait long periods for a telephone service to their homes. That happens in Emu Plains, the Blue Mountains and Campbelltown.

The Minister for Mineral Resources and Minister for Technology has been prominent in his attempts to rectify the injustice that has been going on for many years. The honourable member for Campbelltown also has been vociferous in attempting to have the matter rectified. It is not being rectified. It is incumbent upon this House to demonstrate to the federal Government that residents of the outer western and southwestern areas of Sydney have the State Government support in their quest for

justice. The ***Sun*** newspaper of 6th April and the ***Australian*** of 14th February published articles about the federal Government's plans for a probe of Telecom. The article in the ***Sun*** stated:

> The Prime Minister, Mr Fraser, favours cutting back Telecom activities.

If Telecom's activities are cut back any further in my area we shall have to use smoke signals. The article goes on:

> If Cabinet approves the inquiry, it could be expected to investigate Telecom's efficiency, investment and pricing policies.

Much of the condemnation that is heaped on Telecom employees is not warranted. I know of employees of Telecom who, when asked where they work, do not say they work for Telecom. If they say where they work they are likely to get an ear-bashing from a dissatisfied subscriber. Employees of Telecom try to provide a service but if adequate finance and equipment are not available they cannot deliver that service. Certainly, they are not in a position to provide additional services as they are required. When I moved to Emu Plains ten years ago and applied for a telephone service I was told that there were only twenty-five lines for Emu Plains because no one would live there. Now 11 000 people live in Emu Plains, and there is an urgent need for additional telephone lines. An exchange has been built there and that is where the problem lies when people wish to telephone out of the district through the 35 exchange. The same type of thing happens in Blue Mountains, Penrith and Campbelltown.

If the federal Government plans a probe into the activities of Telecom it should examine its performance with regard to that organization. The federal Government ought to give Telecom the resources necessary to provide a good service for all subscribers and to overcome the problems that exist in the outer western suburbs. Residents of country New South Wales deserve a better service. The problems faced by residents of the outer areas of Sydney are increasing. I have friends and relatives in the country areas of New South Wales where there is a problem with subscriber trunk dialling generally. The ideal solution is to have a flat rate charge throughout Australia. That will not happen. As I have said before in other forums, if telephone subscribers in the Sydney metropolitan area are not careful they will soon be paying 9c for a 3-minute call. If that happens there will be a far greater response than hitherto from the people of my electorate and others over the inadequate service.

The article to which I have referred in the ***Sun*** newspaper stated that Telecom has capital assets of more than $7,000 million. Last financial year Telecom made a profit of $211 million on a turnover of about $2,500 million. It has 88 000 employees. If those employees are given the opportunity, they will provide a first-class service and install new services when they are required, not months later. Ten years ago I waited two years for a telephone service. If I wanted to make a telephone call I had to drive or walk round the district to try to find a public telephone booth. Sometimes that was difficult. It is more difficult in an STD zone because STD calls can be made only within certain areas. A resident of Emu Plains cannot telephone on an STD phone a relative in Parramatta, unless he reverses the charge. That is not good enough in 1981 for a metropolis like Sydney.

The Nepean River is a natural boundary, yet half the 047 zone would be on the Sydney side of it. The only equitable way to resolve the problem, other than taking the zones in, which ought to happen, is to move the centre of the zone to Parramatta. The former Prime Minister of Australia, the Hon. E. G. Whitlam, suggested that.

Mr Mallam: He gave a promise on that matter.

Mr ANDERSON: As the honourable member for Campbelltown has said, Prime Minister Whitlam gave a promise that if he were given the opportunity he would put that suggestion into effect. The result would have been different following the promise made in 1977 in Penrith.

Mr Rozzoli: Time would have proved whether it would have been different or not.

Mr ANDERSON: Time did prove it with regard to the promise made in 1977 by the Liberal Party about Emu Plains being taken into the metropolitan telephone zone. That did not happen, but it must happen in the future. I should like nothing better than to see this problem resolved. It will take an issue away from the people that they are happy to talk about, but they would be willing to pay that penalty to get a service they need. It is all very well to talk about businessmen. They lose money when their phones do not work, and I commiserate with them for I understand their problems. But many elderly people live alone, possibly twenty or thirty miles from their nearest relative. Their only source of contact, not only for personal relationships but for shopping and other matters, is the telephone. Young mothers may be concerned about their children; children may be injured at school sport and it is not possible to contact a doctor or the child's parents.

If the human race can put a space shuttle into orbit and have it land on the nominated spot two days later, surely we should be able to guarantee that when a person picks up a telephone he will get the dial tone and be able to dial the number he requires. That does not happen at present, despite the $7,000 million worth of assets that Telecom has and the enormous profits it makes. The federal Government has made no attempt to overcome the discrimination that causes gross inequity for the people in the outer areas of Sydney. From reading the newspaper articles to which I have referred, it is clear that the federal Government wants to get rid of Telecorn and Trans-Australia Airlines in their present form. If, as public instrumentalities, their difficulties are caused by the constraints put on them by the federal Government, what chance do they have of being run efficiently by a private company? Absolutely none.

It should be realized that ordinary men and women will tolerate some things for just so long. At the recent public meeting it was suggested that people should refuse to pay their telephone accounts and that if everybody within the zone refused *to* do this, Telecom Australia or the federal Government would respond. That course of action was not adopted because it would not have received a response. A response must be had in human terms. This week an announcement was made in the Penrith press about public action that will be taken by persons in the community. I inform honourable members that this action comes because of total frustration. Persons in my electorate have tried every way to get justice in this situation, but they cannot.

I can understand the concern of country New South Wales. I am not suggesting that the way to overcome it is to take those zones into the metropolitan area; nor do I believe anybody else would suggest that as an option in the short to medium term. When a substantial part of the metropolitan area of Sydney—and I suggest that in reality the metropolitan area extends at least to Springwood in the Blue Mountains and certainly beyond Campbelltown and Camden in the southwest and to Windsor and Richmond in the northwest——

Mr Mason: What about Faulconbridge?

Mr ANDERSON: It is time some recognition was given to their problems.

Mr Mason: What about Wentworth Falls?

Mr ANDERSON: It may interest the House to know that in the electorate of Nepean, which is classified as a metropolitan electorate, four different telephone zones are in operation. In three-quarters of my electorate if my constituents wish to ring my office, they are required to do so by way of an STD call. It may be charged at the local rate of 9c for three minutes, but nevertheless they have to dial across the boundary lines. Areas such as Leppington and Catherine Fields in the Campbelltown electorate are in the Sydney zone. The 046 zone includes Camden and surrounding areas and across to the Warragamba and Emu Plains region which is in the 047 zone. Yarramundi is in the 045 zone, and adjoins the electorate of the honourable member for Hawkesbury. It is unbelievable that in this day and age one electorate can have four telephone zones, especially when it is a metropolitan electorate.

The other anomaly with which people have found it hard to come to grips is that within the metropolitan telephone zone it is possible to make a telephone call over a greater distance than it is between Penrith and Parramatta, yet a call between those two neighbouring centres is a trunk call. Time and time again those matters have been brought to the attention of the federal Government and Telecom, but there has been little, if any, response. If it is believed that community access is a response, then that response is rejected by the people in the areas in which it was implemented. It is not what they are seeking. They are not asking for something that will cost much money in real terms; in fact it will earn Telecom more money. It would overcome many problems that exist and will continue to exist for a considerable time.

The Australian Telecommunications Empioyees Association, which is Telecom's largest union, has issued 60 000 pamphlets round Australia defending the position of the statutory body. This is an indication of where the response lies. If Telecom will not do it on its own behalf, the federal Government must enact immediately legislation to make Telecom adjust the zones so that justice is given to these people. Problems can be overcome with the present service. The major problem, and one that will continue, is with regard to zonings. Time and again people come to my electoral office and inform me that they can no longer afford to have a telephone. I do not suggest that a telephone is an absolute necessity for every person. More than 90 per cent of people who live in such areas as my electorate require a telephone for their ordinary carrying on of their lives. At present, a telephone is a luxury that many cannot afford. That is a deplorable situation.

It is all right for people in my age bracket to walk a hundred yards or drive their car a couple of miles to a telephone booth. The other problem is the availability of public telephones, because nine times out of ten when one gets to them it is found they have been damaged. That is a cause of frustration, particularly if the call is urgent. That subject has been spoken about for some time. The real problem is that I am fearful that unless some aotion is taken to take the area in my electorate into the metropolitan zones and to improve the service now provided, in the near future some person will suffer a tragic loss through an inability to contact an emergency service—be it ambulance, police or fire brigade. If such a tragedy occurs, nobody will be able to say that the authorities were not forewarned. I call on honourable members to support the motion.

Mr MASON (Dubbo), Leader of the Opposition [11.57]: The Opposition is in support of the principle that the honourable member for Nepean seeks to achieve in this motion. However, what is happening in this House today is one of the jokes that the Labor Party loves to play upon the people of New South Wales. This motion has had to be found suddenly by one of its members because, as all honourable members know, at this stage the Government does not wish to proceed with its

legislative programme. There are divisions and difficulties within the Labor Party; a special party meeting has been called. Some delaying tactic had to be found. Suddenly the Government had to pull out of the woodwork a motion that calls upon the federal Government for action.

The Opposition is in general support of the principles enunciated by the honourable member for Nepean. There should be no doubt about the hypocrisy occurring in this House today. The Premier and Treasurer scurrilously and deliberately misinterpreted my words and twisted them to give some impression that the Opposition is opposed to this motion and that the Opposition has no concern for these people. 'When one of my colleagues moves an amendment an opportunity will be given to members of the Labor Party in this House to show how fair dinkum they are in their concern about this problem of telecommunications and country people. I shall be interested to see whether Government supporters will be big enough to lift the matter from the genuine situation in the 047 area and apply it to the other areas of the State where the same tragedy occurs and people pay dearly for telephone communications. It is no good the honourable member for Nepean weeping crocodile tears about the fantastic cost to business people and others in his electorate. What about the people in my electorate of Dubbo who are trying to carry on a business and are required to use STD to communicate with supply houses in Sydney?

Mr Mulock: What has the Leader of the Opposition done about the problem?

Mr MASON: The Opposition will give the Government an opportunity by putting the acid on it. We shall see what support the Government gives to the Opposition's proposed amendment to the motion. The honourable member for Nepean has used cheap political trickery. It is just a cheap political stunt, because the Government is so worried about the Blue Mountains electorate in the forthcoming elections.

Mr R. J. Clough: The Leader of the Opposition——

Mr MASON: The honourable member for Blue Mountains should not speak about this matter. He has run off like a dingo to Bathurst. He has deserted the people whom he represents and taken off over the hills to Bathurst. He did not have the **guts** to try to gain preselection for the Blue Mountains electorate. He took off and left the electorate. The Government is so concerned about its electorate prospects in Blue Mountains that when it scraped round looking for something to fill in the time it chose the motion of the honourable member for Nepean. On the last sitting day before Easter the House has been called upon to debate this motion, because the **Govern**ment has made such a horrible mess of the Parliament's business arrangements that it cannot get the legislation prepared.

When government business is in chaos, on the last day before the House rises for the Easter break, and honourable members face the prospect of returning after Easter—which Opposition members are willing to do—suddenly the business of the House must be suspended. The Government is worried about the debate that should be taking place on the pecuniary interests legislation. That debate has been delayed and the Government has used this motion as a fill-in. The electorate of Blue Mountains is vulnerable; the Government knows that it will go down the drain in that electorate. The present member has run off like a dingo. The House must have something to fill in the time, so the honourable member for Nepean introduced this motion.

The Opposition will call the Government's bluff in two ways. We shall see whether Government supporters are concerned about the pople of New South Wales **and** telephone charges. The Opposition is concerned. The only reason I took a point

of order when the honourable member for Nepean was speaking to urgency was that all honourable members know that though the House might agree to motions until honourable members are sick and tired of them, that will not affect the situation in the dramatic way that Opposition members would like to see. Telephone charges are for the federal Parliament to consider. They cannot be affected by any motion passed by the House. If the Opposition had moved that it was a matter of urgent necessity that the House take some action about schools or hospitals in the Blue Mountains, the Government would not have agreed to urgency.

Mr Caterson: What about today's rail strike?

Mr MASON: If the Opposition had moved a motion about rail services and asked the Government to take action, urgency would have been denied. I could give the Premier and Treasurer's speech on that motion: "We cannot interfere with the business of the House on the last day before the House rises for Easter. We have loads of legislation to push through." However, suddenly the motion of the honourable member for Nepean supersedes everything else.

We shall see where the Government stands on this matter. The Opposition supports the motion in principle but will seek to move an amendment that the Government should support, if it is fair dinkum. The amendment will propose that the House consider the problem of increased telephone charges for people all over the State, not only those who live in the Blue Mountains. We shall see how fair dinkum the Government is in another way. About ten Opposition members want to speak to the motion. They will instance similar cases in their electorates to that put by the honourable member for Nepean. If the Government gags the debate, it will be a clear indication of the Government's sheer hypocrisy. It will show the measure of the Government's concern for the people of the Blue Mountains and those who live in the 047 telephone zone. The motion is phoney; it is a joke, and the Opposition intends to test the Government's sincerity.

One of the most serious problems for people in New South Wales is the heavy burden of telephone charges. People who live in country areas must meet massive costs, not only for STD calls but also for telephone connections and because they must pay for their own lines. When the honourable member for Nepean speaks about tragedies, he should consider the tragedy of isolation in an emergency for people who live 50 or 60 miles from their nearest neighbour. Consider the tremendous cost to them even of having a telephone connected to their residences. Some of my colleagues will tell the House about those costs. Honourable members should consider the difficulties of business people in places such as Albury, Wagga Wagga, Dubbo, Tamworth, Nyngan and Bourke and the cost that telecommunications add to their businesses. That is one of the most serious problems of decentralization in New South Wales.

Those who have had the courage and initiative to start businesses in the rural centres and provincial cities of New South Wales must meet the fantastic cost of operating those businesses. I know of business people who have found that it is much cheaper to defer making telephone calls and business contacts until they come to Sydney. They save hundreds of dollars by making all their calls and contacts from Sydney. The honourable member for Nepean weeps crocodile tears about the people of the Blue Mountains. Of course the Opposition is concerned about them, but later today we shall find out whether the honourable member for Nepean is worried also about the people of Lismore, Moree, Dubbo and similar areas who have the same problem as he has enunciated in this House.

Mr Caterson: The honourable member for Nepean is not concerned about train travel for the people of the Blue Mountains.

Mr MASON: If the honourable member for Nepean were concerned about his constituents, and if this motion were not a phoney exercise, he would have moved a motion that the House debate today's train strike as a matter of urgent necessity. Honourable members know that the honourable member for Nepean has been peddling this matter for years. It has been one of his hobbyhorses and themes. The only problem is that he has never been able to convince any federal members of Parliament that they should do anything about it. They are the ones who could take some action. He was not able to convince the Hon. E. G. Whitlam that he should take any action. Some Opposition members will probably tell the House what Mr Whitlam did to country people.

The Opposition supports the motion but does not believe that it should be debated today. To interrupt the business of the House at this time to debate the motion is a phoney exercise. If the business of the House had to be interrupted, there are many other urgent matters that could have been raised. It was because of its concern for people in country areas that the Opposition did not refuse urgency. Let the record show that the Opposition is desperately concerned about telephone charges and their effect upon country people. The Opposition will move an amendment to demonstrate the degree of that concern, and will look to the Government to support the amendment, which will broaden the motion. The amendment will demonstrate the Opposition's genuine concern for country people of New South Wales who must meet the costs of conducting their businesses, the threat of tragedy and dilemmas similar to those faced by people who live in the 045 telephone zone. Those problems are being faced by people in Gosford, on the Central Coast, on the South Coast and in all the fringe areas. Problems have been faced by the people of Monaro and Goulburn. It is a statewide problem and the Opposition is asking the Government——

Mr Mulock: Does not the Leader of the Opposition know that Gosford is covered by the motion?

Mr MASON: If the Government does not support the amendment to be moved by the Opposition, that will be clear indication that it has no concern for the country people of New South Wales. It will show how phoney the motion is. The same comment will apply if the Government does not allow Opposition supporters to express the concern felt by their constituents on this important issue.

Mr R. J. CLOUGH (Blue Mountains) [12.12]: Each time I listen to the Leader of the Opposition, who is now leaving the House, I am appalled. He spoke about an amendment to be moved to the motion. I look forward to hearing what the amendment is, though I have a good idea of what it will be. The Leader of the Opposition also spoke about sitting days of the House. One has only to examine the records of the Parliament to ascertain that the sittings in sessions under the Labor Party Government are almost the same as during the last five years of the former Government. If the Opposition wants to debate rail services to the Blue Mountains, let it do so.

The main thrust of the motion is based upon what is considered to be the metropolitan telephone zone and where it commences. Arguments have been put forward that the centre of the telephone zone should remain where it is, at the General Post Office in Sydney, or that it should be moved to Parramatta or another area. Wherever it goes, inequity will result if the present method of charging and zoning for

Telecom services remains. At the present time the system is not practical. It will not work. Most of the improvements suggested over the years have been refused an the ground that they are technically impossible. They are not technically impossible. The technicians employed by Telecom are capable of making the necessary adjustments, with the minimum of delay and fuss, to effect those improvements. The Sydney metropolitan network, as it approaches Penrith, Nepean and Blue Mountains electorates and further west is stopped a few hundred yards before it enters the city of Penrith. The 623 network stops at Werrington. From that point one moves to the 047 network.

There is nothing to quibble about if persons have to dial code zones. The telephone network in Australia, indeed all over the world, is growing at such a fast rate that the imposition of zoning had to come. From the point of view of good management it is necessary to have trunk calls connecting the telephone zones concentrated in that area fed from one zone to another. Whether the centre of the zone is located at the GPO Sydney, moved to Parramatta or to Penrith or extended even further, will not do anything to remedy the problem, because of the irregular zoning system used by Telecom.

I have a great regard for the staff of Telecom who work in my electorate. I was employed in the industry for thirty-two years, so I know a little about it. I have served in some of the most remote areas of Australia where only marginal telephone communication was available. I heard the Leader of the Opposition speaking about those who had to build telephone lines for 50 or 60 miles. I have served in some areas where people would have been pleased to have to build them only that distance.

Some aspects of Community Access 80 are to be commended. That system was introduced by the federal Government in May 1980. I attended a conference with the Postmaster-General at that time, Mr Staley, who has now left the federal Government. He has retired from politics. He pointed out to me some of the good things about Access 80. The failure of the federal member at that time, who happens to be the Liberal Party candidate for the new seat of Blue Mountains, appalled me. He failed to realize what will happen when the Community Access 80 system is applied to the 047 network. Community Access 80 has been extremely beneficial in remote localities where, previously, small telephone offices used to be connected to a trunk line. It was a trunk call to the nearest assistance centre. Access 80 did away with that procedure. Small telephone offices attached to trunk lines are now connected to access phones for a unit fee rate of 9c for three minutes. In doing that, Telecom achieved a plus. I have no argument about that. I spent much time in the bush, in areas where people who were making calls to stores and to stock and station agencies 80 to 150 miles away to do business on a day-to-day basis were paying enormous bills for trunk calls. Access 80 has been beneficial to many areas.

The amazing thing about the operation of the 047 network is that to compensate for revenue lost with the introduction of Community Access 80 into a restricted number of exchanges it was necessary to change charging methods for the remainder of the 047 network. Prior to Community Access 80 it was possible for telephone subscribers as far west as Wentworth Falls to make a unit fee call, or a local call, to Penrith district. The whole of the Penrith city area was covered by a local call from as far west as Wentworth Falls. The situation has changed drastically because a call from Lawson to Penrith is now a trunk line call and is charged for on the basis of 9c for three minutes. Wentworth Falls and all towns west face the same problem. The imposition of Community Access 80 to part of the 047 network did little. It provided some relief to those who live closer to the metropolitan area

but completely ignored the majority of the people west of the cutoff point. Many ills that trouble Telecom in my electorate bear mention. First, long delays in connections are occurring in many areas. My colleague the honourable member for Nepean mentioned that aspect. He did not mention that many substantial connection fees and rentals are paid in advance to Telecom and remain in limbo for a considerable time.

The staff of the telephone centre at Penrith work under grave restrictions from the point of view of modern equipment. It is almost an impossibility to raise service difficulties, 1100. If anything goes wrong with the line, it is just as difficult to reach service directory assistance, 013. Trunk line calls on 011 are answered a little speedier but not on the basis of what might be considered a modern approach. One can dial 011 to book a trunk line, wait a long time, hang up and dial again and immediately be connected. The system is not queued. There is no queue system for the 1100, 013 or 011 networks at the Penrith telephone centre. That has been the position for many years. Not many years ago at Lawson I had a telephone connected to a manual exchange. I had to turn a handle and wait for the Lawson exchange to answer. I was then connected with the number I wanted.

Mr Murray: Good luck to you.

Mr R. J. CLOUGH: There is some point in making that remark. Manual exchanges have many advantages. I know many people who received spectacular service with telephones connected to manual exchanges. Progress marched on inevitably: they have gone. The manual exchange was a plus in the life of many country people, and in centres where I was part of the administration of postal and telephone services. The honourable member for Nepean mentioned that a telephone call from Katoomba to Springwood must be paid for at trunk line rates. That also bears upon what I have said concerning telephone calls between Lawson and Penrith, Wentworth Falls and Penrith. That 9c should be charged for a 3-minute telephone call is not fair when a person using the metropolitan telephone service pays 9c for an unlimited period. A metropolitan subscriber could make a telephone call lasting all day, and still be charged only 9c. The person in the country making a 3-minute call is charged that same amount, but for a 6-minute call is charged 18c. The unit rate must be regulated so that time limits are imposed in the metropolitan area, or there are no time limits in any area.

The amendments to be moved by the Opposition will interest me. Probably they will concern the establishment of a more equitable system for all telephone users throughout Australia. I base that assumption on the premise that a person using a telephone service must be willing to pay necessary charges for so doing. In the metropolitan area, although a mammoth rental is charged for having telephone services connected, a private subscriber pays a smaller rental than someone with a business telephone account. Rental charges thus discriminate but there is no difference whatever in telephone maintenance and accounting costs. I have never discovered why business rental is more than private rental. Rentals need to be increased only when the equipment installed becomes more sophisticated functionally, such as the installation of additional extensions.

It is possible for Telecom to introduce a single call rate throughout the entire country and for rentals to be eliminated completely. Though it is some years since I did a study of the subject, if my memory serves me well it was perhaps in 1975–76 that the call fee was slightly more than 4c, based on the annual return to Telewm. Doubling the call fee might cover the cost of wiping out telephone rentals and instituting an Australia-wide call rate. If the Country Party moved an amendment seeking a national call rate—though I do not think that will

happen-everyone would be on the same basis. The differential against businessmen, by providing a padding in the telephone account, would be removed, and they would pay the same rate as a pensioner, who perhaps uses a telephone only once or twice a day. Depending upon the telephone district in which a service is located, telephone accounting is concerned sometimes with 3-month in lieu of 6-month periods.

My experience as a postmaster in many isolated areas and in suburban areas of New South Wales convinced me that the individual subscriber was carrying the telephone service on his back, because of the large amount he was paying for rent in the telephone account. I have seen telephone bills of less than $50 for a 6-month period with the rent more than $40. Padding of the business telephone network was introduced into the system during the time of the Postmaster-General's Department, and it has been maintained by Telecom. It does not matter what type of equipment Telecom provides for a subscriber, he is still charged rent for it.

The honourable member for Nepean said there is obviously a move to see whether private enterprise can be introduced into the telecommunications network in Australia. If that occurs, the people of Australia will suffer their greatest setback in telecommunications. Despite its failings, its lack of capital, and the inability of staff to provide proper services, whether permanent or temporary, there is still a great difference between telephone costs in Australia and those charged overseas where they are controlled by private enterprise. In Australia the charges are smaller. The American telephone service is far more expensive than the Australian system. The telegram service in America is far more expensive than in Australia, or was in my days at the post office. It is almost impossible to send a telegram today because the charge is so high.

The honourable member for Nepean spoke about public telephones. On one occasion the former federal honourable member for Macquarie and I attempted to establish a need for the installation of a public telephone adjacent to Linden railway station on a busy highway in the Blue Mountains. It was an impossible task. Telecom would not be convinced that there was a need for a telephone service. My colleague's motion is sensible. I base that remark upon my long experience within the industry. The House should accept the motion and ask the federal Government to carry out a complete overhaul of charges on the telephone network throughout Australia.

Mr MURRAY: Mr Speaker——

Mr FLAMERTY (Granville), Government Whip [12.29]: I move:

That the question be now put.

The House divided.

Ayes, 59

Mr Akister	Mr Crabtree	Mr Hills
Mr Anderson	Mr Curran	Mr Hunter
Mr Bannon	Mr Day	Mr Jensen
Mr Barnier	Mr Degen	Mr Johnson
Mr Bedford	Mr Durick	Mr Johnstone
Mr Booth	Mr Egan	Mr Keane
Mr Brereton	Mr Einfeld	Mr Knott
Mr Britt	Mr Face	Mr McCarthy
Mr Cavalier	Mr Gabb	Mr McGowan
Mr Cleary	Mr Gordon	Mr McIlwaine
Mr R. J. Clough	Mr Haigh	Mr Maher
Mr Cox	Mr Hatton	Mr Mair

Mr Mallam	Mr Quinn	Mr Walker
Mr Mochalski	Mr Ramsay	Mr Webster
Mr Mulock	Mr Robb	Mr Whelan
Mr Neilly	Mr Rogan	Mr Wilde
Mr O'Connell	Mr Ryan	Mr Wran
Mr O'Neill	Mr Sheahan	*Tellers,*
Mr Paciullo	Mr A. G. Stewart	Mr Flaherty
Mr Petersen	Mr K. J. Stewart	Mr Wade

Noes, 34

Mr Arblaster	Mr Freudenstein	Mr Rozzoli
Mr Boyd	Mr Greiner	Mr Schipp
Mr Brewer	Mr Healey	Mr Singleton
Mr J. H. Brown	Mr King	Mr Smith
Mr Bruxner	Mr McDonald	Mr Sullivan
Mr Cameron	Mr Mason	Mr Toms
Mr J. A. Clough	Mr Moore	Mr West
Mr Dowd	Mr Murray	Mr Wotton
Mr Duncan	Mr Osborne	
Mr Fischer	Mr Park	*Tellers,*
Mr Fisher	Mr Pickard	Mr Caterson
Mrs Foot	Mr Punch	Mr Taylor

Resolved in the affirmative.

Question—That the motion be agreed to—proposed.

Mr ANDERSON (Nepean) [12.35], in reply: Early in his remarks the Leader of the Opposition intimated that the Opposition agreed ——

Mr Mason: The honourable member for Nepean was not in the Chamber to listen to the Opposition's amendment.

Mr DEPUTY-SPEAKER: Order!

Mr ANDERSON: It is to be hoped that by joint effort of all honourable members this Parliament will be able to convince the federal Government that it ought to do something about the problem under discussion. I should like to respond briefly to some of the matters, particularly those raised by the Leader of the Opposition in response to my comments about the problems faced by residents of country New South Wales.

[Interruption]

Mr SPEAKER: Order! Honourable members who wish to leave the Chamber must do so as quietly as possible. I ask honourable members who wish to remain in the Chamber to reduce the level of conversation.

Mr ANDERSON: It is clear on any view ——

[Interruption]

Mr SPEAKER: Order! The Chair has already asked honourable members to reduce the level of conversation. Will they please do so or Ieave the Chamber.

Mr ANDERSON: Over the past five years this Government has shown that it is responsive to the needs of country people. One of the philosophies and commitments of the Labor Party is to equalize opportunity. Those philosophies and commitments have been put into effect by the Minister for Local Government and Minister for Koads, the Minister for Industrial Relations and Minister for Energy, the Minister for Transport and many others. The adoption of this motion would be a first step in gaining a favourable response from the federal Government to the problems that face New South Wales with regard to telecommunications. There is no denying that people living in country districts face problems with telecommunications but the Leader of the Opposition did not listen closely enough to what I said about the particular problems experienced in the outer western and southwestern areas of Sydney, or what some persons now refer to as the greater western area of Sydney.

The problem is not simply a question of zoning. Despite the agreement of the Leader of the Opposition with what Government supporters said, and its acceptance of the principle implicit in the motion, he does not appreciate the dire situation in which subscribers in the three zones I referred to find themselves. I am delighted that Opposition members have expressed their support. I hope that as a consequence of the debate, after many years of effort the people of those areas will receive justice, that the discrimination that exists will be removed and that action will have been initiated to ensure that all residents of New South Wales have a good telephone service at reasonable cost. I include persons in the electorate I represent and in other metropolitan electorates as well as the people of country New South Wales. They have never had a greater friend than the present Government.

Motion agreed to.

ALUMINIUM SMELTERS

Personal Explanation

Mr Pickard: I wish to make a personal explanation.

Mr SPEAKER: Order! The honourable member for Hornsby states that he wishes to make a personal explanation. He should indicate to the House the matter upon which he wishes to make a personal explanation.

Mr Pickard: The matter arises out of a statement made earlier this morning by the Premier and Treasurer concerning my honesty, imputing to me efforts to sabotage the State, and a misquoting of information.

Mr SPEAKER: Has the honourable member for Hornsby the indulgence of the House to make a personal explanation? There being no dissent, the honourable member may proceed.

Mr Pickard: At question time today the Premier and Treasurer inferred, indeed said directly, that I had accepted funds from large mineral resource companies to pay for my recent trip round the world. That is not true.

Mr Mulock: Who paid?

Mr Pickard: I paid for my trip personally and I am willing to make all personal documents available for suitable public inspection. I obtained no funds for my trip from any company. Furthermore, the Premier and Treasurer said I was out to sabotage and destroy undertakings within this State.

Mr Wran: On a point of order. The honourable member is entitled to make some explanation, however belated, about his travels round the world every year or second year on mining and resources matters. Honourable members may accept or reject his explanation. He is not entitled to debate what was said during question time. There is no doubt that the honourable member did everything that I said he did. If he did it, the honourable member must stand up to it, and he must stand the categorization of what he did in dehydrating and sabotaging the Government's efforts to bring investment and development into this State. His behaviour was nothing less than shameful. The honourable member has no right in a point of personal explanation to continue in this way. It is all very well for him to say he paid for his trip out of his own pocket, but that is the same thing as saying that the Liberal Party paid for it.

Mr Cameron: On a point of order. The Premier and Treasurer has engaged deliberately in debate. The matters he has raised under the guise of a point of order have nothing to do with order. The Premier and Treasurer is transgressing the valued rules of the Parliament and is using them to debate this matter. The form of personal explanation is vital and must be preserved. It is completely prostituted if the Premier and Treasurer in speaking to a point of order is allowed to rebut the personal explanation being given.

Mr SPEAKER: Order! The Premier and Treasurer has taken exception to the honourable member for Hornsby quoting remarks made in the House earlier today. The honourable member for Hornsby has said he is offended by those remarks. It is in order for the honourable member for Hornsby to quote those remarks, but he should not enter into debate. The honourable member should inform the House how his integrity and position as a member of Parliament has been impugned.

Mr Pickard: Thank you, Mr Speaker. Furthermore, it was said by the Premier and Treasurer that I was out to sabotage and destroy the good reputation of New South Wales.

Mr Walker: On a point of order. The question as to whether the honourable member for Hornsby was out to sabotage and destroy the reputation of New South Wales surely is not a matter for a personal explanation. It is the sort of matter that one might debate in this House on any other form of the House. It is not the sort of statement that might be regarded as impugning the integrity of a parliamentarian in the strict parliamentary sense. It might be a statement that is strong in the cut and thrust of debate, and it is probably true. Nevertheless, it is not the sort of matter that has been allowed by Speakers of this House to be debated on a personal explanation. I put it to you that this particular part of the personal explanation is out of order.

Mr Pickard: On the point of order. It is the most vile and contemptible thing to say of an elected member of Parliament that he is out to sabotage and destroy this State. That is one of the worst charges that can be levelled against any honourable member. If honourable members let this go past, they are themselves culpable.

Mr Mulock: Yes, the honourable member for Hornsby was culpable.

Mr SPEAKER: Order! In endeavouring to make a personal explanation the honourable member for Hornsby must point to issues that he says reflect upon his integrity. The honourable member has drawn attention to the remark made by the Premier and Treasurer about his actions while overseas. The honourable member should now point out, if possible, that his actions were honourable and in the best interests of this State.

Mr Pickard: In all conversations with Alumax in the United States of America and——

Mr Wran: The honourable member did it all on the telephone.

Mr SPEAKER: Order!

Mr Wran: It was all done from here on the telephone.

Mr Pickard: How does the Premier and Treasurer know that they were on the telephone; does the Premier and Treasurer have a tape of the conversations? Did someone tape the conversations and send them to the Premier and Treasurer? How does the Premier and Treasurer know the conversations were on the telephone? Why does he not come clean?

Mr SPEAKER: Order! I ask the Premier and Treasurer to cease interjecting. The honourable member for Hornsby should make a brief statement as to how his character has been impugned. The honourable member cannot debate the issue. He may make only a brief statement.

Mr Wran: He is not entitled to attack me.

Mr Pickard: This Parliament should know that I did everything in my power——

Mr Mulock: ——to destroy the smelter development.

Mr SPEAKER: Order!

Mr Pickard: The Parliament should know that I did everything in my power to assist the development of smelters in the Maitland area. This morning I asked Alumax to send me a letter outlining those details.

Mr SPEAKER: Order! The honourable member must restrain himself and make his personal explanation. The honourable member is referring to actions he has taken. He must come to the point and explain how his integrity has been impugned, and he must be brief.

Mr Walker: He ought to give the money back.

Mr SPEAKER: Order!

Mr Pickard: If any honourable member seeks to impugn my character in that way, I am willing to make public all the documents. They will all be documented and I shall give them to the House, if you say that should be done.

Mr SPEAKER: Order! The honourable member for Hornsby has refuted the statements and has defended his own actions. I ask him now to resume his seat.

Mr Wran: The honourable member has pleaded guilty.

Mr Pickard: Say that outside.

Mr SPEAKER: Order!

Mr Pickard: The Premier and Treasurer does not have the guts to say it outside.

BILLS RETURNED

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

Foreign Judgments (Reciprocal Enforcement) Amendment Bill
Forestry (Amendment) Bill
Parliamentary Electorates and Elections (Amendment) Bill

[Mr Speaker left the chair at 12.48 *p.m. The House resumed at 2.15 p.m.*]

ELECTION FUNDING BILL

Introduction

Motion (by Mr Wran) agreed to:

That leave be given to bring in a bill for an Act to constitute the Election Funding Authority of New South Wales, to make provision for the public funding of Parliamentary election campaigns and to require the disclosure of certain political contributions and electoral expenditure; and for other purposes.

Bill presented and read a first time.

Second Reading

Mr WRAN (Bass Hill), Premier and Treasurer [2.16]: I move:

That this bill be now read a second time.

The objects of the bill are to constitute an election funding authority, to make provision for the funding of parliamentary election campaigns and to require the disclosure of political contributions and electoral expenditure. From its inception the Government has given high priority to dl aspects of electoral reform. The first and most vital step was the overwhelming approval by the people in 1978 of the reconstitution of the Legislative Council. For the first time in the history of the State, the Council became a democratically elected body. After 150 years, it was at last accountable to the people. In 1979 the Government established the principle of one vote one value, in voting in Legislative Assembly elections. At the same time, we entrenched in the constitution the provision relating to redistribution of electoral boundaries. As a result, no longer will it be possible for redistribution to be manipulated by the Government of the day.

The 1979 amendments included also the optional preferential system of voting in Legislative Assembly elections. This week I have introduced two further bills on electoral and parliamentary reform—a bill to introduce a maximum 4-year parliamentary term, to take effect from the general election due in 1984, and a bill to require the disclosure by members of Parliament of their financial and other interests. I have every confidence that those bills, when submitted to a referendum later this year, also will be overwhelmingly supported by the people. The bill complements the other measures to which I have referred.

In the development of representative democracy in this State, political parties have come to play a most significant role. The strength and stability of the Westminster system lies in the strength of the party system. The political parties are the unacknowledged pillars of parliamentary democracy. The constitutions of Australia and the States for too long have been silent on the existence of political parties; but they

are as much part of the system as the Cabinet system, on which the constitutions are equally silent. It is worth making what seems at first the very obvious point, that the principal purpose of political parties is to contest elections. In our system of government this is the only way to gain executive power, or to change governments. No one suggests that political parties are perfect institutions—far from it—but it is unrealistic to deny the importance of political parties in our system of government. They are the very foundation of parliamentary democracy.

On 20th November, 1979, this House resolved that a joint committee be appointed to inquire into and make recommendations on the introduction of a system involving public funding of campaigns for elections to the Parliament. Though the membership of the committee was disrupted during its existence, after extensive investigations and deliberations, it was able to table its report in the House within twelve months of its creation. The report is a valuable document because of the wealth of information it contains and because of its realistic appraisal of all the various aspects of public funding systems. What is refreshing about the committee's report is its insistence that recommendations be put forward for a system of public funding for elections that is appropriate for this State. The Government has accepted the report of the committee in broad terms and it serves as the basis for the legislation before the House. This is a pioneering measure for Australia. But in this regard Australia lags far behind most of the democratic world.

It must be recognized that there are something like 1 000 systems of public funding or disclosure throughout the world. I refer honourable members to chapter 3 of the report, where the committee has outlined some of the systems of major democratic countries throughout the world. I refer, for example, to systems introduced in Canada, the United States of America, West Germany, Austria, Italy, Sweden, Norway, Denmark, Finland, Israel and other countries. Of the American States forty-nine have disclosure requirements. In literally hundreds of muncipalities across Europe similar systems operate. Like all constitutional reform introduced by my Government, the bill will provide an indisputably fair system of public funding. The Government has adopted the basic theme of the joint committee's report in specifying the quantum of public funding as determined by the electoral support received by candidates and parties.

The quota for electoral funding is low—extremely low in comparison with some oversea countries. Any candidate—or group of candidates—who obtains sufficient votes to enable him to retain his deposit, will be entitled to funding. It should be emphasized that the voters will determine the distribution of funds by the way they cast their votes. This is a thoroughly democratic measure, designed to enhance the democracy.

I propose now to deal with some of the principle features of the bill. I propose also to table a document which sets out in much more detail the contents of the legislation. Parts II and III respectively deal with the constitution of the Election Funding Authority and its responsibilities. The bill provides that the Election Funding Authority shall be a body corporate consisting of three members. The chairman of the authority will be the Electoral Commissioner. The other two members will be appointed by the Governor on the nomination of the Premier and the Leader of the Opposition in the Legislative Assembly.

The committee recommended that the Electoral Commission should perform the functions provided in the bill. However, on reflection, it was considered prudent not to disturb the existing structure and arrangements of the electoral office. The authority, independence and expertise of the Electoral Commissioner will be brought

to the authority by him being constituted chairman. The method of nomination of the other two members recognizes implicitly the importance of Parliament in our democratic system and will ensure a balanced representation on the authority.

Part III of the bill relates to the responsibilities of the authority. The authority will administer the scheme of public funding, keep registers, assess entitlement to funds, determine the validity of claims, disburse funds and receive declarations of income and expenditure from parties and candidates. In the performance of its duties, the authority will be able to issue guidelines. It is anticipated that this innovation will facilitate streamlining of administrative procedures and thus enhance the effectiveness of the authority in its administration of the statutory scheme.

The Government considers it essential in the administration of a system of public funding, that the standing of the administrative authority be beyond reproach. The Government is so intent on this matter that the bill provides that it is the duty of the authority to exercise its functions under the Act in a manner that is not unfairly biased against or in favour of any particular parties, groups, candidates or other persons, bodies or organizations. There is no doubt that there will be a need for research into areas which are, or may be, affected by the proposed legislation. However, in today's conditions, it is important that the Government get its money's worth in research. No special research institute will be established. Research will be within the authority's statutory charter. The bill provides that research may be carried out by the authority itself or on a commission basis.

One of the major aims of the Government in devising a system of public funding of elections was to ensure that the administration of the scheme was not tangled up in red tape. It is envisaged that administrative support for the authority will be strictly limited, much of the work being done by seconded officers or officers within the existing electoral office. Of course, there will be initial start-up costs but it is envisaged that, once the scheme is firmly established, costs of administration will be minimal.

Part IV of the bill deals with registration — registration of parties and candidates including groups; registration of party agents and official agents, registration of candidates and official agents for by-elections. Many of the provisions contained in part IV of the bill are machinery provisions concerned with establishing registers and keeping them up-to-date. These provisions should ensure the registration process is effective by, among other things, singling out those who shall be responsible on behalf of parties and groups, to lodge applications, changes in particulars and so on.

Flexibility is a keynote to the administrative scheme with provision for amendment of omissions, slips and so on. Provision is also made for parties and candidates and groups to appoint agents, and for candidates and groups to lodge the applications for registration with a returning officer at the time of nomination. Fairness, too, is a special consideration, with specific provision for the giving of reasons in support of adverse decisions. Running through the provisions dealing with registration are some of the basic principles of the bill. First, a party, group or candidate is not eligible for funding unless it is properly registered. Public money shall not be disbursed willy nilly, but only where specific requirements have been met.

Second, valid registration of a party, group or candidate depends principally upon timely lodgment of, and completeness of, an application for registration. On the face of it, these may be no more than formal requirements. However, they do serve important functions. An organization cannot be registered as a party unless it has lodged its application for registration sixty days before the issue of the writs for a general election. Of course, this specific date can be known only when it has

been announced, or with hindsight. But that is the point. Public funding of the major political parties is designed to recognize their ongoing contribution to the political process and their gradual preparation during the term of a Parliament for the hurly-burly of the next general election. But it is not as if loosely formed movements, pressure groups and standing candidates for Parliament or independent candidates cannot be registered for funding purposes. Candidates and groups may register before the day of nomination for a general election.

Public scrutiny of the scheme of public funding and disclosure is absolutely fundamental to its effective operation and its intended object of raising the standard of political activity in this State. All the registers established under part IV of the bill will be open to public inspection. In addition, the bill provides that details contained in the registers shall be published in the *Government Gazette* within two weeks before the polling day for each election. Taken together, these two measures, considered in light of the information that will be available in the registers, will ensure that everyone has the opportunity to examine the philosophy, platform or policies of prime actors in the political process. Part V is one of the most important parts in the bill. It creates the funds which will be available for distribution to parties, groups and candidates and stipulates the conditions for entitlement to funds.

Money will be made available from consolidated revenue for the purpose of publicly funding general elections and by-elections. The amount available will be specifically determined under the legislation by application of a formula which is set out in clause 57. This formula has come to be regarded as levying a contribution from enrolled electors of a sum which, for the first publicly funded general election, will be no more than the cost of an ordinary postage stamp per voter per annum. The number of enrolled electors can be readily ascertained: the monetary unit stipulated in the bill is 22c, the amount recommended by the joint committee. Honourable members will recall that this amount was recommended after thorough investigations of conditions pertaining in this State in recent times.

The moneys available for distribution will be allocated to two separate funds known as the central fund and the constituency fund. Two-thirds of the funds will be allocated to the central fund, the remaining one-third to the constituency fund. This proportion reflects a realistic appreciation of how the major costs of election campaigning are today borne by the parties themselves. The major costs are incurred by the party headquarters in commissioning surveys, in making advertisements, in buying media time or space and in paying for large printing requirements. The individual candidate will incur expenses but these will vary considerably from candidate to candidate and will not be nearly as great as the costs of the parties.

The central fund will be available to registered parties, groups or candidates according to their performance in the Legislative Council. The formula recommended by the joint committee for the distribution of the central fund has been adopted, and appears in the bill. In broad terms it means simply this—a candidate, group or party receives funding on the basis simply that he receives a percentage of the funds equivalent to the percentage of the votes he received. By way of example, if the Labor Party attains 40 per cent of the primary votes of those candidates eligible to share in the fund, then the Labor Party receives 43 per cent of the fund. As I said before, the constituency fund consists of an- third of the total allocation. The fund is divided by the number of contested seats in the Assembly to arrive at the amount to be made available in respect of each electorate. The distribution from the constituency fund is based on the same principle as that relating to the central fund, that is, that candidates share a percentage of the fund on the basis of the percentage sf the total primary votes

received by all candidates eligible for funding. Once again the formula recommended by the joint committee has been incorporated in the bill. To this general principle there is one basic exception. I quote from the joint committee's report, paragraphs 4.7.4 and 4.7.5:

> 4.7.4. Built into the scheme is the important safeguard that, notwithstanding how well any party polls, it will not be entitled to receive more than half of the funds available. One of the features of New South Wales elections this century has been the fine balance between the parties in Government and the parties in Opposition.
>
> 4.7.5. Rather than reward the occasional peak performance of a party, the Committee has opted for a system that preserves a measure of equality. There is an absolute ceiling on all parties that they shall not receive more than half of the total funds available, regardless of the vote scored. Under the scheme as well, a party or parties receiving less than half of the vote will receive funds in proportion to the votes they polled, except on those occasions where only one party or coalition will be entitled to half of the funds available. The system guarantees that the winner in one campaign does not gain a head start for the next campaign.

The clear and indisputable fairness of this proposal must be beyond doubt. The committee recognized the fluctuations of voting results, and the need for a form of equality between the major parties in such circumstances. The principal recommendation made by the committee in this respect, that no one candidate should receive more than 50 per cent of the total constituency fund, has been adopted by the Government. However, the Government has departed from the committee's recommendation in so far as the distribution of the surplus remaining, when this limitation is applied, is concerned. The Government has been more concerned to ensure that another fundamental principle in the report is adopted so far as is practicable, and I refer to the principle that the voter who supports any significant candidate whatsoever has the right to dictate how his proportion of his contribution of the funds is distributed. The balance reached by the Government is this: no one candidate can receive more than 50 per cent of the funds allocated to his electorate from the constituency fund; any funds which otherwise would be available to him but for the 50 per cent rule become surplus funds. The surplus funds shall not be distributed. The 50 per cent maximum rule will also apply to the distribution of moneys from the central fund.

As I previously indicated, entitlement to funding is based on the provisions in the Parliamentary Electorates and Elections Act, 1912, which specify the threshold quota for the return of a candidate's deposit. In effect, any candidate or group of candidates standing for election to the Legislative Council who obtained 3.125 per cent of all valid primary votes cast is entitled to funding on the basis of the percentage of the total number of primary votes cast for all eligible candidates. So far as Legislative Assembly elections are concerned, any candidate who obtains one-fifth of the number of votes for the successful candidate will be entitled to funding under the formula laid down in the bill. In accordance with the recommendations contained in the report advance payments may be made to registered parties for expenditure actually incurred in the period between elections. In many circumstances expenditure which may be directly related to a future election may be incurred well before the date of the issue of the writs for that election. It would not be an unusual practice for political parties to engage in electoral and market research with a view to formulating policies or testing public reaction on issues which will be crucial to the next State election. The bill gives effect in detail to the proposals put forward by the committee. A mini constituency fund will also be established for by-elections. The bill also adopts the

recommendations of the report in this respect. The committee has given cogent reasons why funding for by-elections should exceed funding in individual electorates at a general election.

Division 7 of part V of the bill relates to claims for payment. All parties, groups and candidates must lodge evidence of expenditure within ninety days of the return of the writs for the election. Claims must be audited prior to lodgement. Payments will not be made until the authority is satisfied of the accuracy of the claims, and until all the necessary declarations in relation to income and expenditure have been lodged. All claims will be open to public inspection.

Part VI of the bill relates to political contributions and electoral expenditure. This Government, in adopting the report of the joint committee, adopts also the philosophy behind that report in relation to the disclosure of political contributions and electoral expenditure by parties and candidates. I regard it as basic to the principles of democracy that significant contributions to parties or candidates should be a matter of public information. It goes without saying that any person or corporation that provides significant assistance to a political party aspiring to parliamentary representation is himself or itself participating in the political process. The public has a right to know the identities of persons and companies who participate in this way.

Part VI lays down requirements as to the times in respect of which disclosure must be made, the form and manner of disclosure and the type of matters that are to be disclosed. Briefly, registered parties and candidates are required to disclose any political contributions from the period of the last election until polling day. Parties or candidates who have not been registered previously must disclose from the date of nomination until the date of the poll. Where any political contribution to a party exceeds $1,000, the name of the donor must be identified. Similarly, any person donating more than $200 to an individual candidate must be identified by the candidate. Part VI defines the types of expenditure that are to be regarded as electoral expenditure. Where contributions are made in circumstances such as I have outlined above and the identity of the donor must be shown, that information is to be included in the authority's annual report to Parliament. All declarations made under part VI must be accompanied by an auditor's certificate. All declarations will be open to public inspection. Any person who makes a false declaration or who fails to make a declaration shall be guilty of an offence.

Part VII of the bill contains financial provisions. The authority shall, within six months of the end of the financial year, prepare and submit to the Minister a statement of accounts, certified by the Auditor-General for that year. Where an election falls close to the end of the financial year and a statement of accounts would not accurately reflect the authority's disbursements in relation to that election, the Governor may extend the period so that a full report in respect of the election can be available to the Parliament. All transactions and books of account of the authority shall be regularly audited by the Auditor-General. Part VIII of the bill contains miscellaneous provisions. Included in those provisions is a requirement that the annual report of the authority must be submitted to the Speaker of the Legislative Assembly and the President of the Legislative Council as soon as possible after the end of the financial year.

The bill restricts the type of persons who may act as auditors for the purposes of this Act. In particular, candidates or registered agents are not qualified to act as auditors. The bill contains special provisions for the prosecution of unincorporated parties. It provides that any proceeding under the Act taken against a party that is unincorporated may be instituted against an officer or officers of the party as a

representative or representatives of the members of the party, and that such a proceeding shall be deemed to be a proceeding against all the persons who were members of the party at that time. The bill contains two schedules. The first schedule gives effect to the recommendations of the joint committee, in that it provides a mechanism whereby the 22c monetary unit may be adjusted from time to time in accordance with the consumer price index. Schedule 2 contains transitional provisions. I now table for incorporation in *Hansard* a document that provides a detailed explanation of the matters to which I have referred in general terms, and to the other contents of the bill.

This is an extremely important piece of legislation. It recognizes the central role of political parties in the parliamentary system, protects the rights of minorities and new parties and reduces the gross disparity between the financial resources available to different parties. It removes the risk of parties selling political favours and declares to the world that the great political parties of New South Wales are not up for sale. It is a measure for a better democracy, a clean democracy. I am confident that the bill will prove to be a catalyst in other Australian parliaments, and that in the near future similar legislation will be adopted in other States. I commend the bill to the House.

Election Funding Bill

Part I

Preliminary

Clause 1. Short Title.

Clause 2. Commencement. Part I commences on assent.

Part II (constitution of an Election Funding Authority), Part VIII (miscellaneous), section 24 (guidelines), section 25 (research) and Schedule 2 (transitional provisions) commence on a day to be appointed.

All other Parts and Sections commence on a day to be appointed, on or after the day appointed under subclause (2).

Appointments to the Authority may be made and any other act may be done, before the day of commencement, for the purpose only of enabling the Authority to be constituted on the day of commencement of Part II.

Clause 3. Arrangement of the Act.

Clause 4. Interpretation.

Subclause (2). A reference to the exercise of a function includes a reference to the performance of a duty.

Subclause (3). An Assembly general election and a periodic Council election are held concurrently if the polling day for each is the same.

Subclauses (4)–(6). The day for the doing of many of the acts or the measuring of time is stated to be to the day of issue or the day for the return of writs.

Under the Parliamentary Electorates and Elections Act (sections 68 and 74A), 4 clear days after the publication of the proclamation of dissolution of Parliament are available for the issue of all writs for the Assembly election and for the issue of the writ for the Council election.

In each of the writs a day is specified for the return of the writs but the Governor may, by proclamation, direct that a writ may be returned on a later day.

Mr Wran]

To avoid uncertainty where writs are issued on different days; the day for the return of the writs is different; or a different day for return of one or more writs is directed by the Governor, subclauses (4) to (6) specify the day which is to apply.

Subclause (7). Where in a reference to a general election a reference is also made to a periodic Council election, the reference is to the periodic Council election forming part of the general election.

Subclause (8). Where anything is done by or on behalf of an organization that is related to a party, the thing shall be deemed to be done by or on behalf of the party.

Subclause (9). The amount of contribution or expenditure consisting of property other than money shall be deemed to be an amount equal to the value of the property.

Subclause (10). The value of the property may be determined in accordance with principles prescribed.

Part II

The Election Funding Authority

Clause 5. A corporation entitled the Election Funding Authority of New South Wales is constituted.

Clause 6. The 3 members of the Authority are the Electoral Commissioner, one person nominated by the Premier, and one person nominated by the Leader of the Opposition.

Clause 7. The Commissioner is Chairman of the Authority.

Clause 8. An alternate, to act in the member's absence shall be nominated and appointed in the same manner as each member and may exercise the functions of the member.

No person shall inquire into the authority of an alternate to act as a member and all acts done by an alternate while acting as a member shall be valid.

A vacancy in the office of a member does not prevent the appointment or affect the tenure of the office of an alternate.

Clause 9. Persons ineligible for appointment as members include—a member of. or candidate for any Parliament in the Commonwealth, an agent for a candidate, an alderman or councillor, a member of a statutory corporation, an executive of a party.

A member or alternate is to consent in writing to his nomination and state that he is eligible for appointment. The Minister may rely on that statement.

Clause 10. Subclause (1). The Minister shall request nominations and make recommendations in sufficient time to ensure that the members and alternates are appointed before commencement of the term of office, or as soon as practicable after a vacancy occurs.

Subclause (2). The Minister may only decline to recommend to the Governor the appointment of a person duly nominated if that person is not eligible for appointment.

Clause 11. The Governor may make an appointment if the person entitled to make the nomination has, within 14 days of a request being made, failed to nominate a person for appointment.

Clause 12, Subclause (1). The term of office of a member or alternate member commences 6 months after the day specified for the return of the writ for the previous periodic Council election and ends 6 months after the day specified for the return of the writ for the next periodic Council election.

Subclause (2). An appointment may be made after the commencement of the term referred to in subclause (1), and if so made takes effect from the date it is made.

Subclause (3). This provision has no application to casual vacancies.

Subclause (4). A member or alternate is eligible for re-appointment.

Clause 13. Reasons for automatic vacation of office of a member or alternate include normal provisions as well as the following—if he is absent from 2 consecutive meetings which neither the member nor the alternate attends; if a vacancy arises in an office of another member or alternate after polling day at a general election and before the end of term of the member or alternate, (this provision is to cover the possibility of a change in government and the assumption of the role of government or opposition of a new party after a general election); if he becomes a candidate for a Parliament, an agent for a candidate, *an* alderman or councillor, a member of a statutory corporation, an executive of a party.

Subclause (2). An appointed member or alternate may be suspended from office for misbehaviour or incompetence. The Minister shall present a statement of the grounds of suspension to each House of Parliament. If each House so resolves the member or alternate shall be removed from office; otherwise he shall be restored to office. (Section 21A (6), Parliamentary Elections Act.)

Subclause (3). Section 30 (b) of the Interpretation Act does not apply.

Clause 14, Subclause (1). A person may be appointed to fill a vacancy in the office of a member or alternate for the balance of the term on the same nomination as required for the former appointee.

Subclause (2). A candidate at an election during the former appointee's term of office is not eligible to be appointed to fill a vacancy.

Clause 15, Subclause (1). The Authority is to determine the procedure for the calling of meetings and the conduct of business.

Subclause (2). The Chairman is to be present and to preside at all meetings of the Authority.

Subclause (3). The Chairman and one other member shall form a quorum at any meeting of the Authority.

Subclause (4). The Chairman who is to convene meetings shall give each member and alternate at least 48 hours' notice of each meeting.

Subclause (5). A meeting may be held with less than 48 hours' notice if the Chairman and each member of his alternate agree.

Subclause *(6)*. **At** least 2 meetings are to be held each year.

Subclause **(7).** A member or alternate shall be deemed to have been given notice of a meeting if the notice is sent to his usual home or business address.

Clause 16. If a person has not been appointed to act as Electoral Commissioner, the Governor may appoint *an* officer of the Public Service to act as Chairman while the Chairman is absent from duty, and that officer

may exercise the functions of the Chairman. All acts or things done by the officer while so acting shall be valid.

Clause 17, Subclause (1). A decision supported by a majority of votes of members present and voting shall be a decision of the Authority.

Subclause (2). In the event of an equality of votes the matter shall be adjourned to another Authority meeting.

Subclause (3). If at the adjourned meeting there is still an equality of votes, the Chairman shall, in addition to a deliberative vote, have a casting vote in relation to that matter.

Clause 18. Accurate minutes of meetings shall be kept.

Clause 19. A member or alternate is entitled to be paid fees and allowances as determined by the Minister and such fees and allowances shall be payable at the same rate for both members and for both alternates.

Part III

Responsibilities of the Authority

Clause 20. The Public Service Act does not apply to the appointment of a person as member or alternate.

Clause 21. No matter or thing done, if done in good faith for the purpose of executing this Act, shall subject the person doing it to any liability.

Clause 22, Subclause (1). The Authority shall have and may exercise the functions conferred on it.

Subclause (2). The Authority is under a duty to exercise its functions in a manner that is not unfairly biassed against or in favour of any persons.

Clause 23. The Authority has the responsibility of dealing with applications for registration, claims for payments and declarations of political contributions and electoral expenditure.

Clause 24, Subclause (1). The Authority may prepare guidelines.

Subclause (2). Regard is to be had to the guidelines in the operation of the Act and the Authority is to apply the guidelines when dealing with claims and declarations.

Clause 25. The Authority may undertake research into matters to which the Act relates.

Part IV. Registration

Division 1—Register of Parties

Clause 26. The Authority is to keep, for each general election, a Register of Parties as from the polling day for the previous general election.

Clause 27. Registration is effected by the insertion of the name of the party in the Register which is also to include particulars included in the application or required by the Authority.

Clause 28. The Authority shall register the party if the application is made by the party agent in the approved form and is received before the issue of the writs for the general election. Particulars to be included in the application are listed in subclause (2).

Clause 29, Subclause (1). If an application for registration is received within the period of 60 days ending on and including the day on which **the** writs for the election are issued the Authority is to refuse to register the party. If the name of the party has already been entered in the Register, the Authority is to cancel the registration.

Subclause (2). If the Authority believes on reasonable grounds that any particulars in the application for registration are incomplete or incorrect it has a discretion to refuse to register the party.

Subclauses (3) and (5). Where the Authority refuses to register a party it is, without delay, to notify the party agent, giving reasons for the refusal and, if the agent, within 30 days, inserts or substitutes the revelant particulars, the amended application shall be deemed to have been received when the original application was received by the Authority.

Subclauses (4) and (6). The Authority has power to refuse to register a party if it considers that the name closely resembles the name of a registered or existing party or is obscene or offensive.

Clause 30, Subclause (1). When an alteration is made in any particulars included in the Register, the party agent is to give the Authority details of the alteration.

Subclause (2). If it believes an alteration in the registered particulars has been made, the Authority may serve notice in writing on the party agent, requiring him to furnish details of the alteration.

Subclause (3). The Authority has a discretion to cancel the registration if the agent fails to furnish details as required in the notice.

Subclause (4). The Authority may make the appropriate variation in the Register.

Division 2—Register of Candidates

Clause 31. The Authority is to keep, for each general election, a Register of Candidates as from the polling day for the previous general election.

Clause 32, Subclause (1). Registration of a candidate is effected by insertion of the candidate's name in the Register.

Subclause (2). Registration of a group of candidates is effected by insertion in the Register of an indication that the candidates form a group.

Clause 33. The Authority shall register the candidate if the application is made by him or his agent in the approved form and is received on or before the day of nomination for the election.

Clause 34. The Authority shall register a group of candidates if application is made by the candidates or the registered agent in the approved form and is received on or before the day of nomination for the election.

Clause 36. The Authority shall refuse to register a candidate making a late application.

The Authority may refuse to register a candidate if particulars are incomplete or incorrect.

The Authority is to notify the reason for refusal under subclauses (2) or (4) and to give the agent an opportunity to amend the application.

Clause 37. The Authority shall refuse to register a group if application for registration of the group is out of time.

Mr *Wran*]

The Authority may refuse to register a group if particulars are incomplete or incorrect.

The Authority is to notify the reason for refusal under subsection (2) or (4) and to give the agent an opportunity to amend the application.

The Authority may refuse to register a group if the name is obscene or offensive.

Clause 38. When an alteration is made in any particulars included in the Register the official agent is to give the Authority details of the alteration. Penalty for failure to comply: $200.

If the Authority believes an alteration has been made (of a significant nature) it may give the agent written notice to furnish details. It may cancel the registration if the agent fails to comply.

Provision is made to allow minor details to be excluded by regulation from these requirements.

Division 3—Register of Party Agents

Clause 39. A Register of Party Agents is to be kept on a continuous basis.

Clause 40. Registration is effected by the entry of the name of the agent and the party appointing him in the Register, together with the address and occupation of the agent.

Clause 41. A party is obliged to appoint an agent. A corporation or a person appointed under the Parliamentary Electorates and Elections Act (a returning officer, for example) cannot be appointed as an agent.

Division 4—Register of Official Agents

Clause 44. A Register of Official Agents is to be kept for each general election.

Clause 45. Registration is effected by the entry of the name of the agent and the candidate or group appointing him, together with the address and occupation of the agent.

Clause 46. A candidate or group may appoint one official agent. A corporation or a person appointed under the Parliamentary Electorates and Elections Act cannot be appointed as an agent.

Clause 49. In the case of a candidate, if at any time an official agent has not been appointed, the candidate shall be deemed to be his own official agent.

In the case of a group, if at any time an official agent has not been appointed, the candidate whose name first appears on the group list shall be deemed to be the group's official agent.

Division 5—Register for by-elections

Clause 51. Two registers, the Register of Candidates and the Register of Official Agents, are to be kept for each by-election.

The provisions for a general election relating to:

(a) the effecting of the registration,

(b) lodgment of the application,

(c) power of the Authority to refuse registration,

(d) amending the register,

(e) appointment of an official agent,

(f) entries in and amendments to the register,

(g) candidate acting as the official agent,

apply to by-elections.

Division 6--General

Clause 52. Registers are to be available for public inspection.

Clause 54. The making of false or misleading statements in any application is an offence.

Penalty for a party $20,000.

Penalty for a group or candidate $10,000.

Part V

Public Funding of Election Campaigns

Division 1—Preliminary

Clause *55.* Interpretation of Election Campaign expenditure.

Expenditure includes, expenditure on goods and services, expenditure on campaign preparation, expenditure, up to $200, on audit of claim and disclosure declaration, but excludes, expenditure on an election for another Parliament, or expenditure on a previous election to State Parliament.

Division 2—Constitution of the Funds

Clause *56.* Funds created.

Clause 57. Formula for calculation of the amount of the fund.

Life of Parliament measured from date for the return of the writ for one election to the date for the return of the writ for the next election.

In the calculation, each part of a year will be deemed to be a whole year.

Provision is made for the escalation of the monetary unit, based on the consumer price index. Method of escalation is included in Schedule 1.

Division 3—The Central Fund

Clause 58. Two-thirds of the fund are to be credited to the Central Fund (distributed on the basis of the Council election).

Mr Wran]

Clause 59. A party is eligible to receive funds if:

(a) it is properly registered,

(b) it endorses a group of candidates in the Council election,

(c) the group appears on the ballot paper,

(d) the candidates in the group claim to be endorsed by the party, and the votes polled entitle the members of the group to the return of their deposits. (3.125 per cent).

Clause 60. A group is eligible to receive funds if:

(a) it is properly registered,

(b) the group appears on the ballot papers,

(c) the candidates in the group are not endorsed by any party, and the votes polled entitle the members of the group to the return of their deposits. (3.125 per cent).

Clause 61. A candidate for the Council election is eligible to receive funds if:

(a) he is properly registered,

(b) he is not endorsed by a party nor is he a member of a group, and the votes polled entitle him to a return of his deposit. (3.125 per cent).

Clause 62. Formula for distribution.

Clause 63. No registered party, group or candidate may receive more than a half of the fund. Any resultant surplus shall not be distributed.

Division 4—The Constituency Fund

Clause 64. One-third of the fund shall be credited to the Constituency Fund.

Clause 65. A candidate for the Assembly election is eligible to receive funds if—

(a) he is properly registered, and

(b) the votes polled entitle him to the return of his deposit (1/5 of votes of winning candidate).

Clause 66. Each contested electorate is allocated a share in the fund determined by dividing the amount by the number of contested electorates.

Clause 67. Formula for distribution.

Clause 68. No candidate may receive more than a half of the amount available for the electorate. Any resultant surplus shall not be distributed.

Division 5—Advance Payments

Clause 69. A registered party is eligible for advance payments to cover election expenditure incurred in advance of a general election in the first two years after the previous election.

Ten per cent of the entitlement at the previous election is payable at the end of the first year. An additional 20 per cent is payable at the end of the second year. The amounts may be paid in lump sum or by way of instalments.

Clause 71. If advance payments exceed the actual entitlement of the party, the excess is to be repaid to the Authority.

Division 6—Funds for by-elections

Clause 73. A By-election Constituency Fund is to be created to fund by-elections.

The amount to be credited to the Fund under the formula is to be available for distribution among candidates at the by-election.

The formula for distribution is that applying to the Constituency Fund in a general election.

$$C = \frac{F \times CV}{TEV}$$

where—

C represents the amount (in dollars) payable to a candidate who has been nominated for election for an electoral district at the general election;

F represents the amount (in dollars) available for distribution in respect of the electoral district;

CV represents the primary votes of the candidate; and

TEV represents the total primary votes of all candidates for election for the electoral district eligible to pasticipate in the distribution of that amount.

No candidate may receive more than a half of the amount available for the electorate. Any resultant surplus shall not be distributed.

Division 7—General

Clause 74. The Authority shall authorize payment if an audited claim in proper form is made by the registered agent and the party, group or candidate is eligible for payment.

No payment will be made:

(a) in excess of the amount of expenditure incurred on election campaign expenses; or

(b) if the claim is lodged after the time specified.

Clause 75. The auditor is required to state that—

(a) he had full access to the relevant accounts;

(b) he examined all accounts;

(c) he is satisfied that the expenditure was incurred consistent with the Act, regulations and guidelines; and

(d) he has no reason to think any statement in the claim is incorrect.

This type of certificate was considered by the Auditor-General to be suitable for the purpose.

Clause 77. Payment is to be made to the agent of the party, group or candidate, subject to reasonable conditions, with respect to disbursement, as the Authority determines.

Subsections (2), (3) and *(4)* give the Authority considerable flexibility as to payment. It may direct that part or all of the money be paid

into a bank account of members or candidate or to a person or organization other than the agent.

Clause 78. A party, group or candidate eligible to receive funds is not to be paid until the disclosure requirements have been met.

Clause 79. Subject to other conditions with respect to payment of a claim the entitlement of a candidate who dies after polling day for the election may be paid to the candidate's legal personal representatives or otherwise in accordance with section 77.

Clause 80. Under section 81c (5), Parliamentary Electorates and Elections Act, a group retains its existence if a member of the group dies, is declared by a Court to be incapable of being elected during the period preceding declaration of the poll, or whose nomination is otherwise void.

This clause provides for payment in the event of a valid alteration in the composition of a group.

Clause 81. Claims and papers attached thereto are to be retained for at least 6 years and made available for public inspection. Extracts may be provided on payment of a fee.

Clause 82. The making of a false or misleading statement is an offence.

Penalty: $20,000 for a party, $10,000 for a group or candidate.

Part VI

Political Contributions and Electoral Expenditure

Clauses 83, 84 and 85. The agent of a party, group or candidate for a general election or a by-election is obliged to lodge a declaration of all political contributions and electoral expenditure.

The declaration is to be lodged within 90 days after the day the writs are returnable.

In the case of a party, the declaration is to cover the period from polling day to polling day.

In the case of a group, the declaration is to cover the period from the day of nomination to polling day.

In the case of a candidate for a general election or a by-election, the declaration is to cover the period from polling day to polling day if the candidate was registered for the previous general election or any subsequent by-election.

If the candidate was not so registered, the period is to commence on the day of registration for the current election.

Where the candidate was registered in none of the abovementioned registers the period is to commence on the day of nomination.

Clause 86. A declaration is to be in the form and manner approved by the Authority.

The declaration is to contain the date the gift was made, the name and address of the person donating the gift.

The declaration must contain a statement to the effect that all gifts and electoral expenditure have been declared.

Clause 87, Disclosure of Political Contributions.

Political contributions are gifts to a party, group or agent. "Gift" is given an expansive meaning in the interpretation provisions.

A gift is any disposition of property made otherwise than by will, for which no consideration or an inadequate consideration has passed.

A disposition of property covers any form of alienation of property which includes the allotment of shares, the creation of a trust, the grant of an interest in property, the release from any debt, contract, chose in action or interest in property in favour of any other person, a transaction by a person diminishing the value of his property and increasing the value of the property of another person.

A donation for an election other than the current election need not be disclosed.

A donation to a party or group is to be disclosed if it exceeds **$1,000.**

A donation to a candidate is to be disclosed if it exceeds **$200.**

If two or more donations are made in a **12** months period from a single source which, in aggregate, exceed the above amounts, they are to be treated as a single donation and are to be disclosed.

Related corporations are to be regarded as a single corporation.

Exceptions: The following need not be disclosed: a payment under this public funding scheme, a member's annual subscription of **$200** or less, a donation to be used in an election campaign for another Parliament.

Clause 88, Disclosure of Electoral Expenditure.

Electoral expenditure is defined as expenditure in connection with promoting or opposing the election of a candidate or for the purpose of influencing the voting at an election.

Types of electoral expenditure are listed in clause **(2).** Provision is made for the list to be expanded by regulations.

Exclusions: Factual advertising as specified is not classed as electoral expenditure.

Clause 89. Additional information to be disclosed is for donations less than **$1,000** (in the case of a party or group) or **$200** (in the case of a candidate), the amount of each donation and the number of donors of the amount, the total amount of annual subscriptions of **$200** or less, proceeds from and details of fund raising functions and the date on which each was held.

Clause **90.** Details of gifts included in a declaration are to be included in the Authority's report to Parliament.

Clause **91.** Where no donations are received or electoral expenditure incurred a nil return is to be lodged, with a statement to that effect.

Clause **92.** If an item is included in a group's return it need not be included in a return of a candidate who is a member of the group. The reverse also applies.

Clause **93. A** declaration is validly lodged only if an auditor certifies that he had full and free access to accounts, etc., he duly examined such accounts, etc., he has no reason to think the declaration is not correct.

Clause 94. Gifts and electoral expenditure are to be properly vouched **for.**

Mr Wran]

Clause 95. The Authority is to retain the declarations and accompanying papers lodged with it for at least 6 years, and make them available for public inspection.

The Authority may provide copies or extracts for a fee.

Clause 96. If an agent fails to lodge a declaration, the agent is guilty of an offence.

A party that appointed an agent that fails to lodge a declaration is also guilty of an offence.

Penalty: $20,000 in the case of a party, $10,000 in the case of an agent.

Clause 97. The making by a person of a false or misleading statement in a declaration is an offence.

Penalty: $20,000 in the case of a declaration in respect of a party, $10,000 in the case of a declaration in respect of a group or candidate.

Part VII

Financial Provisions

Clause 98. The amount necessary to make payments under the funding provisions is appropriated from the Consolidated Revenue Fund.

Clause 99. Expenditure incurred in the administration of this Act is to be incurred under the Parliamentary Electorates and Elections Act, 1912.

Clauses 100 to 103. Standard provisions for the keeping of accounts, auditing by the Auditor General and reporting to Parliament.

Part VIII

Miscellaneous

Clause 106. The Authority may extend the time for the doing of any act whether or not the time for doing it has expired.

Clause 107. Within 3 months after the end of each reporting period the Authority is to submit a report of its work and activities to the President of the Legislative Council and the Speaker of the Legislative Assembly who shall cause the report to be laid before each House.

Clause 108. Staff may be employed to assist the Authority in the exercise of its functions.

Clause 109. A candidate, an agent or a person employed under the Parliamentary Electorates and Elections Act cannot be an auditor.

Clause 110. For the purpose of ascertaining whether a party, group, candidate or agent is contravening the Act an inspector may inspect records and bankers books, or enter at any reasonable time the place at which the records and bankers books are kept.

It is an offence for a person to refuse admission of an inspector to any place, or to intentionally obstruct an inspector in the exercise of his duties.

Clause 111. If proceedings are brought in respect of an offence in a court of petty sessions the maximum penalty that may be imposed is $4,000, unless the Act provides for a penalty that is less than $4,000.

The Supreme Court may impose the maximum penalty provided under this Act.

Proceedings are to be commenced within 3 years of the offence being committed.

Proceedings may only be commenced with the consent of the Authority.

Clause 112. A proceeding against a party that is unincorporated may be instituted against an officer or officers of the party as a representative or representatives of the members. This clause gives the Authority clear direction as to the person or persons against whom to proceed.

The proceeding so instituted shall be deemed to be a proceeding against all members at the relevant time.

Clause 113. In enforcing any judgment, process may be issued and ,executed against any property of the party, but not against any property of members or officers of the party.

Clauses 111 and 112 are aimed at overcoming any legal difficulties generally associated with unincorporated organizations.

Clause 114. A certificate signed by the Commissioner or by a person authorized by him is admissible in any proceedings and shall be prima facie evidence of the matter it certifies.

Clause 115. The Authority may delegate the exercise of some of its functions to the Chairman.

Clause 117. Regulation making powers.

Before a regulation is made by the Governor the Minister is to certify to him that the regulation contains no unfair bias against or in favour of any particular group, candidate or person.

Schedule 1. Provision for Indexation of the Monetary Unit.

Item 1. "Adjustment percentage" is the percentage by which the monetary unit is to be increased or decreased for the purpose of calculating the fund.

"base quarter" is the base from which all adjustment percentages are to be calculated.

"current quarter" is the end of the period (commencing at the base quarter) to which the adjustment percentage is to relate.

Item 2. Formula for calculation of the adjustment percentage.

Item 3. The monetary unit is to be calculated by the application of the adjustment percentage as at the day of issue of the writs for the election.

Schedule 2. Transitional Provisions.

Item 1. Each appointed member or alternate will hold office initially from the day the Act commences until the end of the period of 6 months after the day for the return of the writs.

Item 2. If the Act commences after the day of issue of the writs for the next election, the Act will not apply to that election.

If the Act commences during the period of 70 days before the day of issue of the writs for the next election, a party shall not be refused registration if it applies for registration after the 60th day preceding the issue of the writs for the general election.

In relation to the first general election to which this Act applies, the Registers are to be kept from the commencement of the Act (and not from polling day for the previous general election) and an application for registration may be made after the day the Act commences.

The day for the doing of many of the acts or the measuring of time is stated to be the day of issue or the day for the return of the writs.

Under the Parliamentary Electorates and Elections Act (sections 68 and 74A), 4 clear days after the publication of the proclamation of dissolution of Parliament are available for the issue of all writs for the Assembly election and for the issue of the writ for the Council election.

In each of the writs a day is specified for the return of the writs bur the Governor may, by proclamation, direct that a writ may be returned on a later day.

To avoid uncertainty, where—writs are issued on different days; the day for the return of the writ is different; or a different day for return of on0 or more writs is directed by the Governor, subclauses (4) to (6) specify the day which is to apply.

Debate adjourned on motion by Mr Mason.

STATE BANK BILL

MISCELLANEOUS ACTS (STATE BANK) REPEAL AND AMENDMENT BILL

STATUTORY AND OTHER OFFICES REMUNERATION (STATE BANK) AMENDMENT BILL

Introduction

Motion (by Mr Wran) agreed to:

That leave be given to bring in the following cognate bills:

(i) A bill for an Act to constitute the State Bank of New South Wales and to define its functions, and for other purposes.

(ii) A bill for an Act to repeal certain Acts and to amend certain other Acts, and to make savings, transitional and other provisions, consequent on the enactment of the State Bank Act, 1981.

(iii) A bill for an Act to amend the Statutory and Other Offices Remuneration Act, 1975, to provide for the determination of the remuneration of the managing director and the deputy managing director of the State Bank.

Bills presented and read a first time.

Second Reading

Mr WRAN (Bass Hill), Premier and Treasurer [2.46]: I move:

That these bills be now read a second time.

The principal objects of these bills are to reconstitute the Rural Bank of New South Wales as the State Bank of New South Wales, and to make provision for the conduct of its business. Special precautions have been taken to ensure that this change will not disturb the present arrangements between the bank and its staff, and the bank and its

customers. Before I explain the proposals contained in the bills, I shall indicate briefly the contribution that the Rural Bank now makes to this State. It is important that I do this so that the legislative proposals before the House are considered in their proper context.

In recent years the Rural Bank of New South Wales has substantially strengthened its position and today it is one of the largest trading banks in the State. Under its present legislation, its activities are of two main types—general banking business and government agency schemes. The Rural Bank is a competitive and profitable financial institution, providing a wide range of banking and financial services to the community. Despite rising interest rates and an increase in general administrative costs, its profit was more than $20 million in the 1979–80 financial year, more than double that for the previous year.

In the commercial and industrial areas, the bank provides comprehensive financial services, including direct advances, industrial finance loans, the financing of leverage leasing and foreign currency services. It supports also public works activities in the State by large investments in State authority loan raisings—at 30th June, 1980, these stood at $98.8 million, while Commonwealth loan holdings were $308 million. There is a constant demand for housing finance, and the bank provided $152.4 million for this during the past financial year. Similarly, the bank's general bank department also provides finance in the rural sphere for meeting normal seasonal needs and for purchases of farm properties and equipment. Other bank activities include the provision of cheque accounts, interest bearing deposits, bankcard, oversea trading and banking facilities, a travel service, personal finance, and a special advisory service for women seeking guidance on banking and financial matters.

Apart from its trading bank business, the bank acts also as the agent of the New South Wales Government in administering the various government agency schemes which have been assigned to it. This comprises one-third of the bank's overall activity, and, it should be noted, is conducted on a cost recovery basis only. Therefore, it contributes nothing to the bank's overall annual profit. The agencies are of vital importance as they provide government funds for housing, rural development, assistance in times of drought, bushfires and other natural disasters, and for other purposes. The Rural Bank is operating most successfully, and has expanded its activities over the past ten years. As I have already said, in the past financial year it made a profit of more than $20 million and this can be compared with its 1970–1971 profit of only $1.8 million.

Nevertheless, the bank has been unable to compete with the other trading banks on an equal basis because of certain restrictions on its powers. The State Bank Bill now before this House is therefore designed to bring the bank fully into the 1980's. It will provide a more appropriate name, constitution and management structure for the bank. It will widen the bank's powers so that it can compete more effectively in the market-place. It will provide a single statute to govern the bank's activities instead of the numerous—and sometimes confusing--statutes which at present govern its activities. At the same time, the bill maintains provisions which are essential if the State Bank is to continue the unique role of the Rural Bank.

The reconstitution and change in name of the bank are being made in recognition of its growth and expansion in new areas. Today the bank is a truly statewide institution, providing services and facilities to both city and country customers. Although its activities in the rural sphere will continue and develop, the bank has long outgrown its name "Rural".

Mr Wran]

Of course, many of the bank's most valued customers are and have been on the land. These are the men and women who will tell you, "The Rural Bank has been good to me over the years". It is true that the bank has always been alert to extending its services to rural customers. I am confident that this policy will be continued by the board of the State Bank. I might add, in passing, that the Government has always recognized the special needs of primary producers. We have done much during our term of office to assist farmers financially, particularly during the drought which has gripped this State in recent years. Our legislative policies recognize also the special needs of the farmer, particularly in relation to the acquisition of goods and services in the course of carrying on a farming undertaking. For example, a person who carries on a farming undertaking is given protection under the Consumer Protection Act, and under the Contracts Review Act. Special consideration will be given also to farmers under the proposed consumer credit legislation, which my colleague the Minister for Consumer Affairs will be introducing shortly into this House.

The bank has shown that it is well placed to take part in the future development of this State—an involvement which will undoubtedly take the bank into the area of international finance. How much better, then, that the bank be known as the State Bank of New South Wales. The new name will also give the bank an image of security and stability. The Government of New South Wales will continue to guarantee the payment of all moneys due by the bank.

Under the existing legislation the management of the bank is vested in five commissioners. Three of these, including the president, are full-time executive directors, and two are part-time. The legislation before the House will bring the management structure of the bank into line with the management structure of both the Commonwealth Banking Corporation and the private banks in that there will be a clear separation of functions between the board and its chief executive officer. The board will have the responsibility to determine the policy of the bank and to control its affairs overall. Its task will be to ensure that the bank's policy is directed to the greatest advantage of the people of New South Wales and has due regard to the stability and balanced development of the economy of New South Wales. The day-to-day management and administration of the bank will be the direct responsibility of the managing director and his deputy.

Consistent with the pattern of composition of other boards of banks, the number of executive directors will be reduced to two and the number of part-time directors—including the elected director—will be increased to five. This will give an overall composition of seven directors. The two full-time members will be the managing director and the deputy managing director. They will be appointed by the Governor, for terms not exceeding seven years, and are eligible for re-appointment subject to retirement at 65 years. The Statutory and Other Offices Remuneration (State Bank) Amendment Bill provides for their remuneration to be determined by the Statutory and Other Offices Remuneration Tribunal. The other five members of the board will be part-time. A most important provision of the legislation is that one of the directors will be elected by the bank's employees—this will make the State Bank the first bank to have a staff member elected to the board. The elected director will serve for a term of three years, and will be eligible for re-election.

The remaining four part-time directors will be appointed by the Governor for terms not exceeding three years, with eligibility for re-appointment. One of these directors will be the chairman of the board. It is expected that these appointees will possess such qualifications and experience as will enable them to make worthwhile contributions to the progress of the bank. In this respect, honourable members will note that the bill provides that, with the Minister's approval, a director may also be a director or member of another banking corporation.

The State Bank will have new powers in the corporate and merchant banking fields, and will have greater flexibility overall in matters such as the provision of housing and consumer finance. In addition to its previous power to underwrite loans, it will be able to underwrite issues of shares, debentures, inscribed stock and other securities and interests. Similarly, it will now be empowered to operate a registry of shares and other securities and interests, as well as debentures and inscribed stock.

The new State Bank Bill is important not only for the changes I have already outlined in respect of the bank's name, management and powers, but also because it is a complete updating of the legislation applicable to the bank. It is not merely a repeal of old legislation and the re-enactment of relevant provisions; it is a comprehensive exercise in the revision and clarification of all aspects of the bank's legislation. It has been based on the Government Savings Bank Act, 1906, but the language and terminology have been altered to the appropriate current style, and unnecessary and obsolete provisions have been removed. The State Bank is out in the commercial world competing with other banks for business: it must have legislation which will enable it to do so without undue restrictions. This legislation does that.

In many ways the development of the Rural Bank has reflected the economic history of the State. Therefore, it is important to see this legislation in its historical perspective. The idea of a Government bank was first put forward by Governor Macquarie in 1810, and in fact a savings bank was established by the Savings Bank Act, 1832. In 1871 the Government Savings Bank of New South Wales was established along the lines of the post office banks in England. It survived until federation, when it was brought under the control of the State Treasury. The Commonwealth Parliament does not have power over State banking, unless it extends beyond the limits of the State concerned. In the 1890's droughts, falling export prices and the 1893 banking crisis left many farmers in difficulties. Temporary loans were provided to them through the Advances to Settlers Board, whose functions were taken over by the bank in 1906. The Government Savings Bank Act of that year gave the bank a more independent status with increased powers to expand and develop its activities.

In 1914 the bank was authorized to make loans for the purchase or erection of homes through its new Advances for Homes Department. In 1920, further legislation enabled the bank to provide a complete banking service to its customers—cheque account facilities, receipt of money on fixed deposit, letters of credit, and provision of overdrafts on current accounts. In the late 1920's adverse agricultural conditions which led into the great depression, together with various political circumstances, resulted in a loss of confidence and a run of withdrawals. Despite a strong asset position, the bank suffered a liquidity crisis which forced its closure in 1931. Subsequent negotiations resulted in the agreement of December 1931 between the Commonwealth Bank, the State Government and the Government Savings Bank, whereby the Commonwealth Bank took over all the savings bank activities of the Government Savings Bank. That agreement is contained in the schedules to the Commonwealth and State Banks Agreements Ratification Act, 1931, and there are several important provisions that will continue to affect the operations of the State Bank of New South Wales.

First, half of the profits of the Commonwealth Bank's savings bank business is to be paid to the Government Savings Bank. As a result of that provision in the 1979–1980 year the Rural Bank received $10.1 million. Second, as long as the Commonwealth Bank carries on savings bank activities in New South Wales, the Government of New South Wales will not establish or conduct a savings bank. Hence, until any variation of this agreement, the State Bank will be prevented from operating

as a savings bank. A further provision of the agreement is that any bank established by the New South Wales Government would not offer rates of interest higher than those allowed by the Commonwealth Bank for similar deposits. Following the agreement, the remaining functions of the old Government Savings Bank were given to the reconstituted Rural Bank of New South Wales. That bank was only a skeleton. It had no separate head office, no branches, no current accounts, and only a tiny staff. Since that reconstitution, the growth of the bank has been quite remarkable.

The financial assistance schemes provided by the Government in the 1920's and 1930's had become quite complicated, and in 1934 the Government Agency Department was created to administer the various State funds and policies that were concerned with rural and housing finance. Under those agencies, the bank administers loans on behalf of the Treasury at rates of interest lower than would be the normal commercial practice. The bank is thus the State Government's agent in carrying out its policies of financial assistance under various schemes. In 1944 the Government also created the personal loans department of the bank to provide loans on fairly easy terms to people whose circumstances warranted that action. Since then, there has been various legislation affecting the bank's operations. One important example is the arrangement that the bank would pay half of its profits to the Consolidated Revenue Fund, in lieu of paying the equivalent of income tax to the Government, under the Rural Bank of New South Wales (Amendment) Act, 1969.

I have outlined the provisions of the legislation relating to the bank's name, management, structure and some of its new powers. However, there are some other features of the legislation to which I shall draw the attention of honourable members. I have emphasized already that the Government will continue to guarantee the payment of all moneys due by the bank. I wish also to emphasize that the privacy of the bank's affairs and that of its customers is also guaranteed. The bank has never been subject to the control and direction of the Minister, as is the normal case with statutory authorities, and that position will continue unchanged. Nor, in the past, has the bank been subject to the normal public service controls. That position also will remain unchanged. I trust that these affirmations put to rest some of the mischievous comment made by some members of the Opposition.

I should draw the attention of honourable members to some other features of the proposed legislation. The State Bank will be able to accept such forms of deposits and investments as it may determine, without at this stage being able to enter the savings bank field. Restrictions on lending will be removed also. The manner and terms of bank lending will be entirely within the bank's discretion. That will give the bank much greater flexibility. To provide protection for eligible borrowers, the bank will be able also to insure against a borrower's death or injury. Under existing legislation the limit of debentures issued by the bank is $100 million. That will be increased to $200 million, or such larger amount as the Governor from time to time may determine. That will enable the bank to raise money which can be used to finance the continued development of the State. The bank at present is required to hold 20 per cent of its deposits in Government and other short-term securities. That percentage remains in the new legislation, but the bank will now also be able to hold some of those funds in bank endorsed/accepted bills of exchange and the official short-term money market.

Another small but significant change is the increase in the amount of assets of a deceased customer that can be released without a grant of probate or letters of administration. The present figure is $2,000, but this is being increased to $4,000 or such other amount as may be prescribed. The change will facilitate the handling of estates, and in many cases will ease the financial hardships experienced by next of kin when faced with funeral and other such expenses. The present statutory requirement that the bank carry on its activities in two separate departments—the general bank

department and the government agency department—also will be removed. Separate accounts will be maintained for all the agencies, but otherwise the bank will have flexibility in its administrative procedures. The establishment and control of government agencies will be rationalized also. Those already established specifically by part VIB of the Government Savings Bank Act, 1906, or under the more general section 23A of that Act, will be maintained, but any future agency will be established by a Governor's order, which will specify the name and purposes of the agency. The bank will be able to make any necessary by-laws for the conduct of its agency business.

The Statutory and Other Offices Remuneration (State Bank) Amendment Bill, the provisions of which have been mentioned already, and the Miscellaneous Acts (State Bank) Repeal and Amendment Bill, are cognate with the State Bank Bill. The Miscellaneous Acts (State Bank) Repeal and Amendment Bill will effect various repeals and amendments of Acts consequent upon the enactment of the State Bank Bill. Also it contains the necessary savings and transitional provisions, such as providing for the State Bank of New South Wales to be the continuation of, and the same legal entity as, the Rural Bank of New South Wales. That will ensure the continuation of bank-customer relationships, and the preservation of the rights of bank staff and the provisions of the bills to assist honourable members in their understanding of the proposed legislation. I now make available for incorporation in ***Hansard*** a summary of the provisions of the bills to assist honourable members in their understanding of the Government's proposals. I commend the bills.

State Bank Bill

In the following summary:

(a) the Government Savings Bank Act, 1906, is referred to as the 1906 Act; and

(b) the Rural Bank of New South Wales Act, 1932, is referred to as the 1932 Act.

Clauses 1–6 are formal and self-explanatory.

Part II (clauses 7–12) deals with the State Bank of New South Wales.

Clause 7 constitutes the Bank.

Clause 8 provides for a State Bank Board to consist of 7 directors, and gives effect to Schedule 1 which contains the provisions relating to the directors and Board procedure.

Clause 9 sets out the functions of the Board. This provision is modelled on sections of the Commonwealth Banks Act, 1959.

Clauses 10 and 11 detail the functions of the managing director and deputy managing director respectively.

Clause 12 enables the Board to delegate functions to the managing director, a committee of directors or an employee of the Bank.

Part III (clauses 13–35) concerns the Bank's general banking functions.

Clause 13 deals with the Bank's general powers, and is basically the same as section 48A of the Government Savings Bank Act, 1906. Additions to the Bank's powers have been made in paragraphs (a), (d), (k) and (o), such as the ability to underwrite issues of shares, debentures and other securities.

Clause 14 entitles the bank to be represented at, and take part in, any clearing-house or cheque clearing system as fully as any other bank. (Section 89 of 1906 Act).

Clause 15 provides that the Bank is to maintain 20 per cent of its deposits in cash or the securities prescribed in subclause (2). (Section 48B of 1906 Act).

Clause 16 provides that the payment of all moneys due by the Bank is guaranteed by the N.S.W. Government. (Section 48E of 1906 Act).

Clause 17 authorizes the Bank to establish branches and agencies. (Section 27 of 1906 Act).

Clause 18 enables the Bank to act as agent of any other bank. (Section 86 of 1906 Act).

Clause 19 provides that the Bank, with the approval of the Minister, may arrange to act as the agent of the Commonwealth or State authority, or any person. This has been modelled on section 23A of the 1906 Act, under which some agencies carried on by the Bank have been established.

Clause 20 provides that the Bank may appoint a person as its attorney (clause 88 of 1906 Act), and clause 21 that the Bank may arrange for another bank to act as its agent (clause 87 of 1906 Act).

Clause 22 details the Bank's borrowing powers. The limit on debentures and inscribed stock so issued is $200 million, or such larger amount as is prescribed. (Section 36A of 1906 Act).

Clause 23 provides that the Bank may apply any loan obtained under clause 22 for its general banking business or its agency business.

Clause 24 provides for the replacement of lost, stolen, etc., debentures. (Clause 36A of 1906 Act).

Clause 25 provides that the repayment of money borrowed by the Bank under clause 22 is guaranteed by the N.S.W. Government. (Section 36A of 1906 Act).

Under clause 26, the Bank is indemnified by the Crown in respect of liability arising from loans applied for Government agency purposes.

Clause 27 exempts contract notes for Bank debentures and inscribed stock from stamp duty. (Section 36A (17) of 1906 Act).

Clause 28 provides that the Bank may exchange its debentures for its inscribed stock or vice versa. (Section 36A (8) of 1906 Act).

Clause 29 deals with payment of interest on debentures.

Clause 30 provides for the distribution of the Bank's profits, with one-half being paid to the Consolidated Revenue Fund. (Section 48G of 1906 Act).

Clause 31 confirms the Bank's power to vary the agreements with the Commonwealth Banking Corporation which are set out in the Commonwealth and State Banks Agreements Ratification Act, 1931.

Clause 32 provides for the sharing of profits and losses under those agreements. (Sections 11 and 12 of 1932 Act).

Clause 33 enables the Bank to vary interest rates on fixed or amortisation loans. (Section 68A of 1906 Act).

Clause 34 provides for the distribution of assets of a deceased customer. The amount which can be released without probate or letters of administration has been increased to $4,000 or such other amount as may be prescribed. (Section 48D of 1906 Act).

Clause 35 provides that the Bank may make use of the services of employees of Government departments or statutory authorities. (Section 34A of 1906 Act).

Part IV (clauses 36–60) concerns Government agencies.

Division 1 contains general provisions relating to the conduct of agency business. Clause 36 is an interpretation clause.

Clause 37 provides for the constitution of Government agencies under orders made by the Governor, whilst clause 38 provides for the carrying out by the Bank of the specified agency functions. Under the 1906 Act, agencies were either specifically detailed in the Act or were established by correspondence or other agreements under the general power in Section 23A. These new provisions give a formal, yet flexible, method by which agencies can be established.

Clause 39 provides that the agency business is to be kept separate from the Bank's general business, and for appropriate separation of accounts. Clauses 40 and 41 contain further accounting provisions. (Sections 70H–70L inclusive of 1906 Act).

Under clause 42, interest is payable by the Bank on moneys in the Government Agencies Capital Account and Revenue Account at such rate, if any, as agreed by the Bank and the Treasurer. (Section 70N of 1906 Act).

Clause 43 provides that the Treasurer may fix the interest rates, maximum loans, etc. in respect of agency loans. (Section 70O of 1906 Act).

Clause 44 provides for payment of the costs of administration of the agencies. (Section 70P of 1906 Act).

Clause 45 details the Bank's powers with respect to agency debtors, such as the power to require the giving of securities in respect of loans, the ability to write off any debts which are irrecoverable, etc. (Section 70R of 1906 Act).

Clause 46 provides that the Bank may appropriate any moneys paid by a person to satisfy, or partly satisfy, that person's indebtedness, where he is indebted in respect of more than one agency or the general banking business and one or more agencies. (Section 70s of 1906 Act).

Clause 47 is an evidentiary provision relating to sums owed or securities given in respect of any agency. (Section 70T of 1906 Act.)

Clause 48 provides that the Government of N.S.W. indemnifies the Bank in respect of acts done by the Bank or losses, etc., incurred by it in connection with agency business. (Section 70V of 1906 Act).

Divisions 2–6 inclusive deal with agencies which were specifically established by the 1906 Act, and the Bank's functions in respect of those agencies.

Division 2 (clauses 49 and 50) concerns the Rural Industries Agency. (Sections 70DD and 70FF of 1906 Act.)

Division 3 (clauses 51 and 52) concerns the Advances to Settlers Agency. (Sections 70HH and 70JJ of 1906 Act.)

Mr *Wran*]

Division 4 (clauses 53 and 54) concerns the Irrigation Agency. (Sections 70QQ and 70SS of 1906 Act.)

Division 5 (clauses 55–57) concerns the Rural Assistance Agency, and Clause 56 establishes the Bank as the agent of the Rural Assistance Board for certain purposes. (Sections 70UU, 70VV and 70WW of 1906 Act.)

Division 6 (clauses 58–60) concerns the Special Industries Agency. (Section 70AB of 1906 Act.)

Part V (clauses 61–79) contains general provisions in respect of the Bank.

Clauses 61–67 inclusive deal with the effect of the Crown Lands Acts on dealings by the Bank with Crown lands. Under clause 61, nothing in those Acts affects mortgages or transfers to or by the Bank. Clause 62 abolishes the requirement of consent by the Minister for Lands or Water Resources Commission to registration of transfers to the Bank. Clause 63 provides for registration of transfers when the Bank exercises its power of sale. Clause 64 gives the purchaser of land sold on default of a mortgagor time to comply with any Crown Lands Acts conditions. Clause 65 provides that the Bank's powers and remedies are not to be limited by the Crown Lands Acts. Clauses 66 and 67 deal with forfeiture of Crown lands which are subject to mortgages or other charges in favour of the Bank, and the Bank's rights in respect of those lands. (Sections 69, 72, 75A, 75C, 75D and 75E of 1906 Act.)

Clause 68 enables trustees, except where expressly forbidden to do so, to invest trust funds in Bank accounts or deposits.

Clauses 69 and 70 relate to accounts and their audit. They have been drafted in accordance with the Auditor-General's current requirements, and accordingly, differ from the corresponding provisions of the 1906 Act. They provide for the inspection and certification of the accounts by the Auditor-General within 4 months of the end of a financial year, and the presentation of the accounts and certificate to the Minister for presentation to Parliament within 6 months of the end of each financial year.

Clause 71 provides for the annual report of the Bank to be prepared and forwarded to the Minister within 6 months of the end of each financial year. (Section 31 of the 1906 Act).

Clause 72 imposes restrictions on directors' financial dealings with the Bank. The full-time and elected directors may obtain housing loans, but otherwise directors are not permitted to borrow from the Bank. The full-time and elected directors are permitted to receive other benefits from the Bank, but only on the same terms and conditions as apply to other Bank employees. (Section 35 of 1906 Act).

Clauses 73 and 74 respectively provide for the Employees' Relief Fund and the medical benefits scheme. (Sections 35A and 35B of 1906 Act).

Clause 75 provides for the retirement of Bank employees. They may retire upon attaining the age of 60, or may continue until 65 but retire or be retired by the Bank at any time before reaching that age. (This is a similar provision to that which applies to public servants under the Public Service Act, 1979).

Clause 76 deals with penalties imposed by the Act or regulations.

Clause 77 enables the Bank to make by-laws for the management of the Bank, the conduct of its business, and any other matters required, permitted or found necessary and convenient to be so made for the carrying out of the Act. The by-laws are to be submitted for the Governor's approval.

Clause 78 provides for the making of regulations by the Governor. They may be made for or with respect to any matter for which by-laws can be made, or in connection with the Bank's Government agency functions. Where there is any inconsistency between a by-law and a regulation, the regulation prevails.

Clause 79 provides for the differential operation of by-laws and regulations.

Schedule 1 deals wth the directors and the procedures of the Board, (see clause 8 (4)).

Clause 1 is an interpretation provision.

Clause 2 provides for the appointment of 2 full-time and 5 part-time directors, one of the latter being elected in the prescribed manner by the Bank's employees. Persons of or above the age of 65 may not be directors.

Clause 3 provides for the election of the employee director, under prescribed procedure and with the Electoral Commissioner for New South Wales or his nominee acting as returning officer. To be eligible for election as a director, an employee must hold the position of branch manager, or an equivalent or superior position. The election procedure will be much the same as that for the Maritime Services Board.

Clause 4 provides that one part-time director, other than the elected one, shall be appointed Chairman of the Board.

Clause 5 deals with the appointment of the managing director and deputy managing director.

Clause 6 provides that, in the event of a director's absence or illness, the Governor may appoint an acting director. Similarly, an acting Chairman may be appointed.

Clause 7 sets out the directors' terms of office—up to 7 years for full-time directors, up to 3 years for part-time directors, and a full 3 year term for the elected director. Under clause 8, directors are eligible for re-appointment.

Clause 9 deals with the remuneration and rights of full-time directors. Rights of bank employees and public servants who are appointed as full-time directors are preserved. Clause 10 provides for the remuneration of part-time directors.

Clause 11 is the usual provision dealing with vacation of office by directors. Full-time directors may be retired from office by the Governor after reaching 60 and before reaching 65—see Miscellaneous Acts (Retirement of Statutory Officers) Act, 1980. Under the 1932 Act, full-time commissioners could only be removed from office with the consent of Parliament. However, in accordance with current procedures for statutory appointees, directors of the Bank may be removed from office by the Governor for inability, incompetence or misconduct (subclause (3)). Subclause (4) provides that the Minister may consent to a director being a director or member of another banking corporation.

Mr Wran]

Clause 12 deals with the effect of certain other Acts on the appointment of directors. Subclause (1) provides that they are not to be subject to the Public Service Act, 1979.

Clause 13 is a savings provision with respect to the rights of full-time directors. Where prior to their appointment as directors they were public servants or bank employees, they are to be re-appointed to the Public Service or the Bank at equivalent salary and position when their terms as directors end.

Clause 14 deals with meetings of the Board. A quorum is 4, always including a full-time director, and the Board (subject to this clause) determines its own procedures in relation to meetings.

Clause 15 exempts directors from liability for matters or things done bona fide by the Bank, etc., for the purposes of the Act.

Miscellaneous Acts (State Bank) Repeal and Amendment Bill

The bill contains 2 schedules.

Schedule 1 effects various repeals of, and amendments to, a number of Acts as a consequence of the enactment of the State Bank Bill.

The Government Savings Bank Act, 1906, and the Rural Bank of New South Wales Act, 1932, are wholly repealed. These were the principal Acts governing the Rural Bank of New South Wales, and where appropriate, many of their provisions have been substantially re-enacted in the State Bank Bill.

Schedule 2 contains savings, transitional and other provisions.

Clause 1 is an interpretation provision.

Clause 2 permits the Governor to make regulations of a savings or transitional nature.

Clause 3 preserves any amendments to Acts made by Acts which are repealed by schedule 1.

Clause 4 provides that the provisions of the Interpretation Act, 1897, are in addition to the savings provisions in this schedule.

Clause 5 provides that, on the commencement of the State Bank Bill, the former commissioners of the Rural Bank cease to hold office, but they are eligible for appointment as directors. Subclause (2) provides that a commissioner who is not appointed as a full-time director is not entitled to any compensation, but may be paid such compensation as the Minister determines. Subclause (3) provides that where a commissioner was an employee of the bank before his appointment as commissioner and is not appointed a full-time director of the bank, he is entitled to re-appointment to a position in the bank equivalent to that which he previously held.

Clause 6 provides that the board is properly constituted on and from the date of commencement even though the elected director has not been appointed.

Clause 7 provides that the State Bank of New South Wales is a continuation of, and the same legal entity as, the Rural Bank of New South Wales.

Clause 8 relates to the construction of references in other Acts, documents, et cetera, to the Rural Bank, its commissioners, et cetera.

Clause 9 provides for the temporary use of the name "Rural Bank" during a "change-over" period.

Clause 10 relates to the making of by-laws by the directors prior to the commencement of the State Bank Act, in order to give effect to section 77 of that Act (general by-laws).

Clause 11 provides for the construction of references to departments of the Rural Bank in any Act, document, et cetera.

Clause 12 provides that any branches or agencies of the Rural Bank at the date of commencement of the State Bank Act are deemed to be branches or agencies of the State Bank under section 17 of that Act.

Clause 13 preserves the status and rights of employees, valuators and agents of the Rural Bank as employees, et cetera, of the State Bank.

Clause 14 is a savings provision relating to the Officers' Relief Fund (now to be Employees' Relief Fund).

Clause 15 is a similar provision with respect to the medical benefits scheme.

Clause 16 is a savings provision relating to the Reserve Fund and Special Revenue Account.

Clause 17 is a savings provision relating to Government and other agencies.

Clause 18 provides that regulations in force under the 1906 Act are, on the commencement of the State Bank Act, deemed to be by-laws made by the bank under that new Act.

Debate adjourned on motion by Mr McDonald,

MARITIME SERVICES (AMENDMENT) BILL

AUDIT (AMENDMENT) BILL

Introduction

Motion (by Mr Booth, on behalf of Mr Ferguson) agreed to:

That leave be given to bring in the following cognate bills:

(i) **A** bill for an Act to amend the Maritime Services Act, 1935, with respect to the funds and accounts of The Maritime Services Board of New South Wales, the functions of the Board including the power of the Board to acquire shares in certain kinds of companies, and the remuneration of commissioners of the Board, and for other purposes.

(ii) A bill for an Act to amend the Audit Act, 1902, so as to repeal certain provisions relating to the aggregate statement showing the net result of the combined operations of the Consolidated Revenue Fund and certain other undertakings.

Bills presented and read a first time.

Second Reading

Mr BOOTH (Wallsend), Minister for Sport and Recreation, Minister for Tourism and Assistant Treasurer [3.13]: I move:

That these bills be now read a second time.

The main bill before the House embodies a number of proposals for amendment of the Maritime Services Act. The most urgent is a proposal to enable the Maritime Services Board to take up shares in a trading company. All honourable members

will be aware of the Government's resolve that the coal export potential of the northern and adjacent coalfields should be fully realized as soon as possible. I need hardly emphasize the importance of coal exports to the economy of the State and the welfare of its citizens. To this end, the Government, in January of this year, approved the construction at Kooragang Island of Newcastle's third coal loader. The loader will have an initial annual capacity of 15 million tonnes but will ultimately reach a capacity of some 50 million tonnes each year. That figure gains significance when compared with the capacity of existing loading facilities in the port of Newcastle. The two existing loader complexes can attain a combined annual capacity of only 16 million tonnes, though following an expansion programme at the steelworks channel loader the capacity should increase to about 25 million tonnes by the beginning of 1983.

In approving the project the Government also made it known that it would retain for itself the right of participation in the project. It would achieve that by taking up a 20 per cent shareholding in the company which is to be formed for the purpose of financing and constructing the loader and co-ordinating control of its operations. The board, an instrument of Government with proven experience in the role of constructing and operating coal loaders, presented itself as the obvious choice when it came to deciding through what agency the Government should participate in the project. The choice has been made and the need now arises for the board to be invested with the necessary power for it to assume its representative role.

Schedule 2 to the bill contains the necessary provisions but, so as not to invest the board with too extensive a power, limits the board's capacity to engage in a trading venture to those sorts of projects which are truly an adjunct of port management. Furthermore, any exercise of the power would be subject to the consent of the Minister for Ports and to any conditions he might attach to his consent. The proposal next in order of importance is that sought to be given effect by schedule 1 to the Act. It is somewhat historic. It involves the removal of the board's financial operations from the budgetary process thus marking the end of inclusion in the parliamentary appropriations of the operations of the statutory corporations.

From 1925, when the Sydney Water Board's operations were exercised from the Consolidated Revenue Fund, there has been a gradual removal of the business trading authorities of government from the budget until, with the removal on 1st July, 1980, of the operations of the transport authorities, the board's are the sole remaining accounts outside the Consolidated Revenue Fund included in the budget process.

There are good reasons why this situation should not continue. The board's accounts are prepared on the income and expenditure system which requires the matching of revenue and costs within each financial year. This system contrasts sharply with the receipts and payments method employed in relation to consolidated revenue and is hardly conducive, therefore, to budget unity. More importantly, the board's operations increasingly tend towards provision of services on a commercial level requiring that such services be self-supporting. The related financial operations are such that the receipts and payments system applying to consolidated revenue is no longer appropriate.

That proposal has the strong support of the Auditor-General who, in his current annual report, made the observation that there is no singular significance in the operations of the board to distinguish it from the many other statutory corporations which are not now aggregated in the budget result. To place the board on the same footing as its sister authorities, by giving it greater autonomy over its day-to-day financial operations, the amendments seek to remove the board from Treasury control

in the matters of banking and investment. The amendments adopt model finance and account provisions found in the constituting legislation of all new statutory bodies established over the past few years. I emphasize that the board's operations will remain subject to audit by the Auditor-General and to scrutiny by the Minister and the Parliament.

Of the major features of this legislation, the last to be dealt with—in item 1 of schedule 3—involves an adjustment of the financial entitlements of the four part-time commissioners of the board. The Maritime Services Act now entitles each of the three nominated commissioners to a fee, such as may from time to time be fixed by the Minister, for each meeting of the board at which the commissioner attends. The other part-time commissioner is the commissioner elected by the board's employees. At present, he is a poor relation. The Act entitles him only to travelling and subsistence allowances. It is the Government's view that the existing provisions are unduly restrictive, if not downright unfair. There is no good reason why the entitlement of the elected commissioner should be any different from that of his fellows. Like them, though he is an employee of the board, he has a prime duty to that board; with them he shares responsibility for its decisions; and, as they do, he devotes considerable time outside normal working hours to the affairs of the board.

The Governsnent cannot see the merit in a provision which requires that the remuneration of a commissioner should be determined by reference to the number of meetings actually attended by him. It seems to be based on the quite false assumption that it is only while attending a meeting of the board that a commissioner renders service to it. Such, of course, is not the case: many calls are made on a commissioner's time outside meeting hours at functions and other meetings, to say nothing of the time involved in preparing himself for scheduled meetings of the board by studying agenda which range over a number of diverse and important topics. Conversely, to deny to a commissioner remuneration because he has not attended a meeting, and irrespective of how good his reason might be, would not be defensible. What is needed, and what the bill provides for, is a power in the Minister to fix a remuneration in general terms. It is a power generally found in the constituting legislation of statutory corporations other than the board.

The bill deals also with a number of minor machinery amendments which the board's experience has shown to be desirable, if not necessary; an extension of its powers of delegation; a grant of power to recover the cost of destroying and disposing of worthless vessels; and express exemption from liability under the dividing fences legislation to contribute to the cost of construction or repair of sea retaining walls. In addition, there are a number of other lesser amendments which are either consequential upon the foregoing or which effect standard statute law revision. Though minor they are not without their importance. Their purport is described in an explanatory memorandum which I now table for incorporation in Hansard. Cognate with the main measure is the Audit (Amendment) Bill. It will effect amendment of the Audit Act, 1902, consequential upon those provisions of the main bill which will remove the board's financial operations from the budgetary process. Specifically, it will repeal section 59A of the Audit Act and the ninth schedule thereto which require statements and accounts of the board to be transmitted to the Auditor-General. I commend the bills.

Maritime Services (*Amendment*) **Bill,** 1981

Clause 1. Short title.

Clause 2. Provides for commencement. Generally the Act is to commence on the date of assent (clause 2 (1)), but the finance provisions will commence on 1st July, 1981 (clause 2 (2) and (3)).

Mr Booth]

Clause 3. Indicates that the Maritime Services Act, 1935, is referred to in the legislation as the Principal Act.

Clause 4. Shows the arrangement and headings of the Schedules to the Act.

Clause 5. Provides that the Principal Act is amended as set out in the first three Schedules.

Clause 6. Provides that Schedule 4, containing savings, transitional and other provisions has effect.

Schedule 1. Amendments to the Principal Act.

Item 1. Consequential definition of the "Fund" established under section 22.

Item 2. Consequential amendment of existing reference to the Fund.

Item 3. Omits existing provisions of the Act which establish 2 funds (The Maritime Services Board Fund and The Maritime Services Board Renewals Fund) and establishes one fund, viz., the "Maritime Services Board Fund" which is all that is required given modern accounting methods.

New section 23 reproduces existing provisions of the Principal Act as to what moneys are to be paid into the Fund.

New section 23A indicates what moneys may be paid out of the Fund.

New section 23B reproduces existing section 24D of the Principal Act which requires that certain moneys, relating to works under the Newcastle Harbour Improvements Act, 1953, be paid from the Fund to Consolidated Revenue.

New section 23C reproduces existing provisions requiring that certain moneys collected by or on behalf of the Board be paid to Consolidated Revenue.

New section 23D is a standard clause empowering the Board to invest in Government securities.

New section 24 provides, in effect, that the Board's capital debt to the State will not be altered by enactment of the amending legislation and provides for annual certification by the Minister of expenditure of any moneys provided by the Parliament for the Board's operations.

Item 4. Inserts a new substitute section 241 requiring that the Board's moneys be paid into banks in the State.

Item 5. Inserts a new substitute section 24J enabling the Board to obtain temporary overdraft accommodation or Treasury advances.

Items 6, 7 and 8 repeal existing provisions which would be redundant or inappropriate in the light of other amending provisions.

Item 9. Substitutes a new Division 6 which contains model Accounts and Audit provisions now found in the constituting legislation of new statutory corporations.

New section 28 provides for the keeping of proper accounts and records, for their certification by the Auditor-General, their submission to the Minister and presentation to Parliament.

New section 28A provides for inspection and audit of the Board's accounts and financial records by the Auditor-General.

Schedule 2. Acquisition of Shares by the Board.

This schedule contains a new section 13MA to empower the Board, subject to such conditions as the Minister might impose, to acquire shares in a company, the powers of which includes powers sufficiently similar to those of the Board in relation to the construction and operation of port facilities.

Schedule 3. Miscellaneous Amendments to the Principal Act.

Item 1. Entitles the nominated and elected commissioners of the Board to such remuneration as the Minister may determine.

Item 2. Excludes the operation of the Dividing Fences Act, 1951, to a sea retaining wall separating land of the Board from that of another owner. The Act would still apply in the case of an ordinary dividing fence.

Item 3. (a) Consequential. (b) Gives the Board a discretionary power to recover costs associated with the destruction of a worthless vessel destroyed by it under existing provisions of the Principal Act.

Item 4. Metric conversion.

Item 5. Amends section 36 of the Principal Act so that the Board's powers of delegation are extended to functions under all Acts or Regulations administered by it, not just the Maritime Services Act as is presently the case.

Debate adjourned on motion by Mr Duncan.

CHURCH OF ENGLAND (NORFOLK ISLAND) BILL

CHURCH OF ENGLAND TRUST PROPERTY (AMENDMENT) BILL

Introduction

Motion (by Mr Walker) agreed to:

That leave be given to bring in the following cognate bills:

(i) A bill for an Act with respect to the constitution of the Church of England following the inclusion of Norfolk Island in the Diocese of Sydney.

(ii) A bill for an Act to amend the Church of England Trust Property Act, 1917, as a consequence of the inclusion of Norfolk Island in the Diocese of Sydney.

Bills presented and read a first time.

Second Reading

Mr WALKER (Georges River), Attorney-General and Minister of Justice [3.21]: I move:

That these bills be now read a second time.

These bills are designed to allow Norfolk Island to be included as part of the Anglican diocese of Sydney. The Government is sponsoring these bills at the request of Sir Marcus Loane, the Anglican Archbishop of Sydney. Norfolk Island is a Territory of the Commonwealth of Australia and not part of New South Wales. Until 1938 the affairs of the Church of England on the island were controlled from New Zealand. In that year the then Archbishop of Sydney and the Bishop of Melanesia each signed a document approving of the transfer of all ecclesiastical control to the Archbishop of

Sydney. Since then the Archbishop of Sydney has exercised episcopal responsibility and is generally in charge of the affairs of the church on the island. Though the Archbishop of Sydney has had this responsibility since 1938 the arrangement has never been formalized and the island has not formed part of any diocese of the church since 1869 when it was severed from the diocese of Tasmania by an Act of the Imperial Parliament at Westminster.

In 1979 members of the church of Norfolk Island requested that arrangements be made to include the island as part of the Sydney diocese, and in the same year the diocesan synod passed an ordinance providing for the incorporation. Before legal effect may be given to the arrangements made by the church to include Norfolk Island as part of the Sydney diocese, the island church will have to be formally made subject to the constitution of the Church of England in Australia. Because Norfolk Island is a Commonwealth Territory, it is not subject to the laws of New South Wales. Therefore, in order to facilitate the incorporation of the island into the diocese of Sydney, the Norfolk Island legislature has enacted the Church of England Act, 1981, which applies to the New South Wales Church of England Constitution (Amendment) Act and the Church of England in Australia Constitution Act to the island as if these Acts had been passed by its own legislature.

The bills now before the House complement the Norfolk Island Act and will ensure that the New South Wales church statutes to which I referred are capable of extending to the island. Norfolk Island has its own legislation applying to church property on the island and so the Church of England Trust Property Act is being amended to apply only to that part of the diocese of Sydney within the State and it will be clear the Act does not extend to the island. These bills were prepared by the Parliamentary Counsel on the instructions of solicitors acting on behalf of the church and they were approved by the standing committee of the synod of the diocese of Sydney on 13th April, 1981. I commend the bills to the House and table short explanatory material detailing their provisions.

Church of England (Norfolk Island) Bill, 1981

Clause 1 states the short title by which the Act will generally be known.

Clause 2 provides that the principal part of the Act will commence on a day to be appointed by the Governor.

Clause 3 provides that the Bill applies to the Church of England Constitutions Act Amendment Act, the Church of England in Australia Constitution Act and section 17 of the Interpretation Act, to be known as the Principal Acts.

Clause 4 provides that the Principal Acts are to be construed as if Norfolk Island were part of New South Wales.

Church of England Trust Property (Amendment) Bill, 1981

Clause 1 states the short title by which the Act will generally be known.

Clause 2 provides that the body of the Act will commence on a day to be appointed by the Governor.

Clause 3 provides that the Church of England Trust Property Act will be amended in the manner provided for in Schedule 1.

Schedule 1 varies the definition of "Church of England" and "New South Wales" so as to allow a portion of a diocese to lie outside the boundaries of the State.

Debate adjourned on motion by Mr Dowd.

NORTHERN RIVERS COUNTY COUNCIL (UNDERTAKING ACQUISITION) BILL

Introduction

Motion (by Mr Hills) agreed to:

That leave be given to bring in a bill for an Act to make provision with respect to the acquisition by the Northern Rivers County Council of the electricity undertaking in the Shire of Tweed.

Bill presented and read a first time.

Second Reading

Mr HILLS (Phillip), Minister for Industrial Relations and Minister for Energy [3.25]: I move:

That this bill be now read a second time.

Honourable members may recall that late in 1979 Parliament passed the County Districts Reconstitution Act, the general effect of which was to provide for the amalgamation of certain electricity councils along the eastern seaboard of the State. The legislation extended the county districts of certain core councils with the result that the core councils were responsible for the supply of electricity in the extended areas. One of the councils affected by the legislation was the Northern Rivers County Council, the county district of which was extended to include the municipality of Mullumbimby and the shires of Byron and Tweed. With respect to the Tweed shire, since 1958 the area has been supplied electricity by the South East Queensland Electricity Board under a franchise agreement between the board and the Tweed shire council. The supply of electricity by the Queensland supply authority to the shire under the agreement was the only feasible arrangement at the time. Though the agreement itself provided for the acquisition by the council of the board's Tweed undertaking on termination of the agreement, this was never considered a feasible proposition.

Recognizing that the acquisition of the undertaking was a viable proposition for the Northern Rivers County Council, the County Districts Reconstitution Act also contained a provision which substituted the Northern Rivers County Council in the agreement in place of the Tweed shire council with the result that the option to acquire the undertaking is vested in the county council. The franchise agreement is to expire on 30th June, 1981, and the county council has been negotiating with the Queensland authorities to effect transfer of the undertaking on the due date. The Tweed shire is currently serviced by two SEQEB depots, one at Murwillumbah in New South Wales servicing the Tweed shire only, and one at Coolangatta in Queensland serving both New South Wales and Queensland consumers. In essence therefore this short bill is the final stage in the acquisition by the county council of SEQEB's Tweed undertaking and is designed primarily to confer upon the county council the necessary legislative powers to acquire the undertaking in accordance with the agreement.

The agreement makes provision for the transfer of certain staff who were wholly or principally employed in connection with the undertaking, from service with SEQEB to service with the county council. Discussions between SEQEB and the council would suggest that all of SEQEB's Murwillumbah staff, some thirty-six people, and part of the Coolangatta staff, some thirty-seven out of a total of eighty, could be involved when the acquisition takes place. Though the agreement itself makes provision for the transfer of staff, the staff involved are servants of a Queensland authority. Specific provisions are necessary if the remuneration and other rights of transferring staff are to be protected. Accordingly, the bill confers upon selected staff a right to elect to transfer their service to the county council. Once the election takes effect the electees become servants of the county council and are then entitled to the protective provisions contained in the bill. These provisions are designed to safeguard the rate of remuneration, the conditions of employment, rights of accrued leave and the like, of transferred servants. The legislation provides also that the employment of transferred staff will not be terminated on the grounds of redundancy arising from the acquisition, and that transferred staff will not be required to be based outside the Tweed shire in New South Wales. In essence these safeguards are substantially similar to those which applied to council staff affected by the amalgamation of electricity councils early in 1980.

The staff of SEQEB are at present contributors to a superannuation scheme under the Queensland Electricity Act. The bill therefore allows electees either to elect to remain in the Queensland scheme or to transfer to the New South Wales local government superannuation scheme. This election may be made only once. It might be noted that the Queensland Government has already passed the necessary legislation to permit the servants involved to remain in the Queensland scheme notwithstanding their service with a New South Wales authority. In the event that some transferring officers might elect to remain in the Queensland scheme, the bill confers on the county council power to carry out the obligations of an employer under that scheme. With respect to servants who elect to join the New South Wales local government scheme, the bill contains appropriate provisions enabling the transfer from the Queensland scheme to be effected.

The agreement requires the county council in purchasing the undertaking to pay in cash or securities, to the satisfaction of SEQEB as to the term and interest rates, an amount equal to the fixed capital of the undertaking. This involves payment of an amount estimated to be of the order of $1.3 million per annum over ten years. It is estimated that this amount is broadly equivalent to the amount the council would have been repaying in loans if it had itself been managing and carrying out the works associated with the undertaking over the years in which the franchise agreement operated. There are also certain assets in Queensland that form an integral part of the undertaking. I refer to the 33 kV substation sited at Coolangatta immediately adjacent to the border, which forms a necessary part of the supply network to the Tweed shire. The reasons for the siting of these assets on the Coolangatta site are a matter of history but the importance of their role in the maintenance of supply to the shire is clear.

For these reasons it is considered essential that, if the county council is to have adequate control over the electricity supply to the Tweed shire in the future, it must also acquire the Coolangatta site with its substation and other on-site assets. The purchase price for these Queensland assets, which is subject to negotiation between SEQEB and the council, would be of the order of $1.6 million. The acquisition by the Northern Rivers County Council of the Queensland board's electricity undertaking in the Tweed shire is an important step in consolidating the

electricity supply arrangements on the northeastern seaboard of the State. This in turn must assist the Government in achieving its stated policy of tariff rationalization throughout the State. I table for the information of honourable members an explanatory note on the provisions of the bill. I commend the bill to the House.

Northern Rivers County Council (Tweed Shire Electricity Undertaking Acquisition) Bill

Clause

1. Title.

2. Interpretation and definitions.

3. Authorises the County Council to act in the State of Queensland for the purposes of acquiring and of controlling and managing the undertaking.

4. Provides that the servants of the South East Queensland Electricity Board who are employed on or in connection with the undertaking may elect to transfer to the service of the County Council within 1 month after the County Council acquires the undertaking.

5. Ensures that the salary and wages of a transferred servant are not reduced after his transfer.

6. Ensures that a transferred servant shall not be required to be based at a place outside the Tweed Shire or outside Queensland, without his consent.

7. Service of a transferred servant not to be terminated on the ground of redundancy arising from the acquisition.

8. Saves certain existing awards and industrial agreements relating to the conditions of employment of transferred servants.

9. Deems certain previous service of a transferred servant to be service with the County Council and saves any accrued leave of absence.

10. Provides for the payment of a gratuity where a transferred servant has his employment with the County Council terminated, or he resigns from that employment, within a certain period after his transfer.

11. Preserves any right to compensation which a transferred servant may have, under a contract of service, for the termination of his previous service.

12. Requires the Local Government Superannuation Board of N.S.W. to notify a transferred servant of his entitlement under the N.S.W. scheme.

13. Provides that where a transferred servant, elects under Queensland legislation, to remain in his Queensland superannuation scheme, the NRCC will have the power to exercise the obligations of an employer for the purposes of that scheme. Also provides that the N.S.W. Local Government scheme shall not apply to the servant if he remains in a Queensland Superannuation Scheme.

14. Contains the provisions whereby a transferred servant who contributes to a Queensland scheme may elect to transfer to the N.S.W. Local Government Scheme. Also provides for the calculation of his entitlements under the N.S.W. scheme and fixes the cut-off day for that election

15. Provides for the appointment of a staff committee to report on matters arising from the acquisition.

16. Enables the Governor to make regulations for the purposes of the Act.

Debate adjourned on motion by Mr Boyd.

APPRENTICESHIP (AMENDMENT) BILL

INDUSTRIAL ARBITRATION (APPRENTICESHIP) AMENDMENT BILL

Introduction

Motion (by Mr Hills) agreed to:

That leave be given to bring in the following cognate bills:

(i) A bill for an Act to make provisions with respect to apprenticeship and to repeal the Apprentices Act, 1969.

(ii) A bill for an Act to amend the Industrial Arbitration Act, 1940, to provide for a conciliation commissioner for apprenticeships and apprenticeship conciliation committees; and to make other provisions with respect to apprenticeship.

Bills presented and read a first time.

Second Reading

Mr HILLS (Phillip), Minister for Industrial Relations and Minister for Energy [3.35]: I move:

That these bills be now read a second time.

I believe that New South Wales, as the premier industrial State in Australia, must constantly review its industrial legislation to ensure that its statutes, and the regulations promulgated under them, serve industry and the community in the most effective and efficient way. The Apprentices Act, 1969, is an important and integral part of that industrial legislation. Through the implementation of the provisions of that Act, the Government administers the essential training of the greater part of the State's future skilled work force. In the twelve years during which the Act has been in operation, its greater strengths have been proven and its weaknesses revealed. Such a period of time tests all legislation and gives the legislators and those subject to the legislation a good perspective of it in operation. Now, despite gross unemployment, industry which under this Government is showing renewed confidence in its continued development, productivity and profitability, is crying out for skilled labour and tradesmen.

Traditionally in this country tradesmen have been drawn from two sources—immigration and apprenticeship training. Immigration has provided approximately 30 per cent of the craftsmen employed in industry in Australia, the remaining 70 per cent being provided by the apprenticeship system. With high levels of unemployment among young persons we must increase our training intake, a goal that this Government is actively pursuing. That places a great load on the system and a heavy responsibility on all involved in the administration of apprenticeship training throughout the State. These loads and responsibilities are being increased day by day as the policies initiated by this Government in relation to apprenticeship and youth employment continue to come into effect and bear results. For instance, as a consequence of these

initiatives, and the response to them by industry and young persons, in the financial year ended 30th June last the apprenticeship directorate of the Department of Industrial Relations approved an all-time record intake of 16 350 apprentices.

The number of applications streaming into the directorate during the current year are arriving at an even higher rate than last year. This will add further to the pressure on the system as these young people come into training. Over and above this, and in accordance with stated Government policies, the apprenticeship directorate is in the process of employing an additional thirty apprenticeship supervisors, thus bringing to fifty-two the number of supervisory staff employed to provide field services for the training and welfare of apprentices and to promote apprenticeship generally in industry.

In the Department of Industrial Relations I have established a network youth counselling service to advise and give support to young people who have left school and are seeking employment. Its main functions are to improve the job prospects of unemployed youths and to assist them to maintain motivation and enthusiasm for a career during their present difficult and trying circumstances. This service is a further source from which apprentices will flow. Honourable members will appreciate that these initiatives, together with the recently introduced rebates on payroll tax and workers' compensation premium rebates for employers employing extra apprentices in particular trades—and other Government incentives—will continue to increase the intake of apprentices throughout the State. As they bear fruit, all of these positive and constructive policies are adding a greater load on the machinery of apprenticeship training and supervision as it now exists under the 1969 Act.

During the period I have had the industrial relations portfolio, I have become aware that for a considerable time the machinery has been working under strain. I remind honourable members of long standing in this House that the Apprentices Act, 1969, was introduced after an extensive inquiry into the functioning of the apprenticeship system in New South Wales and the subsequent report and recommendations by the Industrial Commission of New South Wales under the chairmanship of the president, Sir Alexander Beattie. At the time of this inquiry, the agencies of the State then constituted to regulate apprenticeship in New South Wales comprised some 100 apprenticeship councils, together with an appellate jurisdiction in the Industrial Commission over the decisions of apprenticeship councils. Administration of these bodies was the responsibility of the Industrial Registrar functioning in the department. The Apprenticeship Commissioner was a conciliation commissioner within the State arbitration system.

At that time the recurring criticism voiced was that the legislation did not provide for any agency responsible for the overall supervision of apprenticeship in all its aspects. The Industrial Commission conducted an exhaustive inquiry and, in some quarters, the report is still regarded as the definitive study of apprenticeship in Australia, and that may well be so. However, the subsequent Act did not adhere to all the recommendations. In debating the Apprentices Bill which came before this House in March 1969, several members of this Government, then on the opposite benches, expressed uneasiness about some of its clauses—amongst them, those bearing on the sensitive field of industrial relations. We have, therefore, watched the implementation and administration of this legislation over the years and have been alert to some unfavourable reactions to certain sections of it by trade unions, employers and employer associations.

The Act certainly established the desired supervisory agency in setting up the New South Wales Apprenticeship Directorate but, in Government, we became more aware of criticism directed at other aspects of the legislation and realized remedial

action would be necessary. Therefore, on 2nd April, 1979, I announced the appointment of a tripartite review committee to inquire into the New South Wales apprenticeship system. The committee met on a total of eighty days and visited Queensland, Victoria, South Australia and Broken Hill to study the various aspects of apprenticeship legislation in the other States and apprenticeship problems in a major outlying regional centre. It received 196 written submissions and interviewed 35 individuals experienced in apprenticeship administration, training and employment. It was given a limited time in which to bring down a report.

In its report, the committee stated clearly that from the submissions received, and from the review committee's own appraisal, insurmountable problems of jurisdiction did exist under the present Act between the administrative and industrial relations processes and that it is essential for these to be separate and clearly defined. This has burdened the office of the Apprenticeship Commissioner with many matters of a minor and administrative nature inappropriate to that position. The proposed legislation will free the commissioner to devote his time and capacities to the more important issues arising from the industrial relations jurisdiction. Let me leave no doubt in the minds of honourable members that the resolution of problems arising in this area is a mainstay in keeping the apprenticeship system on course.

In its report to me as Minister the committee recommended that a working party be established to examine continuously the changing needs imposed upon the apprenticeship system by industrial development and technological change. The findings of this body, which will operate under the chairmanship of the Assistant Under Secretary (Legal) of the Department of Industrial Relations, will influence greatly the future development of this legislation. I advise honourable members that it was considered that to bring these recommendations into effect it would only require amendments to be made to the Apprentices Act as it now stands. This proved totally wrong.

The Apprentices Act, 1949, was conceived and drafted as a complete document and the provisions in it are interrelated and so bound up that to separate the provisions relating to training matters from those relating to industrial matters is an impossible task. The present Act must be repealed and new legislation introduced to place the apprenticeship system on a sound legal footing that will work for all parties involved. The proposed change in the name of the Act is indicative of the change of emphasis in the legislation. The name, Apprentices Act, implies that the present statute is primarily concerned with protection of the individual, the apprentice, whereas the short title of the measure before the House, the Apprenticeship Bill, clearly indicates that this bill is to bring in an Act to regulate the apprenticeship system as a whole, having due regard to the individuals bound up in it. Therefore, I should like to indicate to honourable members how this change of emphasis would improve the apprenticeship system and serve better both industry and the apprentices themselves.

To begin with, the Apprenticeship Council will be reconstituted and enlarged by the addition of one employee representative and one employer representative as recommended by the committee report; the Director of Apprenticeship will remain chairman of the council. The Conciliation Commissioner for Apprenticeships will not be a member of the council, to ensure that training policy matters are not seen to impinge upon the autonomy of his industrial relations function. In the present bill, the clauses relating to the appointment and function of apprenticeship supervisors have been brought forward, thus emphasizing the importance placed upon supervision to be given to the training of apprentices in employers' establishments and the advice and assistance available to employers of apprentices in carrying out that training.

A further demonstration of the need for review of the present system can be evidenced from the report of the president of the Industrial Commission of New South Wales. The president noted that various apprenticeship supervisors in the metropolitan and country areas were appointed special commissioners during **1980** to enable tasks to be delegated to them by the Apprenticeship Commissioner. It seems that these appointments under the existing Apprentices Act, **1969,** created the supervisors special commissioners under the terms of the Industrial Arbitration Act—and, of course, special commissioners under that latter Act already exist in the various branch offices of the Department of Industrial Relations. Therefore, the transfer of all industrial relations matters relating to apprenticeship to the Industrial Arbitration Act, as the Government proposes by these two bills, will leave the apprenticeship supervisors free to carry out their training functions and will solve the conflict mentioned by the president of the Industrial Commission in his annual report.

As I said earlier, the increase in the number of apprenticeship supervisors is a major initiative aimed at raising the standard of training and promoting harmony in the vital and sensitive relationship that exists between those responsible for training and those receiving it. Under the existing legislation, apprenticeship committees were established to deal with a whole range of matters of both a training and industrial nature. This dual jurisdiction was identified by the committee of review as creating an undefined overlapping of functions by the Apprenticeship Directorate and the office of the Apprenticeship Commissioner in dealing with these matters. The proposed legislation contained in these bills will establish two distinct groups of committees. On the one hand, apprenticeship training committees would be set up under the new Apprenticeship Act to consider matters relating to training, and under the Industrial Arbitration Act would be constituted apprenticeship conciliation committees to deal with industrial matters.

The composition of the committees will be the same except that when acting in the training jurisdiction the chairman will be the Director of Apprenticeship, or his delegate, and when acting in the industrial jurisdiction, the chairman will be the Conciliation Commissioner for Apprenticeships. Thus the administration of both jurisdictions will remain clearly defined and any hint of duality will be completely removed. The new training committee arrangement will not only encourage greater participation by employee and employer organizations in the training of apprentices within their industry, but also will increase the level of expertise available to them.

In procedural matters to a great extent the bill follows the existing legislation. However, it does regulate certain practices that have developed over the years as a matter of practical necessity. They include the reduction of the age at which the approval of a parent or guardian must be obtained to establish or alter an apprenticeship from the present **21** years to **18** years, in keeping with present-day concepts. Other changes have been made to facilitate the transfer of an apprenticeship from one employer to another; to provide means by which apprentices are required to attend trade courses at technical colleges; and to provide for specific matters to be regulated under the bill if and when required as recommended by the Apprenticeship Council or the working party. The explanatory note attached to the Apprenticeship (Amendment) Bill is detailed and provides a clause by clause summary of the proposed legislation. Therefore, I deem it unnecessary to burden honourable members by tabling a more detailed document analysing the bill.

The cognate Industrial Arbitration (Apprenticeship) Amendment Bill translates the functions of the office of the Apprenticeship Commissioner from its present place adjunct to the Apprenticeship Directorate and under the Apprentices Act, **1969,** to its rightful place under the Industrial Arbitration Act, whence it originally came.

I do not presume that the proposed legislation is the last word in establishing a faultless apprenticeship system in the State to cope with the requirements of industrial developments and technological change. It will resolve many problems at present frustrating industry and those conscientiously working to promote apprenticeship to its greatest potential in supplying skilled labour. It will provide a sound basis upon which the apprenticeship system can be structured to meet the requirements of all parties and will provide a vehicle to meet the challenges arising from the requirements of industry, those involved in the training of a skilled work force, and most important, those being trained in essential skills. I commend the bills to the House.

Debate adjourned on motion by Mr Schipp.

BILLS RETURNED

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

Lotto (Amendment) Bill

Pathology Laboratories Accreditation Bill

State Lotteries (Amendment) Bill

Transport (Amendment) Bill

The following bill was returned from the Legislative Council with an amendment:

Lord Howe Island (Amendment) Bill

COLLEGES OF ADVANCED EDUCATION (AMENDMENT) BILL

Introduction

Motion (by Mr Bedford) agreed to:

> That leave be given to bring in a bill for an Act to amend the Colleges of Advanced Education Act, 1975, with respect to the dissolution of a corporate college of advanced education and the appointment of an administrator of such a corporate college.

Bill presented and read a first time.

Second Reading

Mr **BEDFORD** (Fairfield), Minister for Planning and Environment [3.55]: I move:

> That this bill be now read a second time.

The Colleges of Advanced Education Act, 1975, is an Act with respect to the constitution of new colleges of advanced education and the continuation of established colleges of advanced education; to enlarge the powers, authorities, duties and functions of colleges of advanced education; to amend the Higher Education Act, 1969, and certain other Acts; and for purposes connected therewith. There has been one series of amendments to the Act since it was assented to on 10th April, 1975. These were minor amendments consequential to the passing of the Higher Education Act, 1975, and were assented to on 7th October, 1975. The Higher Education Act, 1975, constituted the Higher Education Board to replace the Advanced Education Board, the Universities Board and the Higher Education Authority. The Colleges of Advanced

Education Act, 1975, does not make provision for the situation that can arise when the Government decides that, because of changed circumstances and for the purpose of achieving the best use of educational and financial resources, it is necessary to amalgamate a corporate college with another or to close a college or to effect some other form of rationalization. Nor does the Act provide for the dissolution of a college when the college's council has recommended such action on particular grounds and the Government endorses such action.

Where an institution within a government department is declared a college of advanced education, in accordance with the provisions of section 4 of the Act, the power to revoke the declaration is clear but no such power is included in the Act for revocation of a notification constituting a corporate college under the provisions of section 5 of the Act. Though there is no provision in the Act for a corporate college to be amalgamated with another or to be dissolved, the concept is not uncommon. Examples of such action in New South Wales can be found in the origins and the subsequent development of the Cumberland College of Health Sciences, which in 1973 assumed responsibility for the educational programmes conducted by the New South Wales College of Nursing, the New South Wales College of Occupational Therapy, the New South Wales School of Orthoptics, the New South Wales School of Physiotherapy, the New South Wales Speech Therapy Training School and, later on, the Royal Prince Alfred Hospital's course in medical records librarianship. A second example is the merger of the Wagga Wagga Agricultural College with the Riverina College of Advanced Education in 1976. In neither example was there any legislative impediment to amalgamation. Although Wagga Wagga Agricultural College was declared a college of advanced education within the Department of Agriculture under the provisions of section 4 of the Colleges of Advanced Education Act, it was never constituted a corporation under section 5.

Insertion in the Act of provisions enabling dissolution of a corporate college of advanced education is now urgently needed so that two amalgamation schemes can proceed as planned by the Government. Under the first of those schemes, it is intended that Alexander Mackie College of Advanced Education, Nursery School Teachers College, Sydney Kindergarten Teachers College and Sydney Teachers College will be amalgamated to form a new college of advanced education. Powers under the present Act can be used to establish the new college, but there is no power to dissolve the existing four colleges. This amalgamation follows four years of investigation and consultation by the New South Wales Higher Education Board. As a result of this lengthy process, the co-operation of the councils and staffs of the colleges concerned has been gained in the planning of the merger. The Guild Teachers College also has agreed to participate in the amalgamation.

When the proposal was released in September 1979, some concerns were voiced by the councils of the colleges and by organizations representing students and staff. In broad terms, these concerns related to the security of employment of staff at the four existing colleges; the ability of students at present enrolled at these colleges to complete the course in which they are enrolled; and the need for full consultations between the four colleges regarding details of the amalgamation. Ministerial assurances were given on the first two points, and a planning committee was established, having representatives of the students, staff and council of each of the colleges affected. This committee established a number of working groups to give detailed consideration to various questions and the system of consultation has operated harmoniously.

A ministerial advisory committee was also established, including representatives of the planning committee, the Higher Education Board, the Teachers' Federation, the Public Service Association and the Australian Union of Students. The amalgamation is intended to provide both financial and educational benefits. It is expected

that after three years of operation of the new college the savings in recurrent funding will have built up to a quite significant level. These savings will be achieved by reducing the use of rented premises, by the joint use of services and facilities, and by abolishing various staff positions as they fall vacant through normal retirement or resignation. So far as capital works are concerned, the availability of the new premises constructed for Alexander Mackie College at Oatley will eliminate pressures to build new facilities for Sydney Teachers College at North Newtown. As the funds available from the Commonwealth for advanced education are limited, the redistribution of those savings will have a positive effect on advanced education throughout the State.

Educationally, both students and staff will benefit from being members of an institution which is large enough to provide for stable staffing in the wide range of academic studies involved in modern teacher education. This is especially important in providing for the development of degree courses which will meet accreditation standards. The existing small colleges would have slight chance of achieving this. The amalgamation has been supported by the conference of principals of New South Wales colleges of advanced education. The Federation of Academic Staff of New South Wales Colleges of Advanced Education and the Public Service Association of New South Wales. These organizations also concur in principle in the proposed amendments to the Colleges of Advanced Education Act, **1975,** that form the main purpose of the bill before the House.

Under the second amalgamation scheme proposed by the Government, Goulburn College of Advanced Education will be amalgamated with Riverina College of Advanced Education to form a single corporate college responsible for the development of advanced education facilities on three campuses—those at Albury, Wagga Wagga and Goulburn.

The New South Wales Teachers' Federation has indicated that it would prefer to have a separate Act of the Parliament enacted on each occasion on which it is proposed to dissolve or amalgamate a corporate college of advanced education. As all such colleges are established under the provisions of the Colleges of Advanced Education Act, 1975, the Government considers it appropriate that the power of dissolution be also contained in that Act. However, a Teachers' Federation proposal, that clauses be included that will preserve the rights of college staff and students in the event of a dissolution or amalgamation, has been taken into account in the drafting of the bill. The requests of other organizations representing staff and students, that I have named earlier, on these matters have also been given careful consideration.

The objects of the bill now before the House are to enable the dissolution of a corporate college of advanced education; to enable the appointment of an administrator of a corporate college of advanced education; and to make amendments to the Colleges of Advanced Education Act, **1975,** of a minor, consequential or ancillary nature. The proposed new schedule 2 is concerned with the dissolution of a corporate college. Honourable members will note that the circumstances under which the Minister may recommend the dissolution of a college and the matters he is required to give attention to before making such a recommendation to the Governor are spelled out in some detail so that people may be assured that such a decision would not be taken lightly nor without due care, and that attention has been given to all the implications and consequences of such dissolution.

The provisions concerning staff and students transferred are intended to give proper protection to their rights and interests. On transfer to a new employing body, staff will enjoy the conditions of employment applying to the existing staff of that body. Existing superannuation rights will be preserved. In relation to salary, a policy will be adopted, in line with that applied by the Public Service Board, providing that

remuneration will be maintained for a period up to three years until work of an appropriate level can be found. If no such work can be found within three years, the new employer may determine a salary appropriate to the work actually being performed.

Students are guaranteed continuation of their studies with as little disruption as possible. Furthermore, upon completion of those studies some students may wish to receive the academic award of the college in which they commenced them but which has been dissolved; should they make such a request, that award can be conferred, provided they have completed sufficient of their course at the dissolved college to warrant that award. Provisions included in the bill ensure also that former students of a dissolved college will be enabled to receive duly authorized statements of their academic record when at any time after dissolution of the college they have reason to obtain such statements.

The bill includes detailed provisions, in schedule 2, items (6) and (7) concerning property, claims, proceedings, contracts, agreements, arrangements, undertakings, remedies for the recovery of money, and related matters, to ensure that these matters are given due attention following the dissolution of a college. For these reasons the bill provides that the Minister may be incorporated as a corporation sole for certain purposes and that claims and proceedings against such corporation are claims and proceedings against it as the nominal defendant.

The proposed new schedule 3 is concerned with the appointment of an administrator to control a corporate college. The Government considers that circumstances may arise when appointment of an administrator may be necessary or may be the most suitable course of action. An example of such circumstances is when the Governor, on the recommendation of the Minister, has approved the dissolution of a corporate college. In a particular case it might be decided that action on the various matters that require attention before a college is dissolved could be carried through more efficiently by an administrator than by the college council. The general circumstances in which the Minister may recommend the appointment of an administrator to a corporate college are specified in the bill.

The bill includes provisions concerning the qualifications required of an administrator appointed to a corporate college; the transfer of the powers, authorities, duties and functions of the college and its council to an administrator; the remuneration to be paid to an administrator; and regulations with respect to the functions of an administrator, the accommodation to be provided for, and the assistance to be given to, such an officer. Finally, the bill provides that the Minister may, upon the revocation of the order by which an administrator was appointed, appoint a council to govern the college concerned. I table for incorporation in *Hansard* an outline of the provisions of the bill to assist honourable members in their understanding of it. I commend these measures to the House.

Colleges of Advanced Education (Amendment) Bill, 1981

The Bill provides as follows:

Clause 1. Short title.

Clause 2. Amendment of the Colleges of Advanced Education Act, 1975, in the manner set forth in Schedule 1.

Schedule 1. Amendments to the Colleges of Advanced Education Act, 1975.

(1) Insertion of section 5A: Dissolution of corporate college; section 5B: Placing of corporate college under control of administrator.

(2) Insertion of Schedule 2: Dissolution of Corporate College.

1. Interpretation.
2. Circumstances under which the Minister may recommend dissolution.
3. Arrangements relating to staff.
4. Arrangements relating to students.
5. Provision enabling the Governor, on the recommendation of the Minister, to dissolve a corporate college.
6. Transfer of assets, etc., of dissolved college.
7. Minister to be corporation sole for certain purposes.
8. Provisions concerning staff transferred from a corporate college when dissolved.
9. Superannuation—employer's liability.
10. Provisions concerning students transferred from a corporate college when dissolved.
11. Regulations.

Insertion of Schedule 3: Corporate College under Control of Administrator

1. Interpretation.
2. Circumstances under which the Minister may recommend the appointment of an administrator.
3. Administrator—requisite qualifications.
4. Provision enabling the Governor, on the recommendation of the Minister, to appoint a person to be the administrator of a corporate college.
5. Transfer of functions from a college and its council to an administrator.
6. Remuneration of an administrator.
7. Regulations.
8. Reconstitution of the council of a college following revocation of the order appointing an administrator.

Debate adjourned on motion by Mr Pickard.

POISONS (AMENDMENT) BILL

Introduction

Motion (by Mr K. J. Stewart) agreed to:

That leave be given to bring in a bill for an Act to amend the Poisons Act, 1966, to provide for the granting of search warrants by telephone to members of the police force, to confer on members of the police force certain powers in relation to the search of vehicles, vessels and persons, to confer certain powers on courts in relation to the forfeiture of vehicles, vessels and equipment used in the commission of certain offences and the recovery of proceeds unlawfully derived by persons convicted of certain offences, and for other purposes.

Bill presented and read a first time.

Second Reading

Mr K. J. STEWART (Canterbury), Minister for Health [4.11]: I move:

That this bill be now read a second time.

The principal objects of the bill are to introduce provisions clarifying and reinforcing the existing powers of the police in relation to the detection of drug trafficking; and to empower courts to order the forfeiture of the profits derived from drug trafficking offences and the forfeiture of vehicles and equipment used to assist in the commission of those offences. The provisions of the bill, with one exception to which I will refer shortly, reflect various recommendations made by His Honour Mr Justice Woodward in the first report of the Royal commission into drug trafficking. As honourable members will recall, the recommendation by Mr Justice Woodward that the maximum fine in respect of indictable offences under the Poisons Act, 1966, be increased from $50,000 to $200,000 was implemented by the enactment of the Poisons (Amendment) Act, 1979.

Honourable members will recall also that when introducing the Drug and Alcohol Authority Bill in 1980, I stated that the Government believed that a two pronged attack should be made to combat the evils associated with drug abuse and drug dependence: first, that the victims or sufferers of drug abuse and/or dependence should be helped as much as possible; and second, that every effort should be made to bring to justice those persons who benefit from the profits of drug trafficking. This bill is concerned with the second of those objectives.

I shall now deal with the more important provisions in the bill. Recommendation 56 in the Royal commissioner's report was that the definition of substance in section 4 (1) of the Poisons Act, 1966, be amended to include anything represented or held nut to be such substance. The purpose behind this recommendation was to provide a penalty in regard to the drug trafficker who, either deliberately or unintentionally, supplies a counterfeit substance in lieu of the illicit drug he is purporting to supply. The definition of substance in section 4 (1) of the Poisons Act, 1966, is one of the basic provisions of the Act. Accordingly, instead of amending that definition, the desired purpose will be achieved by items (4), (5) (c), (5) (f), (7) (b) and (8) (c) of schedule 1 to the bill, which contain deeming provisions providing that a counterfeit substance supplied in place of a particular illicit drug or prohibited plant shall be deemed to be that particular drug or plant.

Recommendation 66 in the Royal commissioner's report was that section 43 (2) of the Poisons Act be amended to remove the requirement that a search warrant include the name of the police officer who is to execute it. The purpose behind this recommendation was to allow police officers greater latitude in selecting a time to effect entry into premises. Item 9 (a) of schedule 1 to the bill gives effect to this recommendation. Recommendation 67 in the Royal commissioner's report was that the Poisons Act be amended to make it clear that a search warrant issued pursuant to section 43 (2) may be executed by day or by night. Item 9 (b) of schedule 1 to the bill gives effect to this recommendation.

Recommendation 63 in the Royal commissioner's report was that in exigent situations police officers should be able to obtain a search warrant by telephone or two-way radio instead of having to visit a justice in accordance with the search warrant provisions contained in section 43 of the Poisons Act. Technical difficulties associated with the use of two-way radios make it impractical to implement at this juncture this recommendation. However, item (10) of schedule 1 to the bill inserts a new section 43A in the Poisons Act providing that a police officer may make application by telephone to a stipendiary magistrate for a search warrant, if there are reasonable

grounds to believe that there is a prohibited plant or a traffickable quantity of a prescribed restricted substance, drug of addiction or prohibited drug in premises, and that it will be destroyed or otherwise disposed of before a seach warrant with respect to those premises can be obtained and acted upon under section 43.

The Poisons Act, 1966, provides that a fine not exceeding $200 may be imposed in relation to the offence of wilfully delaying or obstructing a police officer in the exercise of his powers under a search warrant. By comparison, sections 354 and 357 of the Crimes Act, 1900, provide that similar offences are punishable by imprisonment for two years and/or the imposition of a fine of $2,000. The Government considers that the offence of wilfully delaying or obstructing a police officer acting under **a search** warrant issued under the Poisons Act, 1966, is no less serious than those offences to which sections 354 and 357 of the Crimes Act, 1900, apply. Consequently, items (9) (d) and (10) of schedule 1 to the bill provide that such an offence against the Poisons Act shall be punishable by two years' imprisonment and/or a fine of $2,000.

Recommendations 68 and 69 of the Royal commissioner's report were to the effect that either the Poisons Act, 1966, or the Crimes Act, 1900, should be amended to provide that where there are reasonable grounds to believe that drugs or prohibited plants are illegally being transported on the person, or in a vehicle or vessel, a police officer may stop, search and detain that person, vehicle or vessel. The Royal commissioner considered that the existing powers of police officers to stop, search and detain may already cover the situations referred to in his recommendations. However, His Honour considered that it would be prudent for the power to be specifically conferred by legislation. As the purpose of the power is to assist in the detection of drug traffickers, the Government considers that it should be included in the Poisons Act, 1966, rather than the Crimes Act, 1900. Consequently, item (10) of schedule 1 to the bill inserts a new section 43B into the Poisons Act, specifically conferring upon police officers the powers recommended by the Royal commissioner.

Recommendation 88 in the Royal commissioner's report was that courts should be empowered, upon the conviction of a person charged with a drug trafficking offence, to order that property or money held by or on behalf of the convicted person and derived as a result of the offence, be forfeited to the Crown. Item (11) of schedule 1 to the bill inserts a new section 45AC into the Poisons Act to give effect to this recommendation. Further, that item inserts a new section 45AD into the Poisons Act empowering courts to make temporary restraining orders in relation to property or money held by or on behalf of a person accused or convicted of a drug trafficking offence.

I come now to the one provision in the bill which goes beyond the Royal commissioner's recommendations: the provision investing courts with a discretionary power of forfeiture in relation to vehicles and equipment used to assist in the commission of drug trafficking offences. The power is included in the new section 45AC inserted by item (11) of schedule 1 to the bill. Recommendation 84 in the Royal commissioner's report was that the Police Department's proposal that the courts be given such power should not be accepted. With the greatest of respect to the Royal commissioner, the Government believes that the possible forfeiture of valuable equipment and/or a valuable vehicle, together with the forfeiture of any profit derived from an offence, may deter owners from using their equipment and/or vehicles, or allowing their use, for the purposes of drug trafficking.

In deciding to introduce this provision the Government was cognizant of the fact that the Commonwealth Customs Act, 1901–1978, also includes provisions for the forfeiture of vessels and aircraft used for the purpose of carrying out particular offences prescribed by that Act. The power of a court to order forfeiture of a vehicle

or equipment is not restricted to the interest, if any, of a convicted person, but extends to the interest of any other person who allowed it to be used to assist in the commission of the offence. In this regard the provision is consistent with the provisions in the Commonwealth Customs Act, 1901–1978. Provision has been made for third parties to be heard in relation to the question of the forfeiture of a vehicle or equipment in which they have an interest. Apart from the provisions to which I have referred, the bill contains appropriate savings and transitional provisions and a number of minor amendments of a consequential nature. I commend the bill to the House and, to assist members in their understanding of the bill, table additional explanatory information for incorporation in Hansard.

Poisons (Amendment) Bill, 1981

Clause 1. Short title.

Clause 2. Commencement dates.

Clause 3. Provides for reference to the Poisons Act, 1966.

Clause 4. Arrangement of Bill.

Clause 5. Provides that the Poisons Act, 1966, is amended as detailed in Schedules 1 and 2 of the Bill.

Clause 6. Gives effect to the savings and transitional provisions in Schedule 3 of the Bill.

Schedule 1. Amendments to the Poisons Act, 1966.

Clause (1) (a). Revises definition of "Drug of addiction" in section 4 (1) so as to make it clear that prepared opium and Indian hemp come within the definition.

Clause (1) (b). Amends the definition of "Premises" in section 4 (1) so as to make it consistent with the definition of that term in section 354 (8) of the Crimes Act, 1900.

Clause (1) (c). Amends the definition of "Supply" in section 4 (1) so as to include distribution.

Clause (2). Amends section 16 (1) (a) to make it clear that a medical practitioner, pharmacist, dentist or veterinary surgeon is only entitled to possess a prescribed restricted substance (or to attempt to obtain possession of such a substance) for the purpose of the lawful practice of his profession.

Clause (3) (a). Consequential amendment.

Clause (3) (b). Consequential amendment.

Clause (3) (c). Consequential amendment.

Clause (4). Provides that a counterfeit substance supplied upon the basis that it is a particular prescribed restricted substance shall, for the purpose of any legal proceedings against the supplier pursuant to section 18A (1), be deemed to be that prescribed restricted substance.

Clause (5) (a). Consequential amendment.

Clause (5) (b). Consequential amendment.

Clause (5) (c). Provides that a counterfeit substance supplied upon the basis that it is prepared opium or Indian hemp shall, for the purpose of any legal proceedings against the supplier pursuant to section 21 (1), be deemed to be that prepared opium or Indian hemp, as the case may require.

Clause (5) (d). Consequential amendment.

Mr K. J. Stewart]

Clause (5) (e). Amends section 21 (2A) (b) to make it clear that a medical practitioner, dentist or veterinary surgeon is only entitled to supply a drug of addiction other than prepared opium or Indian hemp for the purpose of the lawful practice of his profession. The amendment does not affect the present provisions contained in section 21 (1) which, subject to the exemptions specified in section 21 (1A), prohibit the possession or supply of prepared opium or Indian hemp by any person (including a medical practitioner, dentist or veterinary surgeon).

Clause (5) (f). Provides that a counterfeit substance supplied upon the basis that it is a particular drug of addiction other than prepared opium or Indian hemp shall, for the purpose of any legal proceedings against the supplier pursuant to section 21 (2A), be deemed to be that drug of addiction. An identical provision in relation to prepared opium and Indian hemp is inserted by clause *(5)* (c) of Schedule 1.

Clause *(6)* (a). Consequential amendment.

Clause *(6)* (b). Substitutes the modern term of "misconduct" for the outmoded term "infamous conduct".

Clause *(6)* (c). Consequential amendment.

Clause (7) (a). Consequential amendment.

Clause (7) (b). Provides that a counterfeit substance supplied upon the basis that it is a particular prohibited drug shall, for the purpose of any legal proceedings against the supplier pursuant to section 32 (1) (a), be deemed to be that prohibited drug.

Clause (8) (a). Consequential amendment.

Clause (8) (b). Consequential amendment.

Clause (8) (c). Provides that a growing plant which is supplied upon the basis that it is a particular prohibited plant shall, for the purposes of any legal proceedings against the supplier pursuant to section 33A (1), be deemed to be that prohibited plant.

Clause (9) (a). Deletes the requirement that a search warrant issued under section 43 (2) must name a member of the police force.

Clause (9) (b). Makes it clear that a search warrant issued under section 43 (2) may be executed at night.

Clause (9) (c). Consequential amendment.

Clause (9) (d). Increases the penalty for wilfully delaying or obstructing a police officer acting under a search warrant issued pursuant to section **43 (2)** to imprisonment for two years and/or a fine of $2,000.

Clause (10). Inserts a new section 43A providing that a stipendiary magistrate may issue a search warrant to a police officer by telephone if he is satisfied that the police officer has reasonable grounds for believing that:

(i) a quantity of a prescribed restricted substance in excess of that prescribed for the purposes of section 18A (2); or

(ii) a quantity of a drug of addiction or a prohibited drug in excess of that prescribed for the purposes of section 45A (4); or

(iii) a prohibited plant, is in the premises and that the prescribed restricted substance, drug of addiction, prohibited drug or prohibited plant will be destroyed or otherwise disposed of before a search warrant can be obtained pursuant to section 43 (2). Whereas a search warrant issued pursuant to section 43 (2) remains in force

for one month, a search warrant issued by telephone shall only remain in force for 24 hours. The penalty prescribed in section 43A for wilfully delaying or obstructing a police officer acting pursuant to a search warrant issued by telephone is the same as that referred to in clause (9) (d) of Schedule 1 in relation to a search warrant issued pursuant to section 43 (2).

Inserts a new section 43B providing that:

(i) a police officer of or above the rank of sergeant or in charge of a police station or police vessel may stop, search and detain any vessel or aircraft in which he reasonably suspects that there is, in contravention of the Act, a prescribed restricted substance, drug of addiction, prohibited drug or prohibited plant;

(ii) any police officer may stop, search and detain—

(a) any person who he reasonably suspects as having in his possession, in contravention of the Act, any prescribed restricted substance, drug of addiction, prohibited drug or prohibited plant;

(b) any vehicle in which he reasonably suspects there is, in contravention of the Act, any prescribed restricted substance, drug of addiction, prohibited drug or prohibited plant.

Clause (11). Inserts a new section 45AC providing that where a person has been convicted of:

(i) supplying a prescribed restricted substance;

(ii) supplying prepared opium or Indian hemp;

(iii) supplying any drug of addiction other than prepared opium or Indian hemp;

(iv) supplying a prohibited drug;

(v) any of the offences relating to prohibited plants specified in section 33A,

the Court may, in addition to any penalty it may impose, order that:

(a) any vehicle, vessel, aircraft or equipment used to assist in the commission of the offence shall be forfeited to the Crown; and;

(b) the convicted person pay to the Crown an amount equivalent to the profit derived by him from the commission of the offence or offences in respect of which he has been convicted and any other offence or offences to which the section applies and which have been taken into account by the Court in imposing any such penalty.

Provision is made in subsection (3) of the proposed section 45AC for persons with an interest in a vehicle, vessel, aircraft or equipment that has been used to assist in the commission of an offence to which the section applies, to be heard by the Court.

Inserts a new section 45AD providing that a Court may make an order prohibiting any dealing with property held by or on behalf of a person—

(i) accused of an offence to which section 45AC applies—until such time as the proceedings against the accused have been completed;

(ii) convicted of an offence to which section 45AC applies—until such time as an order under section 45AC (2) (b) has been satisfied.

Clause (12). Amends section 45B by inserting the word "alleged" before the word "commission".

Schedule 2. Amendments to the Poisons Act, 1966, by way of Statute Law Revision.

Schedule 3. Savings and Transitional Provisions.

Clause 1. Provides that a search warrant granted under section 43 (2) of the Poisons Act, 1966, prior to the commencement of Schedule 1 (9) shall be deemed to be granted under that section as amended by Schedule 1 (9).

Clause 2. Provides that any proceedings which are being taken, or which could be taken, for an offence committed prior to the commencement of the Bill, shall not be affected.

Debate adjourned on motion by Mr Dowd.

CUMBERLAND OVAL BILL

Introduction

Motion (by Mr Gordon) agreed to:

That leave be given to bring in a bill for an Act to withdraw from Parramatta Park an area of land known as Cumberland Oval; to provide for the granting of certain leases, licences and easements in respect of that land; and for other purposes.

Bill presented and read a first time.

Second Reading

Mr GORDON (Murrmbidgee), Minister for Lands, Minister for Forests and Minister for Water Resources [4.22]: I move:

That this bill be now read a second time.

Cumberland Oval forms part of an area of land known as Parramatta Park. The park is the subject of an Act commonly referred to as the Parramatta Domain Act of 1857 which contains only one section which I shall recite for the benefit of honourable members:

> 1. It shall be lawful for the Governor with the advice of the Executive Council to sell or otherwise dispose of the lands known as the Parramatta Domain in all respects as ordinary Waste Lands of the Grown provided that a portion thereof not being less than two hundred acres in extent shall be reserved from sale and shall be set apart for and granted as a Park for promoting the health and recreation of the inhabitants of the Town of Parramatta.

Parramatta City Council has had trusteeship of the park since 24th September, 1976, by virtue of its appointment under section 37P (1) of the Crown Lands Consolidation Act, 1913. Previously the trust consisted of persons appointed under the relevant Act then in force relating to the appointment of trustees of reserves for public purposes. The New South Wales Rugby Football League, and through it, the Parramatta District Rugby League Football Club occupy and use Cumberland Oval for rugby league purposes pursuant to a deed of licence granted by the then Parramatta Park trust dated 24th February, 1975. The licence was granted pursuant to the Crown Lands Consolidation Act, 1913, with the consent of the then Minister for Lands for a

term of 10 years, with an option for a further period of ten years. In late 1978 the club submitted to the Hon. W. F. Crabtree, who at that time was the Minister for Lands, a proposal to construct and operate a football stadium on Cumberland Oval. Negotiations between that Minister, and later, myself, and the club continued for almost two years and culminated in an environmental impact statement in relation to the club's proposal being prepared on behalf of the club. The statement, together with a draft plan of management for Parramatta Park, was placed on public exhibition from 8th December, 1980, to 30th January, 1981.

Written submissions were invited from the public on both the environmental impact statement and the draft plan of management during that period. Many submissions were received both during and after the period. The main objective of the club's proposal was the provision of a 40 000-seat stadium, currently estimated to cost $16.5 million, to enable the presentation of football matches and a wide range of other activities, such as concerts and conventions. It also envisaged associated works within Parramatta Park, necessary for the construction and use of the stadium, including access routes and landscaping of areas adjoining the oval. The club would finance the construction, subject to a suitable long-term lease being arranged for the operation and management of the stadium.

Though Parramatta Park is clearly a reserve within the meaning of the leasing provisions of the Crown Lands Consolidation Act, 1913, doubt has arisen as to the validity of such a lease having in mind the provisions of the Parramatta Domain Act of 1857, to which I have already referred. Because of the legal uncertainty the Government has decided to introduce this measure. Under the bill the area known as Cumberland Oval will be withdrawn from Parramatta Park and vested in Her Majesty freed from any trusts or other interests. The Minister will be empowered, from time to time, and upon such terms and conditions as he thinks fit, to grant a lease of the land comprised in the oval authorizing that land to be used for the purpose of, or for purposes connected with, sporting activities. Other activities, such as I have mentioned, may be carried out only with the consent of the Minister. He will also be empowered to grant easements and licences over the land comprised in Parramatta Park for purposes connected with the use of the oval, such as for access and services.

The lessee will be required to submit to the Minister, for his approval, plans and specifications of all works to be carried out on the oval. The powers of the Minister under the bill will not affect the operation of the relevant provisions of the Environmental Planning and Assessment Act, 1979, and the Local Government Act, 1919, applicable to the construction and operation of the proposed stadium. Rent paid under the lease will be required to be used for improving Parramatta Park or, if the Minister approves, for improving other parks and reserves within the city of Parramatta. Provision is made for the making of by-laws for the control and management of Cumberland Oval and the imposition of a penalty not exceeding $500 for a breach of a by-law. I have given a general outline of the events leading up to the introduction of this measure and of the salient provisions of the bill. For the convenience of honourable members I table for incorporation in ***Hansard*** a detailed explanation of the provisions of the bill which I commend to the House.

Cumberland Oval Bill, 1981

Clause 1. Short title.

Clause 2. Interpretation.

Clause **3.** Vests that part of Parramatta Park known as Cumberland Oval, in Her Majesty freed from any trusts or other interests.

Mr ***Gordon]***

Clause 4. Empowers the Minister from time to time and upon such terms and conditions as he thinks fit, to grant—

(a) a lease over the land comprised in Cumberland Oval authorizing that land to be used for the purpose of, or for purposes ancilliary to or connected with, sporting activities;

(b) easements and/or licenses over certain land comprised in Parramatta Park—

(i) enabling the construction, erection or laying of pipelines or cables and associated improvements and apparatus under, upon or above that land and enabling the use, maintenance and replacement of the same; and

(ii) providing rights of pedestrian and/or vehicular access and egress to and from Cumberland Oval and, for the purpose of facilitating and enabling the regulation of that access and egress, enabling the improvement and maintenance of that land; and

(c) licences over certain land comprised in Parramatta Park—

(i) enabling that land to be used for activities ancillary to, or connected with, any of those that may be lawfully carried out on Cumberland Oval, otherwise than pursuant to a power contained in a lease of the Oval, and the improvement and maintenance of that land;

(ii) enabling the carrying out of landscaping and other improvements upon that land and the maintenance of such landscaping and improvements; and

(iii) authorizing the use for a period not exceeding the maximum period fixed by order of the Minister for purposes ancillary to, or connected with, the carrying out of works upon Cumberland Oval pursuant to a lease granted over the Oval.

The clause also provides that a lease granted over the Oval may—

(a) empower the lessee to construct or erect a stadium and other improvements, establish or improve a playing field and carry out other associated works on the Oval, but only in accordance with plans and specifications approved by the Minister;

(b) provide that the Oval may, with the consent of the Minister, be used for purposes other than for sporting activities.

Clause 5. Provides that the Minister may approve of plans and specifications for works to be carried out on Cumberland Oval, but the clause does not operate so as to avoid the requirements made under Part XI of the Local Government Act, 1919, with respect to those works.

Clause 6. Waives the requirements of the Parramatta Domain Act of 1857 and the Crown Lands Consolidation Act, 1913, with respect to the use of land, comprised in Parramatta Park, authorised or required under any easement or licence granted under the proposed Act.

Clause 7. Provides that the Minister may consent to the use of Cumberland Oval for purposes other than for sporting activities, subject to certain requirements of the Environmental Planning and Assessment Act, 1979.

Clause 8. Provides for the application of the rent from any lease granted under the proposed Act for the purpose of improving Parramatta Park or, if the Minister so approves, for the improvement of other parks and reserves within the City of Parramatta.

Clause 9. Enables a plan of management for Parramatta Park to make provisions facilitating the use of Cumberland Oval and enables by-laws to be made with respect to the Park so as also to facilitate that use.

Clause 10. Provides that the police may be called to assist in the control of persons attending functions on Cumberland Oval.

Clause 11. Provides a right of entry to the Minister, or any person authorised by him, to Cumberland Oval.

Clause 12. Empowers the making of by-laws with respect to Cumberland Oval and provides for a maximum penalty of $500 for a breach thereof.

Clause 13. Provides for the bringing of prosecutions for a breach of the proposed Act or a by-law made under it.

Clause 14. Is a savings provision.

Debate adjourned on motion by Mr Mason.

SPECIAL ADJOURNMENT

Mr WALKER (Georges River), Attorney-General and Minister of Justice [4.28]: I move:

That this House at its rising this day do adjourn until Tuesday, 28 April, 1981.

Mr DOWD (Lane Cove) [4.28]: The reason the Government has seen fit to move this adjournment is understood but in view of the short time that remains before the end of this parliamentary session it is important that on this adjournment motion I express the considerable concern that we of the Opposition have. The Government is attempting to frustrate debate on general business matters.

Mr Walker: On a point of order. The honourable member for Lane Cove is attempting to debate his allegation that the Government is seeking to frustrate debate on matters coming wtihin the description of general business on the notice paper. The House has already resolved that Government business shall take precedence of general business for the remainder of the session. Mr Speaker, I submit that the honourable member is attempting to go against a decision of the House.

Mr Dowd: On the point of order. It is quite proper for the House to have resolved that, unless otherwise ordered, Government business shall take precedence of general business. However, that does not prevent the House from considering urgent specific matters, whether they are listed on the notice paper or not. Indeed, today the House resolved to debate a matter that was not listed on the business paper. That is a fundamental right of the House. I submit the House has the right, in the short time available, to choose to deal with matters on the business paper. I am not attempting to override the wish of the House. It is just that, in the limited time available, members ought to be able to raise urgent, specific matters.

Mr SPEAKER: Order! The honourable member for Lane Cove may not reflect on a decision of the House. Nor is he permitted, at this time, to raise a matter standing in his name on the notice paper. The honourable member could have chosen to

raise the matter by moving a motion of urgency during question time. Indeed that was the method by which the matter to which he refers was brought on. He cannot attempt now to debate that topic or to dwell on it for any length of time. The honourable member can argue that the House should sit next week to deal with general business.

Mr DOWD: The Opposition contends that the House may decide to sit next week to debate important matters that have stood on the business paper for some months. Honourable members have a limited time in which to raise matters of urgency. If the House rises this week and sits again on 28th and 29th April, members will have only two sessions of question time—a maximum of one and a half hours—in which to raise urgency motions.

[Interruption]

Mr DOWD: The Attorney-General and Minister of Justice says, *sotto voce,* "We might do better than that". The House has not been informed as to that possibility. If such is the case it will still not solve the problem of limited time being available to debate matters of general business on the notice paper. Mr Speaker, you have ruled that only passing reference may be made—and I say ought to be made—to such matters. Passing reference should certainly be made to the fact that a judicial inquiry is sought into serious matters involving Ministers of this Government.

Mr Walker: On a point of order. The House has resolved that government business shall take precedence of general business for the remainder of the session. The honourable member for Lane Cove is now trying to discuss in detail an item of general business that would have been discussed if the House had not decided to take the course to which reference has been made. The honourable member for Lane Cove is reflecting on a decision of the House; he is attempting to discuss hypothetical questions about what the House might have done if it had not resolved to take the action I have referred to.

Mr Dowd: On the point of order. I am not reflecting on a decision of the House. The House resolved that government business take precedence of general business. The issue is not one of priority; it concerns the capacity of any member to move, as a matter of urgency, that the House be given the opportunity to change that resolve in respect of any one motion. The issue concerns the limited time available in which one may move urgency. The question before the House is a special adjournment motion. I submit that this course is proper for a member who might not be able to take advantage of the limited opportunities given to him in question time to move urgency. I submit further that it is appropriate to make a passing reference to important matters appearing on the notice paper.

Mr SPEAKER: I uphold the point of order taken by the Attorney-General and Minister of Justice. The only matter that the honourable member for Lane Cove may argue is whether the House should sit next week to dispose of government business. He cannot enter into a debate upon any notice of motion on the business paper. Those matters were dealt with in the debate on the motion, That government business take precedence of general business. On that occasion arguments were put as to why the House should not agree to the motion, That government business take precedence of general business, as important matters of general business are listed on the notice paper. The honourable member for Lane Cove cannot now canvass those items of general business, but he may argue that the House should sit next week to dispose of government business.

Mr DOWD: If the House disposes of government business it may then deal with items of general business. But there are only two days left in which honourable members may debate government business, although the Attorney-General and Minister of Justice hints that there may yet be additional sitting days. The Opposition agrees that government business is important. A large number of bills are to be brought forward. Indeed, the proposed legislation on the pecuniary interests of members, which the Opposition had expected to be debated today, as well as a bill dealing with the public funding of election campaigns, are measures that the public is entitled to have debated. I should place on record that $2.77 million has been written off the share value of Energy Recycling Corporation Pty Limited, and that of Mintaro Slate and Flagstone Company. That matter can be debated only after government business has been dealt with. If the motion seeking the special adjournment of the House is passed, the opportunity to debate the suggested judicial inquiry into the ERC company will be lost. In addition, important motions dealing with the Prostitution Act and the Offences in Public Places Act are also listed on the business paper.

Mr Walker: On a point of order. Mr Speaker, I submit that the honourable member for Lane Cove is defying a ruling of the House; he is seeking to do what the Chair has ruled he cannot do.

Mr SPEAKER: Order! The honourable member for Lane Cove is attempting to go through the items listed under general business and trying to emphasize the importance of those matters which have already been debated. The House has resolved that government business shall take precedence of general business. The honourable member can argue only why the House should not rise until 28th April.

Mr DOWD: The Opposition is concerned that debate on proposed legislation dealing with the pecuniary interests of members has not proceeded. Obviously there is serious division within the Goveriunent ranks as to the structure of that legislation. The Opposition is concerned that such an important measure should not be delayed until the week after next. That matter, and the proposed motion dealing with the Offences in Public Places Act, which will be debated when government business has been completed, ought to be brought forward as soon as possible. Serious dislocation caused by trade unions, violence in the city and associated industrial problems are often concerned with the provisions of the Offences in Public Places Act. There is also the serious situation in Kings Cross—indeed throughout New South Wales—where police cannot carry out their duties because they lack the power to do so. Those are matters that the Opposition wishes to discuss after government business has been dealt with. The House should record the Opposition's grave concern that the Government, in pursuance of its objectives, delays yet again debate on government business, which in turn will delay debate on important matters listed on the notice paper. I submit that the House should sit next week.

Motion agreed to.

LUNA PARK SITE BILL

WATER (AMENDMENT) BILL

Declaration of Urgency

Mr WALKER (Georges River), Attorney-General and Minister of Justice [4.39]: I declare that these bills are urgent.

Question—That these bills be considered urgent bills—put.

The House divided.

Mr SPEAKER: Order! I call off the division. Because of a lift failure some honourable members have not had sufficient time to reach the Chamber. The question is, That these bills be considered urgent bills.

The House divided.

Ayes, 57

Mr Akister	Mr Face	Mr O'Neill
Mr Anderson	Mr Gabb	Mr Paciullo
Mr Bannon	Mr Gordon	Mr Petersen
Mr Barnier	Mr Haigh	Mr Quinn
Mr Bedford	Mr Hills	Mr Ramsay
Mr Booth	Mr Hunter	Mr Robb
Mr Brereton	Mr Jensen	Mr Rogan
Mr Britt	Mr Johnson	Mr Ryan
Mr Cahill	Mr Keane	Mr Sheahan
Mr Cavalier	Mr Knott	Mr A. G. Stewart
Mr Cleary	Mr McCarthy	Mr Walker
Mr R. J. Clough	Mr McGowan	Mr Webster
Mr Cox	Mr McIlwaine	Mr Whelan
Mr Crabtree	Mr Maher	Mr Wilde
Mr Curran	Mr Mair	Mr Wran
Mr Day	Mr Mallam	
Mr Degen	Mr Mochalski	
Mr Durick	Mr Mulock	*Tellers,*
Mr Egan	Mr Neilly	Mr Flaherty
Mr Einfeld	Mr O'Connell	Mr Wade

Noes, 36

Mr Arblaster	Mr Freudenstein	Mr Rozzoli
Mr Barraclough	Mr Greiner	Mr Schipp
Mr Boyd	Mr Hatton	Mr Singleton
Mr Brewer	Mr Healey	Mr Smith
Mr J. H. Brown	Mr King	Mr Sullivan
Mr Bruxner	Mr McDonald	Mr Toms
Mr Cameron	Mr Mason	Mr West
Mr J. A. Clough	Mr Moose	Mr Wotton
Mr Dowd	Mr Murray	
Mr Duncan	Mr Osborne	
Mr Fischer	Mr Park	*Tellers,*
Mr Fisher	Mr Pickard	Mr Caterson
Mrs Foot	Mr Punch	Mr Taylor

Question so resolved in the affimative.

BILL RETURNED

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

Liquefied Petroleum Gas (Grants) Amendment Bill

MEDICAL PRACTITIONERS (AMENDMENT) BILL

Third Reading

Bill read a third time, on motion by Mr Walker, on behalf of Mr K. J. Stewart.

WATER (AMENDMENT) BILL

Second Reading

Debate resumed (from 13th April, vide page 5715) on motion by Mr Gordon:

That this bill be now read a second time.

Mr FISCHER (Murray) [4.49]: This is one of the most significant bills to come before the House, although the Government introduced it almost at the end of the session. In the main, the provisions of the bill relate to the history of the issuing of irrigation licences and restricting objections to their issue. The bill will remove the right of some persons to object to the issue of irrigation licences. It will restrict the rights of other persons to object. Those persons fall into two categories—that is, those who are in a proclaimed local area under the terms of the bill, and New South Wales Ministers of the Crown and State government departments and authorities whose interests may be affected. Perhaps underlining the thrust of the bill is the important issue of the management of water resources in New South Wales, problems associated with that management and the quantity and quality of that water. In that respect I refer in particular to the river valleys west of the Great Divide and the Darling–Murray basin.

The continuing drought has highlighted more than ever the vital problem of the State's scarce water resources and the need for a strategic water plan for the whole of New South Wales. In recent correspondence the Minister for Lands, Minister for Forests and Minister for Water Resources said that the Water Resources Commission was in the process of producing an updated water resources plan, and that is absolutely essential. The introduction of such a plan must give first priority to the provision of the water resources west of the Great Divide. The next priority should concern coastal waters and then our many river valleys, starting first with the Hunter Valley. The State has many problems associated with the issuing of irrigation licences, the development of irrigation areas and water salinity. The problem of water salinity affects not only the Wentworth area but also sections of the Hunter Valley and parts of the Lachlan River near Forbes.

Water salinity occurs in all the State's river valleys. The problems cannot be set aside and ignored by the Water Resources Commission, the New South Wales Government or any other body. The bill is an ad *hoc* measure. There is a tremendous need for a planned, co-ordinated approach to the development of irrigation. For many years irrigation has played a vital role in this State. It has provided economic stability for many centres, including Leeton, Griffith, Deniliquin and many other parts of New South Wales. If irrigation is to continue to play that important role, there is a need for a planned, co-ordinated and on-going scheme. Such planning must deal with the whole of the State. That part of the plan covering areas west of the Great Divide must be co-ordinated so that it encompasses all our rivers. New South Wales should be calling the shots on this matter; it is not the responsibility of the other States. New South Wales is responsible for its own water resources. The Opposition will not oppose

the bill but it proposes to move amendments at the Committee stage. The bill contains some flaws. The provisions of this measure do not accord completely with the remarks made by the Minister in his second reading speech. The Minister, in his second reading speech, said:

> The New South Wales proposals for proclaiming local areas will relate to whole river valleys rather than very small areas. This therefore would ensure that an opportunity to object is available to fairly large numbers of the population.

Naturally the Opposition thought that in the drafting of the legislation specific mention would be made of the concept of whole river valleys, natural watersheds and catchment areas. At least it expected a little more detail about the contemplated zoning as it will affect the proclaimed local areas. The bill provides for sweeping powers to be conferred on the Water Resources Commission. It contains also the process by which recommendations can be made through the Minister to the Government in respect of the drawing up of the proclaimed local areas. Proposed section 5 (4) of the bill provides:

> The Governor may, by proclamation published in the Gazette—
>
> (a) declare any area to be a proclaimed local area;
>
> (b) vary or revoke, whether as to the whole or any part, any such proclamation; or
>
> (c) amend the boundaries of any proclaimed local area.

The Opposition submits that such a provision is too wide and confers *carte blanche* powers upon the Water Resources Commission. Moreover, it is not in accord with the details given by the Minister in his second reading speech. In Committee the Opposition proposes to move an amendment to deal with proclaimed areas. The bill deals with some consequential matters. I ask the Minister to give consideration to one such matter in his reply. I refer to item (2A) of schedule 1, which provides:

> Where, at the time the application is made, the work is not, or is not proposed to be, situated within a proclaimed local area, any person whose interests may be affected by the granting of the application may, within 28 days after the date of the publication of the later of the advertisements referred to in subsection (1), lodge with the Commission an objection thereto.

It would appear that if a proclaimed local area has not been executed and an irrigation licence is applied for under the provisions of that part of the bill, restrictions or objections would not exist. In that event we would be back to square one. I acknowledge that item (2A) of schedule 1 relates only to applications made outside a proclaimed local area. That begs the question whether, after the bill receives Royal assent, the Minister will issue a map of proclaimed local areas. Perhaps that will be consequential and will come about over a period of time. If there is any delay between the enactment of the bill and the announcement of the proclaimed local areas in the *Government Gazette,* we will be right back to the previous position whereby any person whose interests may be affected by the granting of the application may object.

I ask the Minister to clarify the timetable that he proposes to follow in producing a map of the proclaimed local areas of the State and whether there will be a time lag between drawing up such a map and the promulgation of this legislation. The bill has been introduced at an opportune time because a large number of objections are awaiting hearing across the State. Many families claim that they are suffering hardship. The objections should be properly determined. The hearings set down for Deniliquin later this month involve applications from along the Yanco, Billabong

and Colombo creek systems. The applicants for irrigation licences associated with those hearings are in an invidious position. Will the Minister advise them to hold off from incurring the vast legal expense associated with those hearings, withdraw their applications and reapply under the new Act? Should those persons battle on, each spending up to $18,000 in legal costs? That is how much they have been quoted for legal expenses.

The Minister should appreciate that this is a serious problem for some of my constituents and for others in the Murrumbidgee electorate too. It is important also for other residents of New South Wales who have applications scheduled for hearing within the next month or two. I seek a clear statement from the Minister on whether be recommends that all those persons withdraw their applications and apply under the new Act or, alternatively, that they battle on under the existing legislation at great expense to many parties involved, including Zarkos and others, and try to get their irrigation licences in that way. The Minister will have the opportunity to clear up these matters in his reply.

I hope the Minister will take the opportunity to be categoric about the advice that should be given to applicants who are on properties in the Yanco, Colombo and Billabong creek systems. Also, the Minister might say whether that advice will apply to applicants in other parts of the State. The bill does not contain retrospective powers. Therefore, there is this concept that applications may be withdrawn and new applications submitted under the new Act. It remains to be seen what timetable is envisaged for the promulgation of the new Act, and the gazettal of the proclaimed local areas. The Minister should explain these matters to the House at the earliest opportunity.

The importance of water irrigation in this State should never be underestimated. I hope the Government will accord the highest priority to the proclamation of this legislation. At the same time it should give high priority to a co-ordinated, planned approach to the management of the State's water resources. Let me give an example of water resources management. The water in the Menindee lakes system, as a consequence of the drought and other factors including water usage, is at a low level. Associated with that low level, partly because of drought conditions, the salinity has crept to almost record levels in Lake Cawndilla and other parts of the storage system. The levels exceed one thousand parts a million. The Menindee lakes storage system has been a magnificent asset to the people along the Darling and, indirectly, to people throughout the State. Unfortunately the Menindee system has a design flow that needs correction if the salinity problem is not to be exacerbated and loss of primary production and permanent plantings are to be avoided along the Darling and Murray rivers. Penultimately, if not ultimately, some danger could occur to human beings from the build-up of excessive salt levels. That stage has not yet been reached but it is heading that way.

Any honourable member who cares to study the map of New South Wales will notice that the Menindee lakes storage system is not part of the main stream of the Darling River. The Darling is diverted into the storage system consisting of a series of lakes. A series of regulators then control the flow of water back into the Darling. The design flaw in the system may be stated in this way: if it is known in advance, say for four weeks, that a flood crest is coming down river from Queensland, from the electorate of Burrendong and other parts of the catchment area, containing a volume of water twice or three times the capacity of the Menindee storage—as occurred in the late 1970's—the commission cannot drain down the water held in the storage so that fresh water may replace the stale and increasingly saline water in the system. The maximum volume that can be drained from the lakes under optimum conditions is 15 per cent of the storage a month.

Mr Fischer]

Last month I referred to that design flaw and I shall continue to raise it in the House until the Government, in conjunction with the River Murray commission and the other bodies involved, comes up with a proposal for increasing the size of the storage to the original design of 2 million acre-feet and for increasing the size of the inflow and outflow channels. That would enable the flexibility and the operation of the Menindee lakes storage system to be improved vastly. It should be made possible for this great body of water, now becoming increasingly saline and thus threatening the welfare and livelihood of irrigators from Mildura to Adelaide, and their permanent plantings, to be used as planned originally—as an important asset for the people of the Darling and Murray basins.

It is interesting to note that in a press release the South Australian Minister responsible for water resources, with whom I do not agree on many occasions, said not long ago that he is not opposed to irrigation development in New South Wales. That is a relevant fact to be mentioned to honourable members when considering this bill. I put it on the line that the New South Wales Liberal Party and Country Party support strongly the further development of the irrigation industries.

I remind the Government of the extensive support and help that was extended to irrigators by the former Liberal Party-Country Party Government and by the present federal coalition Government from time to time through its national resources programme. Members of the Opposition say that the irrigation industry should be allowed to continue to operate, but on a planned, co-ordinated basis. The only point at issue is the extent of large irrigation development in the Bourke–Louth area, where the area proposed to be irrigated downstream-from Bourke is greater than the entire irrigation area along the Murray River in South Australia.

I wish to put one other thing in perspective before the Minister deals with it in reply. I refer to the problem of resolving the origin of the salt in the Darling–Murray basin. I agree with the interpretation of the Maunsell report that 50 per cent of the problem is generated in Victoria and the Victorian Government should take action to ameliorate that problem. Another 40 per cent or so of the problem is traceable to South Australia, and the South Australian Government needs to accept responsibility for that part. The remainder, about 10 per cent, is attributable to New South Wales, but one cannot ignore the fact that 10 per cent is affecting New South Wales irrigators in my electorate and in the neighbouring electorate represented by the honourable member for Broken Hill, who in the past has expressed his concern about the availability and quality of the water in the system.

The bill introduces a variation in the structure for lodging objections to irrigation licences. The bill could be improved. Indeed, there would be no need for it if there had been adequate co-ordination and planning of irrigation development in New South Wales. This State needs now, more than ever before, an expanded major water storage development programme. Windamere Dam and Split Rock Dam now under construction will provide some benefit during a normal pattern of seasons. But if the permanent plantings west of the Divide are to be protected adequately, we must go beyond Glennies Creek Dam, Split Rock Dam and Windamere Dam and proceed with the construction of Kerrabee Dam, the Lake Mejum storage, Cudal Dam, and the augmentation of the Menindee storages, and so on. A great deal needs to be done to increase the volume of stored water in this State. The drought has proved the value of having major water storages.

The Government, tardy in the construction of major water storages, has set the clock back by delaying the construction of Windamere Dam for four years. I acknowledge that the Government has proceeded with the construction of a number of weirs, which is most commendable, but the major storage construction programme

has been delayed for four years. The Government stands condemned for its approach to the construction of Windamere Dam. The Opposition, in Committee, will move amendments to this important bill. We say that those amendments are necessary to bring the legislation into line with the remarks of the Minister in his second reading speech. The amendments adopt a distance figure used in Queensland. The Minister mentioned the 24-kilometre restraint in Queensland for objections to irrigation licences. I appeal once again for a co-ordinated approach to the management of the State's water resources in the interests of the future of the State, particularly the downstream irrigators along the Murray and Darling rivers.

Mr FISHER (Upper Hunter) [5.14]: I wish to raise briefly two matters. The first concerns applications for licences to pump, and the subsequent action that is taken by the Water Resources Commission to make an allotment of water to a particular pump. Recent experience has indicated that many anomalies arise from the action of the commission in allocating an allotment based on the previous twelve months' use of water by the licensed pumper. I shall point to inequities that have been caused by the commission's allocation of allotments, particularly in the Hunter area. Where meters are installed, the allotment is determined on the volume of water recorded by the meter. Where no meter is installed, the allotment is based on the calibration of the pumps and the number of sprays connected to those pumps.

Another and most inequitable method is adopted where pumps are diesel-powered and no recording device is attached to the pumps. There is then no means by which the commission can determine how much water was used in the previous twelve months, so the commission relies upon the word of the farmer for the number of acres he irrigated and how much water he should be allocated. This last method of allotment has caused tremendous confusion and it is inequitable. The commission seems unable to determine whether it has the right under the Water Act to control the actions of licensed irrigators along the Hunter River and it has issued writs in the Supreme Court in respect of some licensed irrigators. In view of the fact that the commission is not certain of its right to control the actions of licensed irrigators and that it is using an inequitable method of determining allotments, I suggest that it would be fair for the commission to withdraw any writs that have been issued until an equitable method of determining the allocations is devised.

Another matter I wish to mention is that the commission licensed a number of pumpers along the Hunter at places where the river is normally subject to salt intrusion because of tidal influence when no water is coming down from the dam. The commission continues to release water from the dam because it considers it has an obligation to provide water for the normal pumping requirements of irrigators and to push back the salt which intrudes into that part of the river because of the normal tidal influence. This is a most wasteful and extravagant operation. I support the comments of the honourable member for Murray and trust that the Government will accept the amendments when they are moved.

Mr PARK (Tamworth) [5.19]: The amendments to the Water Act proposed in the bill are necessary because of the backlog of applications that has accumulated in the past year or so. I understood the Minister to say that 580 applications are awaiting hearing before land boards. On 2nd October, 1980, I wrote to the Minister suggesting amendments along the lines of those contained in the bill. Undoubtedly many applications have been submitted as a result of the drought that is now affecting large areas of the State. The available water in the State should be shared on a reasonable and equitable basis, and effectively and fairly managed. To enable that to happen, the Minister must have the power to arbitrate, and objections should be

limited. Generally speaking additional licences should be granted where there is sufficient water storage or an adequate flow is available in the streams, and as additional storages are constructed.

In March 1970 the Minister for Conservation, then the Hon. J. G. Beale, released a report that had taken the former Water Conservation and Irrigation Commission about four years to compile. During that time thirty-four river valleys were investigated. The report suggested that about fifty major water storages would be required to meet future water needs. Since then few dams have been built. The honourable member for Murray mentioned Split Rock Dam. The cotton industry in the Namoi valley operates on I-year pumping licences. Even after the new storage is completed it will not be possible to allocate many more licences. The industry needs 2-year licences. All honourable members would recognize the problem of salinity in the Murray River. Nevertheless, every effort should be made to make the whole of the State drought proof. That would involve the building of more dams and the granting of additional pumping licences.

The provisions of the bill will not be retrospective. The applications that are awaiting determination will have to be resubmitted. I ask the Minister whether they will go to the bottom of the list or whether they will receive priority when they are resubmitted. The Minister mentioned the local areas that are to be proclaimed. Those areas should not be too small, and they should not be too big either. Every major storage works in New South Wales has below it what is termed a regulated area. That should be taken into account when determining local areas. I support the bill, but I shall support also the amendments that will be moved by the honourable member for Murray.

Mr GORDON (Murrumbidgee), Minister for Lands, Minister for Forests and Minister for Water Resources [5.22], in reply: The honourable member for Murray is frank and earnest. He is frank when he is up at Colombo Creek and he is earnest when he is down at Wentworth.

Mr Schipp: The honourable member for Murray is earnest all the time. He is battling for water.

Mr GORDON: Everyone is battling for water. The Leader of the Country Pasty had to shanghai some.

Mr Punch: The Minister becomes more stupid with increasing age, if that is possible. He is pathetic and a teller of untruths.

Mr GORDON: That is the honourable member's opinion. The real problem is salinity in inland waters, especially in the Menindee lakes. The main cause is the drought and high evaporation. If the State had more water it would dilute the salt and the level of salinity would decline. Opposition members should bear in mind the action that the Government has taken since it came to office to alleviate water problems. If they think back to the last drought, they will recall that the State did not have the benefit of some of the major water storages that are now available. It did not have the benefit of Blowering Dam or of some of the distributor works on the Murrumbidgee River. Since the Government came to office Dartmouth Dam, Chaffey Dam, Copeton Dam and Glenbawn Dam have been completed. Burrinjuck Dam, which the former coalition Government had allowed to fall into disrepair, was working at only 75 per cent of capacity. That dam has been repaired. Distributory works have been completed on the Gwydir, Namoi and Murrumbidgee rivers. New projects include work on Glennies Creek Dam and Windamere Dam. The honourable member for Murray should keep himself up to date.

When the Government came to office in May 1976 work on Windamere Dam had been suspended for four or five months. Everyone had moved out of the area. A member of the Country Party asked me to arrange for a caretaker to live on the site, because people were damaging the workmen's cottages. That is how bad it was. Within four or five months work on the dam was recommenced, though admittedly on a small scale. That work has been stepped up. By the end of this year the Government will have spent $10 million on that project. Some criticism was made of the Government because of a sign on the work, "A Wran Government project". The Prime Minister would like to have his name appearing at the site. We will do that, for $10 million on a $-for-$ basis, so that the federal Government's contribution will equal the amount spent on the project by the New South Wales Government.

Mr Sullivan: Why does not the Government put Mr Fraser's name on the Wakool salinity scheme? The federal Government has paid for half of that.

Mr GORDON: The Prime Minister came into that project a little late. The federal Government was going to contribute half of the cost of Buranga Dam but paid about $30,000 out of a total of $250,000. Mr Fraser will not have his name on that scheme. It costs more than that to get one's name on these signs.

Mr Punch: Who is the Government's signwriter?

Mr GORDON: It is done with a stencil and a spraygun. The New South Wales Government economizes. Work is proceeding on Split Rock Dam at Lake Mejum. It seems that the federal Government will come to the party and provide funds for work on Split Rock Dam. During the last federal election campaign, the Commonwealth Government approached the State Government with a $-for-$ proposal, but the State has not yet qualified for any of that money. Certain environmental objections have been raised. However, the Government has high hopes. I should respond to some of the comments of the honourable member for Murray. He said that the cost of a land board hearing was $18,000. I have had only one personal experience of a land board hearing when a group of people from Coleambally represented themselves and won the case. Probably their only costs were a day off work and their fares from Coleambally to Hay.

Mr Sullivan: Can these applicants proceed now?

Mr GORDON: The honourable member should be patient. If he reads the Act he will realize that persons who have made an application can withdraw it and re-apply. Quite erroneously, many people thought that by applying for a 4-inch pump instead of a 6-inch pump they stood more chance of having their applications approved. They forget that the application is for an amount of water. Some pumpers along the Yanco and Colombo creeks would use a bigger pump head for flood irrigation. I expect that some people will withdraw their applications, amend them and re-apply. Not every case is the same. Though I shall speak to the amendment proposed to be moved to the defining of an area, I feel that I should say now that the amendment is not clear. I do not know who drafted it. It has been said that the purpose of the bill is to define river valleys and catchment areas. That is so. The Opposition's proposed amendment will not be acceptable to the Government. The honourable member for Murray outlined a grandiose programme of dams and river schemes that should be undertaken. The only proposal he failed to suggest, and one that was most topical, was the one to turn the Clarence River inland. To do that we should have to resurrect Ben Chifley and let the Commonwealth provide the sort of money it allowed to the Snowy Mountains Authority, for works on that scale are beyond the capacity of any State.

The honourable member for Upper Hunter was concerned about allocations in the Hunter. I agree there are problems in that regard. There is a good deal of sand in the area and for that reason the volumetric allocation produces some problems. Some measurements are made by calibration and some by diesel power. Those pumped by diesel motors are confined to certain areas. The Leader of the Country Party must have been confined to a certain area. He could not be pinned down and took no notice of the Water Advisory Council. I thank the honourable member for Tamworth for his contribution to the debate. I appreciate his remarks, which were sensible and balanced.

Motion agreed to.

Bill read a second time.

In Committee

Schedule 1

Page 3

15 After section 5 (3), insert:—

(4) The Governor may, by proclamation published in the Gazette—

(a) declare any area to be a proclaimed local area;

(b) vary or revoke, whether as to the whole or any part, any such proclamation; or

20 (c) amend the boundaries of any proclaimed local area.

Mr MURRAY (Barwon), Deputy Leader of the Country Party [5.32]: I move:

That at page 3, line 21, after the word "area" there be inserted the words

Provided that such proclaimed local area will—

(i) include as a minimum all land which is within 24 kilometres of the applicant and which is adjoining the river or lake involved;

(ii) take into account natural watershed limitations which affect water quantity and water quality.

The honourable member for Tamworth said in this context that an area should not be too small or too large. The Opposition puts forward this amendment because of the wide scope of proposed new section 5 (4). There appears to be no means by which such an area can be determined. The decision will be entirely in the hands of the commission or the Minister, or whoever it may be. They may decide to say that property X, Y, Z will be the proclaimed area. Within the bill's provisions the Minister could limit it to such a small area. He could confine it to a river valley. Let us take a river valley as a classic case—namely, the Macintyre–Banvon–Darling river valley. That is one continuous stream right through. There is no defined point in that whole system from east of Inverell to Lake Alexandrina, except the point at which the Darling joins the Murray. There is no defined area where the Macintyre finishes and the Banvon begins or where the Barwon finishes and the Darling begins. If there is to be a wide-open valley concept, one could run into many problems. The Opposition feels that the amendment will put the position right.

The Opposition also appreciates the problem of water quality and quantity. We are concerned about the protection of non-proclaimed areas related to various dams. The area proclaimed may relate to a supply of water from a river dam. For example at Copeton Dam there is a proclaimed area to which the water supply is

provided for irrigation pumping. The same applies on the Macintyre system. There is a proclaimed area on the border rivers as far as the Mungindi Weir. That is the extent of the regulated flow from those dams for the purpose of irrigation. If that is what is in the Government's mind, there may be no argument, but a minimum area is required so that objections, if any, can be lodged. There are problems connected with the Darling River system. Applications are coming in thick and fast for the establishment of enormous irrigation areas. Advertisements for farms on the Barwon draw attention to what they term "the biggest private dam in Australia". The pumps in those areas take large quantities of water out of the non-proclaimed area of the Darling, reducing the flow and preventing other irrigators with licences in the unproclaimed area from being able fully to utilize the potential of the Darling River system. People surely should have the right to object to licences within 24 kilometres of their operations. There appears to be a basis for genuine objection and that aspect should be thoroughly examined.

The amendment is practical in its aim. One knows that objections to licences are being made not on the basis of the availability of water but by people with interests outside the State. Some objections are lodged that are outside the confines of reason and logic. Those concerned should not be hamstrung financially by vexatious objections. In the last two drought years there have been great losses to this State as well as to individuals. Those losses would not have taken place if the proposals we suggest had been applied from the start. There should have been a procedure for objections and the establishment of a land board to deal with them. This amendment will protect not only the interests of water users but also the Water Resources Commission, the rivers and the whole State.

Mr GORDON (Murrumbidgee), Minister for Lands, Minister for Forests and Minister for Water Resources [5.38]: The Government cannot accept the amendment, which goes against the whole spirit of the bill. The Government was criticized because the bill does not define valleys. That would be impracticable; it will be done by proclamation. If such areas were defined, one would have to split the Darling into two, probably above and below Menindee. One would have two separate valleys for the tributaries of the Darling—for example, the Namoi. The Water Resources Commission and the Government agree that this is the best way to define boundaries. The amendment is too restrictive and is not acceptable to the Government.

Amendment negatived.

Schedule agreed to.

Adoption of Report

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

Third Reading

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

LORD HOWE ISLAND (AMENDMENT) BILL

In Committee

Consideration of Legislative Council's amendment.

Schedule of the amendment referred to in Legislative Council's Message of 15th *April,* 1980

Schedule 5, page 19. After line 9 insert:—

(d) Section 23 (1A)—

After section 23 (1), insert:—

(1A) A lease may be transferred or subleased to 2 or more persons as joint tenants or tenants in common but, for the purposes of any transfer or sublease to 2 or more persons who are not all Islanders, a reference in this Part (however expressed) to a person other than an Islander applies in respect of each transferee or sublessee who is not an Islander.

Mr GORDON (Murrumbidgee), Minister for Lands, Minister for Forests and Minister for Water Resources [5.43]: I move:

That the Committee agree to the Legislative Council's amendment.

Under the amending bill provision is made for leases granted under section 21 of the Lord Howe Island Act, 1953, to be held by two or more persons as joint tenants or tenants in common. The amendment makes it clear that such leases may be transferred to two or more persons as joint tenants or tenants in common under section 23 of the *Act.* There is no objection to the amendment made by the Legislative Council. I put it to the Committee for acceptance.

Motion agreed to.

Legislative Council's amendment agreed to.

Adoption of Report

Resolution reported, and report adopted on motion by Mr Gordon.

LUNA PARK SITE BILL

Second Reading

Debate resumed (from 13th April, *vide* page 5713) on motion by Mr Gordon:

That this bill be now read a second time.

Mr McDONALD (Kirribilli), Deputy Leader of the Opposition [5.45]: The name of the bill is really a misnomer. The Luna Park Site Bill might best be described as the Lunacy Bill. If ever anything could be typified as a Gilbertian charade it is the bill.

[Mr Speaker left the chair at 5.45 *p.m. The House resumed at* 7.30 *p.m.*]

Mr McDONALD: When I commenced my speech before the dinner adjournment I said that the measure's proper name should be the Lunacy Bill. The way in which the Government has handled the whole sorry affair since the tragic fire in 1979, the almost abortive way in which it has called tenders and its negotiations since that time, have been nothing more than a Gilbertian charade. I do not place any direct blame for much of the mess on the Minister for Lands, Minister for Forests and Minister for Water Resources, who is responsible for the legislation. The blame lies predominantly with the Premier and Treasurer, almost equally with the Deputy Premier, Minister for Public Works and Minister for Ports, and with the former Minister for Lands who now holds the portfolio of Minister for Police and Minister for Services. The Minister said in his second reading speech that the title of the

bill is an indication of its object: to obtain vacant possession of the area known as Luna Park. The name Luna Park does not belong to North Sydney or to the Government; it belongs to the company Luna Park (N.S.W.) Pty Limited. The name of the area, which for generations has been a delightful spot for kiddies, will go. The name Luna Park will not apply by next Christmas, or whenever the amusement park on this site ever gets going.

The site of the present Luna Park, which has been occupied by Luna Park (N.S.W.) Pty Limited, is held under four leases from three statutory authorities, namely, the Department of Main Roads, the State Rail Authority and the Maritime Services Board. These leases expired late in 1975. Luna Park (N.S.W.) Pty Limited is still in occupation under what the Minister described as the holding-over provisions of the leases. In fact the leases are on a weekly tenancy basis. From late 1975 the company has sought new leases. Regrettably, that has not eventuated, as a result of the failure of Ministers, other than the Minister for Lands, Minister for Forests and Minister for Water Resources, to come to grips with the problem. The tragic fire that resulted in loss of life literally turned out the lights of Luna Park. Since that time there has been gross confusion and bungling incompetence by the Government. The Government has declared the bill to be urgent and carefully timed its presentation to the Parliament on the eve of Easter and during a Royal visit with the intention of making it the Government's first venture into nationalization.

The bill, which was introduced into the Parliament on 13th April, provides for the first peacetime expropriation by a government of a private enterprise without compensation. The existing tenant is ready to leave the site on 30th June; it has made that clear to the Minister in terms contained in a document known as a deed of surrender tendered by the State Crown Solicitor. I have had some brief discussions with the Minister about this matter. No doubt in reply he will say that the document has gone backwards and forwards from Luna Park (N.S.W.) Pty Limited, and the Crown Solicitor, and then for Queen's counsel's advice, and to the other prospective occupant, Harbourside Amusement Park Pty Limited. I am reliably informed that the document could have been signed today, or if not, soon after Easter. Instead, we have witnessed the iron hand of the Government and its Cabinet. I do not include the Minister for Lands, Minister for Forests and Minister for Water Resources as I know that he is most sensitive about the implications and the principles of the bill. The matter is most sinister. The bill affects the existing rights of Luna Park (N.S.W.) Pty Limited to occupy the site and the ownership of structures on the site, except the five items that are detailed in schedule 2 to the bill, for which a figure of $500,000 has been arrived at by arbitration. The vesting of these structures is referred to in subclause (1) of clause 5. These structures are to be forfeited without compensation, unless the Minister states otherwise. The Minister's discretion is not subject to review. The normal legal procedures for ensuring a fair price is paid for government acquisitions has been abandoned.

The bill also makes the existing tenant liable as an insurer, without compensation, for any damage other than fair wear and tear for the five items that the Government wants, namely, the laughing clown face entrance, the mirrors in the mirror maze, the dodgem pavilion, the floating palais and the interior and exterior decorations of Coney Island. I find it hard to comprehend that the directors of Luna Park (N.S.W.) Pty Limited are to be made criminally liable if the existing tenant fails to honour its obligations. These provisions are to apply without accusation having been made, without trial and without any offence being alleged. The legislation is clearly designed to favour the taking of possession by the successful tenderer at the cost of ignoring the rule of law in New South Wales relating to landlord and tenant and private property. If passed, the legislation will provide an interesting precedent for what one must term

a police state style of government. One must wonder what the Labor Government of New South Wales is planning next. The proposed legislation is unprecedented. It is grossly heavy-handed. I assert that it is based on the malicious personal malice of the Premier and Treasurer towards the principals of Luna Park (N.S.W.) Pty Limited, in particular Mr Leon Fink and Mr Nathan Spatt.

Mr Gordon: On a point of order. I take exception to the reference by the Deputy Leader of the Opposition to the malicious personal malice of the Premier and Treasurer and I ask that you, Mr Acting-Speaker, direct the Deputy Leader of the Opposition to withdraw that remark.

Mr McDonald: On the point of order. I intend to prove the validity of my comments and explain why the Premier and Treasurer stands indicted, and why I have accused him of malicious personal malice in his attitude, particularly to the two principals of Luna Park (N.S.W.) Pty Limited.

Mr ACTING-SPEAKER (Mr Quinn): Order! The Deputy Leader of the Opposition is not entitled to criticize another member in the manner he has criticized the Premier and Treasurer without moving a motion to that effect. The Deputy Leader of the Opposition should deal with the bill before the House and not make attacks upon the Premier and Treasurer or any other member.

Mr McDONALD: The principals of the company, Mr Leon Fink and Mr Nathan Spatt, were close personal friends of the Leader of the Government in the upper House.

Mr Gordon: On a point of order. I submit that the Deputy Leader of the Opposition should not make a personal attack upon Governrnent supporters.

Mr Dowd: On the point of order. It has been ruled in this Chamber many times that in the parry and thrust of debate neither the Government nor the Opposition is sacrosanct. As the Deputy Leader of the Opposition makes his point he should be permitted to introduce the matters he has raised. There is no point of order.

Mr Whelan: On the point of order. I do not think Parliament is a forum for people to be vilified, certainly not as in the present debate. Standing orders provide that no member shall make offensive remarks against another member of the House. The sole motivation of the Deputy Leader of the Opposition is simply to denigrate the name of any Government supporter. He has started with the Premier and Treasurer and he will probably run through all.

Mr McDonald: On the point of order. I shall speak only of the Premier and Treasurer; that will do.

Mr Gordon: On the point of order. This bill is not concerned with the Premier and Treasurer. We are talking about the lease of Luna Park, certainly not about the Premier and Treasurer or anyone else.

Mr J. A. Clough: On the point of order. The Minister for Lands, Minister for Forests and Minister for Water Resources has said that this measure has nothing to do with the Premier and Treasurer, but the Premier and Treasurer is the leader of the Government and therefore I submit that the Deputy Leader of the Opposition is entitled to express views that might impinge upon him. Though this bill does not emanate from the Premier and Treasurer, the Deputy Leader of the Opposition is speaking about him in his role as the leader of the Government.

Mr ACTING-SPEAKER (Mr Quinn): Order! The point raised by the honourable member far Lane Cove suggests that during the thrust and parry of debate members should not be sensitive about things said of them. In this case the Deputy

Leader of the Opposition is attempting to turn the debate on the bill before the House into a direct and premeditated attack upon the Premier and Treasurer and other members of the House. I have already stated that the Deputy Leader of the Opposition will not be permitted to do that other than by moving a substantive motion in that regard. I direct him to deal with the bill before the House and leave aside direct attacks upon any member.

Mr McDONALD: In the last part of 1979 one of the leading members of this Government, in an eastern suburbs restaurant said, "Fink will get the tender for Luna Park when grass grows on my ——" and he then used a 4-letter word beginning with "a" and ending with "e" which is commonly used to describe a portion of the anatomy. How prophetic and true was that remark; how awesome its accuracy. That person was the Premier and Treasurer. That is the reason why I was referring to him as being the leader of the Government.

Mr Gordon: On a point of order. This has nothing to do with the lease of Luna Park being dealt with in the measure before the House.

Mr Whelan: On the point of order——

Mr ACTING-SPEAKER: Order! I have already directed the Deputy Leader of the Opposition to leave aside attacks on any member and to deal with the matter before the House. I ask him to comply with that request.

Mr McDONALD: I believe the Luna Park group were then squeezed out. The whole of this Luna Park affair, and the performance of the Government in it, has been a sad and sorry saga. The interests of the people of North Sydney and the council of North Sydney, have been ignored. So, too, have the interests of the rest of the people of Sydney, particularly the children. The interests of country children with a love of Luna Park, children who expect so much from it and have a feeling for it, have been ignored. The Government should take proper action to restore it to what it was once. A brief traverse of the history of the tendering, and what the Government sought to do, reveals only failure; nothing but error after error. It became nothing more than a ministerial joke. At other times I described it as a complete Government botch up.

The first attempt to call tenders was made by the former Minister for Lands, Mr Crabtree, when he called tenders on 4th August, 1979, to close on the 31st of that month. That allowed only twenty-eight days for tenders to be called. The tender document was of one and a quarter pages. Included in that document was the statement, under the subtitle site information, that the acquisition for such amusement devices and structures as had been erected on the site by the present tenant would be a matter for negotiation with Luna Park (N.S.W.) Pty Limited. The reference to the company being a proprietary company was omitted. That is how badly the lease document was drawn under the previous Minister for Lands. Another note in the document stated, "It is anticipated that the site will be available for occupancy six weeks from the notification of acceptance of the tender". But, what happened? That document became the subject of challenge by the Opposition in this Parliament as to the paucity of its information and the strange way in which the tenders had been called in August. The document merely created suspicion as to who was doing what to whom.

Following pressure from the Opposition and from myself as the member representing the area in which the park is situated, the Government extended the time for closure of tenders from 31st August to 26th October, 1979. The Government then sought to have a second attempt at calling tenders and produced a new document to all who had indicated their intention of being a prospective tenderer under the

first tender document. In October those people were sent a much larger set of documents, a group of documents that looked more like a set of tender documents. One of the terms and conditions of that second tender document, described as annexure A, was clause 2 (b). It is important that the House should remember that particular clause in view of subsequent clauses I shall read. Clause 2 (b) said:

> Notification of acceptance of the tender will not be given by the Minister until vacant possession of the land has been obtained and the Minister is able to give the successful tenderer vacant possession of the land.

All very proper, all very correct; indeed, quite the right approach for the Government to take. But, what happened? An extension of time was granted until 23rd November, 1979. But, on 2nd November I wrote to the Premier and Treasurer and I shall make specific reference to that letter.

Mr Mallam: Was it in your own writing?

Mr McDONALD: Yes, and I can vouch for its accuracy because I wrote that letter to the Premier and Treasurer. I wrote to the Premier and Treasurer because it was quite clear that the then Minister for Lands either did not know what he was doing or, more important, the Premier and Treasurer, who was taking control of the running of this particular project, was perhaps the only person in Government who could act as a catalyst and pull these matters together and stop the farce which subsequently developed. I shall read the contents of my letter as it is important that the House should understand the sorry saga. My letter to the Premier and Treasurer stated:

> I am writing to you with the hope that you will recognize the supreme regional and even national importance of a significant portion of harbour foreshore from Milsons Point through to the head of Lavender Bay. This foreshore land is the subject of considerable interdepartmental confusion which clearly shows a lack of proper co-ordination in overall comprehension and planning.
>
> My comments are not meant to imply or impute criticism to a particular Ministry or Department but because the foreshore area to which I have referred and which is marked pink on the annexed map, is under the control or responsibility of so many Departments I felt the only practical way to get some proper action was to draw your attention to the situation.
>
> Apart from the North Sydney Municipal Council which has control of the area overall from a local point of view, the principal Government Departments involved directly influencing this significant area are:
>
> Department of Lands and Services
> Department of Main Roads
> Department of Sport, Recreation and Tourism
> Public Transport Commission
> Maritime Services Board
> Planning and Environment Commission.
>
> You will recall that approximately one year ago your colleague, the Minister for Planning and Environment, the Hon. D. P. Landa, M.L.C., made great emphasis of the fact that it was your Government's intention to proceed with the programme called "The Greening of the Foreshores of Sydney Harbour".

I might add that the Minister obtained considerable press coverage on that matter. He went on to say, "By the time my daughter is 21, she will be able to walk round the foreshores of Sydney Harbour". My letter to the Premier continued:

> Quite some effort has already been done by the Government in this direction and you are to be commended for it, though with regard to North Sydney I believe some further attention could be given to this principle.
>
> Subsequent to the disastrous Luna Park fire the Department of Services called tenders for the **30** year lease of this strategically located site. Following some intervention on my part the time for the tenders was extended and proper tender documents and base plans were prepared and then recently made available. We are now advised by the Department of Services that the time for the close of tenders has been further extended to Friday, 23rd November, 1979.
>
> There would appear to have been no consideration by the Government at all in its approach to the Luna Park site to give consideration to ensure that in any redevelopment of the site, which now appears to be most likely, that there would be proper integration of this site with the adjoining foreshore land in Lavender Bay and down through to Milsons Point and under the Harbour Bridge itself.
>
> In fact, any consideration for the **30** year lease of this site appears to have been done regrettably in isolation. Now we have the rather confused situation whereby the Luna Park site itself is not being consolidated into one title and the D.M.R., the P.T.C. and the Maritime Services Board all actually hold title to varying portions of the site of some 2.429 hectares.

I am aware that it is not practical to incorporate maps and plans in *Hansard*, but I am willing to make those documents available to honourable members. They form part of the tender document. They contain the names of the three lessors referred to in the Minister's second reading speech. I invited the attention of the Premier and Treasurer to that situation on 29th November, 1979. I said further in my letter:

> There are a number of significant items in relation to the new tender documents which North Sydney Council will be discussing at their next meeting on 6th November prior to raising these with the Minister for Services.

I then invited attention to the significance of the adjoining site held by the Public Transport Commission, and I said that site was an important piece of land, which should be considered from the overall point of view of the significance of it to the North Sydney pool. The Minister for Sport and Recreation, Minister for Tourism and Assistant Treasurer saw the wisdom of my representations. As a result, an air bubble will be constructed over North Sydney pool, which will enable the pool to be used all year round. Use of the land under the harbour bridge has not been considered as too many departments have been involved. I continued my letter to the Premier and Treasurer by saying:

> As you can see from this brief submission there is clearly a need for a co-ordinated approach for the proper utilization of this significant foreshore land. Accordingly, before any decision is taken finally on the Luna Park site that irrevocably closes it off for **30** years from any proper integration with the surrounding foreshore land, I would be pleased if you would discuss these matters with me as soon as possible during the course of the Parliamentary sittings next week.

> What I had in mind, subject to your concurrence, was the convening of a conference of the Ministerial Heads who have an interest or say in this area to receive further submissions from the North Sydney Municipal Council and myself so that we might collectively produce a result that is in the best interests of this city as a whole and the State.
>
> I have taken the liberty of forwarding copies of this letter to your relevant Ministerial colleagues and to the North Sydney Municipal Council.

Mr J. A. Clough: Did you get a reply to your letter?

Mr McDONALD: The honourable member for Eastwood will have to wait till I traverse what occurred to learn the answer to his question. On 22nd November I saw the Premier and Treasurer in his office and I spoke with him about the problem. He agreed there was considerable merit in what I had to say, and gave me every reason to believe that by the end of that month he would have a meeting to discuss the matter. Nothing has happened since.

Mr Whelan: Knowing your form, that would be a deliberate lie.

Mr Pickard: The honourable member for Ashfield should be ordered to withdraw his remark.

Mr McDONALD: The member for Ashfield has become most garrulous since having too much to drink during the dinner recess. I regard his remark that I have lied as personally offensive, and I ask that he be ordered to withdraw it.

Mr ACTING-SPEAKER (Mr Quinn): Honourable members are not permitted to call other members liars during debate. I direct the honourable member for Ashfield to withdraw his remark.

Mr Whelan: I withdraw it. The Deputy Leader of the Opposition is guilty of terminological inexactitude.

Mr ACTING-SPEAKER: Order! I ask the Deputy Leader of the Opposition to withdraw his assertion as to what the honourable member for Ashfield may or may not have consumed during the dinner adjournment.

Mr McDONALD: I withdraw my comment. I wrote to the Premier again on 9th January, 1980, and in referring to my letter of 2nd November, 1979, and my meeting with him on 22nd November, 1979, I said:

> You will recall that at our meeting you indicated you would provide me with a formal response to my request for a conference of Ministerial Heads to receive further submissions from the North Sydney Municipal Council and myself on this important foreshore land no later than the time that Parliament adjourned on Thursday, 29th November.
>
> As I was not in receipt of a response from your office by this date I made contact with your Private Secretary prior to your departure on vacation to seek a definitive answer.
>
> To date I have not yet been favoured with any response at all from your office.
>
> Further, I have made approaches to your colleague, the Hon. W. F. Crabtree, M.P., Minister for Lands and Minister for Services, in the light of certain press comments, and particularly those in the *Australian Financial Review* of 15th December that the names of the tendering groups be made public, but to no avail.

> In all of the circumstances I would be pleased to receive your advice, by return, as to whether the matters raised in my letter of 2nd November, and as discussed subsequently with you, are now to be given due and proper consideration by you prior to your Government announcing its intention for the lease of the amusement park site.

On 17th January, 1980, the *Australian Financial Review* carried a report entitled "Tendering shambles leaves Luna Park's future unclear". That title typifies the way in which the Government has handled matters since the fire at Luna Park. After that article appeared I sent an urgent telegram to the Premier in which I said:

> Refer to my letters of 9th January and 2nd November re Luna Park Site and adjoining foreshore and today's report in *Financial Review* that all 6 tenders have been rejected and the matter is now under the control of your Department.
>
> Will you please advise the exact present position and whether you will now hold joint Ministerial meeting on the future of the whole of this important foreshore land that I have requested on several occasions so that proper co-ordination and planning can be implemented before it is too late.

The report in that publication was indeed the only report that appeared that day, though there were further reports on subsequent days. The article of 17th January, 1980, read:

> The six tenderers for the 30-year lease have been told their submissions were unsuccessful and that the Government will now re-open negotiations on an individual basis with the parties of its choice. The matter has also been removed from the hands of the Department of Lands and Services ——

It should have added that was done because of the ineptitude of the Minister for Lands at that time:

> ——and transferred to the Premier's Department, where a reassessment of the situation is underway.
>
> The explanation being offered for the blanket rejection was that a technical hitch rendered the submissions not true tenders.

The article went on:

> However, according to some of the tenderers it was the wording of the tender form—not the covering letters—which caused the hitch.
>
> What is surprising the property world, however, is not that a technical hitch arose but that the New South Wales Government has decided not to re-tender, but to conclude negotiations on an individual basis.
>
> At this stage the New South Wales Government is saying very little other than that a decision is expected very soon.
>
> The exercise of renewing the lease has been a shambles both from the viewpoint of delays and the circumstances under which it was done.
>
> Again the move has stirred up considerable local resident action, with some going on public record as preferring to have it returned to a parkland bush setting.

The article then gives details of some of the tenderers and other information. In a press release dated 5th February, 1980, not the Minister for good news—that is, the Premier and Treasurer—but the Deputy Premier, Minister for Public Works and

Minister for Ports, the Minister who has to release the bad news in this area, as the Minister for Corrective Services must handle bad news such as prison escapes, announced that State Cabinet had decided to call fresh tenders for the lease of Luna Park. That Minister's press release stated, in part:

> The Deputy Premier, Jack Ferguson, said this decision was made on the recommendation of the Cabinet's policies and priorities committee . . .
>
> Cabinet had decided that the fresh tenderers will not be under the original constraint that attractions and amenities must be of similar type to those available prior to the closure of Luna Park.
>
> Mr Ferguson said fresh tenders will be invited as soon as the Crown Solicitor and the Secretary of the Premier's Department have prepared the documents.

I welcomed that move and I made a public statement to that effect. I said I hoped it would allow breathing space for consideration of the development and would dispel rumours, which were rife, about deals being done with a certain tenderer. I stressed that emphasis should have been put on a theme park for the enjoyment of all, not only the young, and I said that it was a relief to learn that tenderers should not have to provide attractions and amenities similar to those available prior to the closure of Luna Park. I emphasized also the point that I made earlier that what is needed is a co-ordinated planning approach not only for this site but also for the entire foreshore from the Sydney Harbour Bridge past the olympic pool, the Luna Park site, on to Lavender Bay and Milson's Point.

On 5th February, 1980, notice was given that Luna Park was to close on 17th June last. The third attempt to call tenders is important. I shall refer later in some detail to some of the conditions, for they are germane to the bill. Honourable members may recall that I drew the attention of the House to clause 2 (b) of the second set of tender documents, which was really the first decent set produced. Those documents make it clear that the Minister would give vacant possession of the site. Clause 2 (d) of that set of tender documents had this to say about vacant possession:

> The Minister may accept a tender notwithstanding that he is not able, at the time of notifying such acceptance, to give vacant possession of the subject land; but the agreement constituted by the acceptance of the offer contained in the tender shall, in such a case and if the Minister notifies the tenderer at the time of acceptance that the Minister is not able to give vacant possession of the subject land at that time, be subject to the condition that if the Minister does not, within six *(6)* months after the notification of such acceptance, or such further time as the parties may agree, notify the tenderer that the Minister has obtained vacant possession of the land, then either the Minister or the tenderer may by notice in writing to the other rescind *ab initio* the agreement constituted by the acceptance of the offer contained in the tender and neither party shall have any claim or right against the other in respect of that agreement. Nothing in this paragraph shall prevent the Minister at any time after the expiry of the time referred to in this paragraph from notifying the successful tenderer that he has obtained vacant possession if neither party has in the meantime rescinded the agreement, and upon such notification being given the rights and obligations of the parties shall be the same as if that time had not expired.

Clause 2 (e) of that set of tender documents also dealt with vacant possession and stated:

> For the purposes of this clause, the Minister shall not be deemed unable to give vacant possession of the subject land, and the successful

tenderer shall not be entitled to assert that the Minister is unable to give such vacant possession—

(i) if the successful tenderer is Luna Park (N.S.W.) Pty Limited—by reason only of any continuance of the occupation by that company of the subject land between the time its tender is accepted and the time when the term of the lease commences;

(ii) in any other case--by reason only of there being on the land any structures, improvements or other things which are or have formerly been structures, improvements or things owned by Luna Park (N.S.W.) Pty Limited, and in respect of which the successful tenderer notifies the Minister that the tenderer has acquired or intends to acquire them from Luna Park (N.S.W.) Pty Limited and intends to retain them on the land for the purposes of the business proposed to be carried on by the successful tenderer under the lease.

Clause 7 (a) of these documents provided that the Minister shall give no warranty as to the use to which the subject land may be put. I mention that clause because the Government chose in this case, as it did with the proposed sports stadium in Parramatta Park, to pay no attention to the wishes of local residents but rather to take the matter out of the hands of local authorities. In this case the North Sydney municipal council and residents of my electorate will have no say in the use to which the park will be put. In fact, details of the successful tenderers have not been furnished. I shall come to that later. Clause 9 of this set of tender documents also referred to vacant possession. It stated:

The requirements of any valid notice issued subsequent to the date of acceptance of the tender or the date on which the Minister notifies the successful tenderer that vacant possession of the subject land has been obtained, whichever is the later, by any competent authority or by an owner or occupier of land adjoining the land, necessitating the doing of work or expenditure of money on or in relation to the subject land, or any building, structure, erection, facility, pipe or other thiig on the subject land, or any footpath or road adjoining the subject land, must be fully complied with by the successful tenderer, who shall indemnify the Minister in respect thereof.

The final part of these documents to which I refer is clause 16, which stated:

Any structures, improvements or other things acquired by the tenderer from Luna Park (N.S.W.) Pty Limited and retained by the tenderer on the land shall be so retained by the tenderer entirely at the risk of the tenderer——

That is a most important provision. The clause continued:

——and the tenderer will make no claim against the Crown, the Minister, the Maritime Services Board of New South Wales, the Public Transport Commission of New South Wales or the Commissioner for Main Roads for or in respect of any damage occasioned thereto or loss thereof.

I emphasize the importance of that clause because I asked a number of questions upon notice about the structural safety of the facilities and about fire safety at Luna Park. However, I received no reply to most of those questions. The Government refused to warrant the safety of the existing structures and facilities. In that event, I do not understand how any tenderer could have been able to decide truthfully whether the structures and facilities were safe and would be approved by the Department of Labour and Industry and the Board of Fire Commissioners.

Mr McDonald]

The Government refused to give any guarantee in that regard. In fact, it went further and shifted from the stance it had taken the previous year when it announced that it would give vacant possession of the land. The Government is now saying it will not give such vacant possession. It has adopted that stupid attitude either because the Premier and Treasurer was dull on this point or he could not get through to the other members of Cabinet that the title to this land should be consolidated. Now we have the crazy situation of three departments—in a manner that is typical of statutory authorities—probably not wanting to give up their right to this land. Obviously, that right should be vested in the Minister for Lands, Minister for Forests and Minister for Water Resources. It is logical that that should have happened, but it did not come about.

The farcical situation now is that the Government has not consolidated the title to this land. Nor has it given a warranty as to the quality of the property on the site. The file of documents on this issue has got progressively bigger; it has gone from the original page and a quarter, when the honourable member for Kogarah was Minister for Lands and Minister for Services—and he would not know the difference between a good tender document and a bad one—to this massive file. Though the Government has shifted its ground, the position has still not been put right and the whole matter has continued to be a mess. I can only assume—although I cannot be sure—that the dead hand of the former Minister for Lands has continued to be part of this shambles. The Minister for Lands, Minister for Forests and Minister for Water Resources had not even entered the picture when the events to which I have been referring took place. That Minister is free of any culpability up to this point, for he did not become Minister for Lands until 29th February, 1980.

The fact remains that the Premier and Treasurer gave me a specific assurance on 22nd November, 1979. However, he did not act on the advice I gave him. That advice was in the interests of the residents of North Sydney and the children of Sydney —in fact, the whole of New South Wales. If that advice had been followed, Luna Park would now be open; it would have been operating by Christmas, 1980. Moreover, there would have been no need for the Minister to say, in his second reading speech, that the site might be open by next Christmas. On 20th March, 1980, I wrote again to the Premier and Treasurer. Earlier the learned and venerable honourable member for Eastwood asked whether I had received a reply to my correspondence and telegram to the Premier and Treasurer. The answer is no, just as I did not receive any response to the letter I wrote to him on 20th March. However, that is typical of the Premier and Treasurer. I have said that the 17th January issue of the *Financial Review* reported that all tenders in respect of the Luna Park site had been rejected and that the matter was under the overall control of the Premier's Department. The Opposition was then led to believe that the Deputy Premier, Minister for Public Works and Minister for Ports was to chair a special government committee on the subject. My letter of 20th March, 1980, stated:

> You will recall that when we met and discussed the subject at Parliament House on 22nd November last you gave me certain assurances in relation to my proposal for the need for an overall co-ordinated plan. . . .
>
> The North Sydney Municipal Council shares my concern at the inability to obtain a definitive response as to the intended actions of your Government. . . .
>
> Would you please advise as to the exact present situation and whether you will convene a general Ministerial meeting, which I have requested on several occasions on behalf of the North Sydney Council . . .

> . . . *so* that proper co-ordination and planning can be implemented to establish clear and specific criteria before any tenders are recalled over the Luna Park site itself.

On 8th April, 1980, the Deputy Premier, Minister for Public Works and Minister for Ports wrote to the North Sydney municipal council. He did not bother to write to me—the local member. His letter stated, in part:

> As you are no doubt aware, the Government has called fresh tenders for the lease of this land for the purpose of it being used as **an** amusement centre. Tenders will close on 17th June, 1980. In the meantime Luna Park (N.S.W.) Pty Ltd continues to occupy the site on a weekly tenancy basis subject to the general conditions of the leases under which that company conducted Luna Park. . . .
>
> I feel that nothing would be achieved by a meeting such as you have proposed.

The North Sydney municipal council was making parallel submissions to the Government. The council hoped that, even if my request for a meeting to be convened were rejected, at least it might have been able to get something done about this issue. On 8th September, 1980, I issued a statement that received little mention in the press. It stated, in clear terms, that the people of New South Wales own the Luna Park site, not the Wran Cabinet, and that the community must be given a say in its future use. I suggested that Cabinet should defer any decision on the lease of this site until the eleven tenders had been placed on public exhibition. I do not know whether it was as a result of my call, but on 9th September last the Government deferred its announcement about calling tenders for Luna Park. I emphasize that the Government's continued shroud of secrecy over Luna Park must be lifted. Any doubts about the Premier's handling of the issue must be resolved. I call upon the Premier and Treasurer to make public the details of all tenders and plans, including the special Cabinet subcommittee's report and recommendations. The public must be given the opportunity to have a say on the future use of this unique site before Cabinet makes a final decision about it. That is the only way that the lingering doubts and natural public concern will be removed. Participation in democracy is the central plank of the Australian Labor Party, but that has been ignored in respect of this issue.

On 23rd September Cabinet made its announcement and advised that the successful tenderer was Australasia Amusements Associate Proprietary Limited. The directors of the company at that time were Sir Arthur George, Michael David Edgley, Brian Sydney Treasure, Harold Gerald Goldstein and Colman Bertram Goldstein. I understand—though I do not believe there has been any comment upon this from the Government—that Michael David Edgley has now withdrawn from the project. I make no comment on that, for I have no advice as to the reasons why he took that course. The Deputy Premier, Minister for Public Works and Minister for Ports, in making the announcement on 23rd September, 1980, said:

> The successful tenderer planned to have part of the park in operation before Christmas subject to availability of the site and meeting safety and other requirements.

The presumption, of course, was that the Minister meant Christmas 1980. Reference was made to the fact that the initial capital available for redevelopment was **$3**

million. Retention of the basic character of Luna Park was to be part of the proposal. The announcement as to the Government's proposals was as follows:

> Inclusion of the laughing clown face, the floating pontoon, big dipper, Coney Island (extensively renovated) and the main waterfront building. If existing facilities cannot be purchased at a reasonable commercial figure comparable new facilities will be provided.

The announcement continued:

> Under the lease, the detailed plans for the centre, including forms of entertainment, buildings, structures, etc., require the approval of the Minister for Lands as lessor.

I seek to have the announcement incorporated in *Hansard*.

Mr SPEAKER: No.

Mr McDONALD: The press release by the Deputy Premier, Minister for Public Works and Minister for Ports continued:

> Under the terms of the lease the Government would have the right to control the entrance fees to the park.

An announcement was made that the entrance fee to Luna Park would be $2.50—and thereby hangs another tale. The Deputy Premier went on to say:

> The lease would be for a term of 30 years and the conditions would be recommended to the Government by an Inter-Departmental Committee comprising representatives of the Departments of Lands, Services, Public Works, Industrial Relations, Planning and Environment Commission and the Crown Solicitor.

Why would anyone wish to do business with this Government? On 27th January, 1981, the North Sydney municipal council again wrote to the Deputy Premier, Minister for Public Works and Minister for Ports. In the meantime the council had been granted an audience with the Government, from which I was excluded. The council drew attention to its concern about some problems involved in the development of the site. The same type of problem is now the concern of the Minister for Lands, Minister for Forests and Minister for Water Resources in respect of the proposed development in Parramatta Park. The council wrote to the Deputy Premier, Minister for Public Works and Minister for Ports saying:

> The Council has developed major planning proposals for Bradfield Park and the foreshore area from Kirribilli to Lavendar Bay to an advanced stage and is therefore anxious to be assured as to the re-opening of Luna Park, which of course is significant in the issues under consideration, particularly in any aspects affecting parking or traffic movement.
>
> Your urgent advice as to the present position regarding the re-opening of Luna Park is therefore respectfully sought, together with an assurance that no changes are contemplated as to the uses to which the park will be put or any developments to take place thereon.

The Minister did not reply to that letter—which is again typical of this Government. On 26th February the council wrote to the Minister making reference to the fact that assurances sought by it had not yet been given. That letter reads, in part:

> One of the matters of great concern is that of parking.

I am sorry that the Minister for Lands, Minister for Forests and Minister for Water Resources must bear the burden of another problem concerned with parking: he will certainly become an expert on such matters by the time the dispute concerning Parramatta Park has been resolved. The letter continued:

> Strong public pressure already exists to provide for present parking needs. The question therefore arises as to whether any provision is being made for parking in whatever is happening on the Luna Park site.
>
> My previous letter mentions that the council has major landscaping proposals for Bradfield Park and possible development of the Olympic pool. This is being frustrated to some extent by indecision on Luna Park.
>
> Your urgent response to this and my earlier letter is therefore earnestly sought so that the situation may be clarified.

That letter was written by the mayor of North Sydney, Alderman E. C. Mack, as was the letter dated 27th January. The last letter to which I shall refer is from the Minister for Lands, Minister for Forests and Minister for Water Resources. On 11th March the Minister wrote to the council, but the letter was not received until fourteen days later.

Mr Gordon: Maybe it was sent by carrier pigeon.

Mr McDONALD: It was probably sent through the Government's courier service and that is why it took fourteen days to be delivered. The Minister wrote:

> Dear Mr Mack,
>
> I refer to your recent letter to my colleague, the Deputy Premier and Minister for Public Works and Minister for Ports, which has been referred to me for consideration regarding Luna Park.
>
> Since your meeting of 11th September, 1980, with my colleague and the selection by the Government of the successful tenderers——

This phrase appeals to me.

> ——there have been a number of unforeseen factors which, unfortunately, prevented the reopening of Luna Park for Christmas of last year.

That refers to Christmas 1980, not some future Christmas. The Minister's letter continued:

> Considerable progress has been made towards obtaining vacant possession and signing the lease and it is anticipated that these matters will be finalized at an early date. However, at this stage, I would prefer not to forecast a date for reopening in view of what happened when a forecast was made previously.

That was certainly a piece of wisdom because the Minister was not going to be caught like the Deputy Premier, Minister for Public Works and Minister for Ports, the Premier and Treasurer or his predecessors in this issue. The Minister's caution was justified. The thing that worries me is the reason for this legislation. I cannot believe that the present Minister for Lands, Minister for Forests and Minister for Water Resources would have been a party to bringing down such a bill. The letter continued:

> Your Council can be assured that there is no intention of allowing the area to be used other than as an amusement centre substantially of the same nature as that which has been on the site for many years.

The Minister did not address himself to the parking problem—just as he refuses to acknowledge that parking problems will be present after the sports stadium is built in Parramatta Park.

Mr Dowd: Or the parking problems at the Sydney Entertainment Centre.

Mr McDONALD: I am reminded by my colleague the honourable member for Lane Cove of the parking problems at the Sydney Entertainment Centre site. That correspondence brings the Minister's position up to date so far as North Sydney municipal council is concerned. Recently that council debated the Minister's letter. That debate is referred to in one of the most recent issues of the *Mosman* **Daily,** which had a headline stating that the Luna Park delay has proved to be costly. I mentioned earlier that I had placed a number of questions on the Questions *and Answers* paper. Question No. 322, which I directed to the Minister for Lands, Minister for Forests and Minister for Water Resources, remains unanswered. That question sought information concerning the tenderers, who they were and what were the details and the estimated date when Luna Park would be opened to the public. Perhaps the Minister may respond to that question in his reply. This legislation is clearly using a sledge-hammer to crack a nut.

Mr Gordon: I used that expression when I spoke to the Deputy Leader of the Opposition.

Mr McDONALD: I was not going to mention that. That was the expression the Minister used when I spoke to him earlier today. I telephoned the Minister to put to him the point of view that this legislation should not be before the House. I would not have made reference to that conversation if the Minister had not raised it.

Mr Gordon: I do not even know what a sledge-hammer is, but looking at the Deputy Leader of the Opposition I know what a nut is.

Mr SPEAKER: Order! The Minister for Lands, Minister for Forests and Minister for Water Resources will have his opportunity in reply.

Mr McDONALD: I admire the veracity of the Minister for Lands, Minister for Forests and Minister for Water Resources. That is one of the things that the Opposition **has** come to respect about him. I had no intention of mentioning the conversation, but the Minister made the statement that the bill is unnecessary and in fact it is grossly and totally unwarranted. A deed of surrender has been produced by the Crown Solicitor. This is the method by which the Government seeks to take control of the site. I understand that the conditions have been agreed to by the parties. The value of certain site improvements, which was arbitrated upon by the Valuer-General at $500,000, was agreed to. The Minister, in his second reading speech, said that in an effort to obtain vacant possession he had agreed to relieve the company of the cost of removing the remainder of the items, estimated at $113,000, and this was accepted by both the Government and the company. He said, also, that he had arranged for the authorities that own the land—namely the three statutory authorities—to waive any rent accruing after the date of the unfortunate fire that resulted in the closing of Luna Park. He did not say what the quantum of that rent was so I have no way of knowing whether or not it would be a significant amount. He made no reference to the amount in rates for which Luna Park (NSW) Pty Limited might still be liable, even if the rent is waived.

Mr Gordon: That is between the company and the council.

Mr McDONALD: I know it is between the company and the council, but if the Government had decided to pick up the tab for the rates as part of the concessions, it might have been able to negotiate an earlier and better deal. This Draconian legislation is being introduced into this Parliament in order to squeeze a tenant into capitulation. By this legislation the Government is saying, "We want to screw these people right down so that they will have only one choice". Under this legislation the

directors will be guilty. I sincerely trust that this will be the last time that this Parliament will see the introduction of legislation of this type. It is absolutely disgraceful. The Valuer-General has assessed the amount of $500,000, but the Government will reduce it by $1,000 for each day that the present lessee remains in occupation of the site after the day appointed by the Minister. That additional penalty is to be imposed on the directors, who are to be held liable for any damage due to any of the structures on the site since the sum of $500,000 was determined.

The Minister said that the Government is adamant that every effort must be made to have this prime attraction opened by next Christmas. The only possible way to achieve that goal, according to the Minister, is by enacting this disgraceful legislation. The Opposition totally and utterly rejects this approach by the Government in riding roughshod over the rights of tenants. It will prove to be an unmitigated disaster. The Government will rue the day this legislation passed through the House. I have requested the Minister to hold back this legislation until next Tuesday week. The Government withdrew two constitutional amendment bills because it was having problems in caucus. Why would not this legislation be withdrawn until Tuesday week? By that time it would have become apparent whether the final negotiations on the deed of surrender could have been executed and effected. If the parties could have been shown that this legislation was lying on the table of the House, they might have concluded their negotiations without the need to proceed with the legislation. Now this bill has been declared urgent and it will be rammed through the House tonight in a disgraceful attempt to take control of tenants' rights. The Opposition rejects this unbelievable approach and opposes the legislation.

Mr DOWD (Lane Cove) [8.34]: Until today 1 had not had an opportunity of seeing this disgraceful piece of legislation. In this State we have a government that is willing to use the court system and the rule of law to obtain possession in tenancy proceedings. This is ejectment by legislation. It is a complete overriding of the rule of law, in keeping with the reputation that this Government has earned. Just what is the Government doing? It is passing an Act of Parliament to say that a tenancy will be terminated. It is passing an Act of Parliament that says that a warrant is to be issued and the sheriff is to give possession. I do not know how it fits into the Supreme Court Ad. I suspect that it does not. The Government is passing for the first time legislation that provides for a penalty of $1,000 a day. Even worse, the Government has decided to override limited liability. The bill contains a clause that a company is guilty of an offence; so each director of it is guilty of an offence. This bill is giving notice to every business in this State that if it does not do what the Government proposes, that is what will happen to it. The Government will pass laws to defeat legal rights and claims. The Minister may think it is funny, but the people of this State will judge the Government by this sort of law, which takes away the rights of citizens and limited liability companies. It is an absolute disgrace. Members of the Opposition saw the bill for the first time today. Until then no copies of it were available for honourable members to examine. We saw this disgraceful piece of legislation for the first time today.

Mr Akister: That is not true.

Mr McDonald: It is.

Mr SPEAKER: Order! I ask members on the Government side to stop interjecting and I ask honourable members on the Opposition benches to cease prompting the honourable member for Lane Cove.

Mr DOWD: Thank you, Mr Speaker. Every member supporting the Government has to realize that when he votes in favour of the bill, which deals with the rights of individual citizens, he will be judged by every businessman in New South

Wales. The Government, representing the trade union movement, uses the same sort of muscle as the unionist uses. Its attitude is, "If you do not agree with this, we will deal with you". That is exactly what the Government is saying in the bill, which is one of the most disgraceful pieces of legislation ever to be brought before the House. Limited liability companies are a fundamental part of our legal and economic system. The Government is taking their rights away by the provisions of the bill. It is an affront to our legal system and to our parliamentary tradition to present a bill of this sort to the House and then ram it through so that the Government can get its way. From now on it will be able to intimidate every company director in this State. Every member of the Government who votes for this disgraceful piece of legislation should be ashamed of himself.

Mr GORDON (Murrumbidgee), Minister for Lands, Minister for Forests and Minister for Water Resources [8.37], in reply: As members of the Opposition have said, this matter has dragged on for a long time. It appears that all the parties concerned are welcoming the legislation, surprising as that may seem to Opposition members. The Government has had some prolonged legal difficulties. The termination of four leases was involved and this was difficult to achieve. The preparation of the deed of surrender was difficult.

Mr McDonald: The Government needed some help.

Mr GORDON: It did and it got a great deal of help, including legal advice. We have followed that legal advice. That is why the bill is before the House tonight. I have spoken to both parties involved and it does seem that we might resolve the matter. One member of the Opposition said that we should have cleared the site before we called for tenders. That is all very well, but we found that one of the tenderers was the person who owned Luna Park. Does the honourable member consider that it would have been reasonable to require Luna Park (NSW) Pty Limited to clear the site, and break down all the improvements before we could call tenders? The company could have been the successful tenderer after having cleared the whole of the site. These were some of the practical difficulties that the Government faced. Following the tragic fire in which seven people lost their lives there were emotional difficulties. I shall not go into them. There are people who are still, naturally enough, badly affected by the results of the fire. The Deputy Leader of the Opposition said that there were four leases. That is so. The leases had different terms. To terminate one of the leases thirty days' notice had to be given but it had to expire on the third day of the following month, and the lessee would then have six weeks to vacate the site.

The parties involved could not agree on the terms of the draft deed of surrender. The Department of Lands had to consult three statutory authorities and both parties. The Government received advice from the Crown Solicitor, but concluded that it was getting nowhere. It was decided to draft the legislation and to bring it before the House. Though the legislation might seem rather drastic, it will resolve the problem. The outgoing lessee will be able to obtain his money and the incoming lessee will gain control of the property.

Mr McDonald: The Minister is concerned about the outgoing lessee. What about the incoming lessee?

Mr GORDON: I am concerned about all parties. The Government has achieved a solution so that the parties will receive the best of the bargain. Does the Deputy Leader of the Opposition suggest that I should act like the unscrupulous landlords who go round harassing their little old lady pensioner tenants or have a hole knocked in the roof of the premises so that when it rains the water will pour in? I do not have a lot of experience in evicting tenants.

Mr McDonald: This method is a lulu.

Mr GORDON: It is a difficult situation. The Government has received the best possible legal advice. I have adopted a course that will be best for the Government, the people of New South Wales and future patrons of Luna Park.

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

The House divided.

Ayes, 48

Mr Akister	Mr Gabb	Mr Paciullo
Mr Bannon	Mr Gordon	Mr Petersen
Mr Barnier	Mr Haigh	Mr Quinn
Mr Bedford	Mr Hills	Mr Ramsay
Mr Booth	Mr Hunter	Mr Robb
Mr Britt	Mr Jensen	Mr Rogan
Mr Cahill	Mr Johnson	Mr Ryan
Mr Cavalier	Mr Keane	Mr A. G. Stewart
Mr R. J. Clough	Mr Knott	Mr K. J. Stewart
Mr Cox	Mr McCarthy	Mr Whelan
Mr Crabtree	Mr McGowan	Mr Wilde
Mr Curran	Mr Maher	Mr Wran
Mr Day	Mr Mair	
Mr Degen	Mr Mallam	
Mr Durick	Mr Mulock	*Tellers,*
Mr Einfeld	Mr O'Connell	Mr Flaherty
Mr Face	Mr O'Neill	Mr Wade

Noes, 27

Mr Arblaster	Mrs Foot	Mr Singleton
Mr Boyd	Mr Hatton	Mr Smith
Mr Brewer	Mr King	Mr Sullivan
Mr J. H. Brown	Mr McDonald	Mr Toms
Mr Bruxner	Mr Osborne	Mr Wotton
Mr Cameron	Mr Park	
Mr J. A. Clough	Mr Pickard	
Mr Dowd	Mr Punch	*Tellers,*
Mr Duncan	Mr Rozzoli	Mr Caterson
Mr Fisher	Mr Schipp	Mr Taylor

Question so resolved in the affirmative.

Motion agreed to.

Bill read a second time.

Third Reading

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

PRINTING COMMITTEE

Thirteenth Report

Mr Britt, as Acting Chairman, brought up the Thirteenth Report from the Printing Committee.

ADJOURNMENT

Bridge Road, Hornsby

Mr GORDON (Murrumbidgee), Minister for Lands, Minister for Forests and Minister for Water Resources [8.50]: I move:

That this House do now adjourn.

Mr PICKARD (Hornsby) [8.50]: I wish to draw attention to the situation at Bridge Road in the Hornsby electorate. I live in the area and I know its problems. One of them arises from traffic conditions at the point where Bridge Road runs from the junction with Pacific Highway, past George Street, taking traffic to Asquith. For several years it has been said that a set of traffic lights would be installed at this point. Indeed, that promise was reiterated only 18 months ago. Those who live in the Galston Road–Hornsby Heights region—a total of 20 000 people—find that the only way to get out quickly across the road leading to Hornsby hospital is by using the spur down to Galston Road.

A few days ago a lady with a small sick child travelling by car tried to get across that junction to the hospital. It took her a quarter of an hour to get through the traffic at Bridge Road in order to transport her child to the hospital. The matter was urgent because the child had something caught in its throat. She needed to get her child to the hospital quickly but could not break through the traffic. The promise of traffic lights has been made time and again, but it has never been honoured. Last Saturday a particularly dangerous situation arose at a bend in the Pacific Highway near Bridge Road. A truck loaded with dangerous chemicals leapt down on to the railway track and the authorities found it necessary to evacuate the nearby area. Traffic was blocked back to Galston Road and on the Saturday morning hundreds of people could not reach the shops. The position was made more difficult because of the lack of traffic lights and because the truck was travelling at too great a speed. It swung on to the bridge and plunged down on to the railway track, in the process endangering life and limb.

Yesterday the Minister for Health gave details in the House of the dangers associated with trucks, loaded with liquid chemicals, breaking down and crashing. It was only one of a number of trucks containing dangerous substances that travel through small suburban roads in the area that was involved in the crash on to the railway track. The road is used as a cheap expressway for trucks travelling at great speeds, threatening great danger to human life. The traffic flow at this point is so heavy that it is almost impossible for motorists to cross the narrow confines of the bridge over the railway track. Recently one lady who uses the Bridge Road route on her way to work became so frustrated that she pulled her car into the stream of traffic, risking her life in the process, and stopped it. She turned off the engine and left the vehicle there for ten minutes. She stood back and took abuse from the drivers who sought to cross that narrow bridge. She told those who asked what was going on: "That is what I have to suffer every morning from you because of the lack of an expressway". She added that these frustrating delays happen constantly to people in the area who want to reach the hospital, the local shops, or want to go to work.

Lights have been promised but have not been installed. Life is endangered. A child with an implement stuck in its throat could not be taken to the hospital. People cannot get to their places of business because the road is blocked constantly. No announcement has been made yet about an expressway. People ring me as the local member, on matters that may seem trivial to the House but are important to the people in my electorate. I take a dim view when I see a Minister smiling about such matters. Bridge control lights may seem trivial but they are important to the people of Hornsby

and to those people who pass through Hornsby using George Street and Bridge Road. Despite numerous feasibility studies the Government has refused to announce when the expressway—which will be paid for by the federal Government—will be built.

A bad weekend, from a traffic point of view, is approaching. Anyone who travels up and down the highway knows what the problem is. This weekend most people who travel along the highway and on spur roads and on to the Bridge Road crossing will take at least half an hour to break through the traffic if they want to get to a hospital. Similar problems will be faced by ambulances. The lights will be against the ambulances which will not be able to break through the traffic to get to the hospital. Some time ago an accident occurred in which five cars bundled up. Nine people were killed and six people were admitted to hospital with serious injuries. It took an hour and a half for the police to get to the scene of the accident. It took the fire brigade three-quarters of an hour to break through the traffic.

This weekend the volume of traffic using the road will put people in fear and danger. The lights have been promised and they should be made available. Fire brigade vehicles constantly are faced with the effort of trying to break through the barrier of traffic blocking the road. Ambulances face similar problems in trying to break through the traffic at two congested spots, particularly at Bridge Road where there are no lights to stop the traffic for a few seconds to let them through. The Minister for Transport was in the House but he walked out. Through the Whip I informed that Minister that I would speak on this issue. In the same way as the Deputy Leader of the Opposition has, I have sent repeated correspondence to the Government. I have received no replies from the Government, even on the smallest things.

Government supporters may smile but this is a matter of major importance to the lives, happiness and free passage of the people of Hornsby and those who pass through Homsby. Despite correspondence to the Minister for Transport and other efforts to get him to act on this matter which could cost a trivial $20,000, nothing has happened. Installation of lights would give safe passage to people proceeding to the hospital from the Galston region. The Minister was notified that I would speak on the issue but by walking out of the House he has shown his utter contempt for the people of Hornsby in their fight for this simple expedient that would save lives. An announcement should be made soon.

Mr Schipp: Tonight.

Mr PICKARD: There is no hope of that. The Minister has gone back to his rooms. An announcement should be made about when the expressway will be built and when pressure will be taken from the people of Hornsby. The people of Galston should be assured of the provision of lights in order to allow them to get through the traffic to the hospital.

Mr GORDON (Murrumbidgee), Minister for Lands, Minister for Forests and Minister for Water Resources [9.0], in reply: I assure the honourable member for Hornsby that I take his problems seriously. I was not smiling at what the honourable member was saying. The honourable member said that the Minister for Transport was made aware that he wished to raise this matter on the adjournment. Unfortunately the Minister is unable to be present. He had a prior engagement: he is the chairman of an important meeting. The Minister asked me to apologize for his absence from the House. I shall draw his attention to the problems that have been referred to by the honourable member for Hornsby. I am sure that he will read in ***Hansard*** all that the honourable member said and that he will give the most sympathetic consideration to the problems the honourable member has outlined.

Mr ROZZOLI: Mr Speaker——

Mr SPEAKER: Order! As the Minister for Lands, Minister for Forests and Minister for Water Resources, who moved the motion for the adjournment, has spoken in reply, the debate is concluded.

Motion agreed to.

House adjourned at 9.2 p.m. until Tuesday, 28th April, 1981.

QUESTIONS UPON NOTICE

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

UNEMPLOYED TEACHERS

Mr McDONALD asked the Minister for Planning and Environment—

(1) Did Christine Fisher of Dee Why and Roslyn Blanchfield of Narrabeen graduate last year as primary school teachers from the Riverina Teachers College, Wagga Wagga, and the Sydney Teachers College, respectively?

(2) Have they been advised by the department that they could be unemployed as teachers for the next five years?

(3) Have they been placed on a waiting list with about 4 000 other primary school teachers in the State?

(4) Were they told by the Education Department placement officer that they should take up typing and try to get jobs as secretaries?

(5) If so, were they not told until four months before they graduated it would be unlikely that they would be employed as teachers?

(6) Is such treatment standard practice?

(7) If so, does it represent clear lack of forward planning by the Education Department?

(8) Are the only teachers guaranteed jobs those who are bonded to the State Government?

(9) Is this the last year that bonded teachers will be graduating from New South Wales Teachers Colleges because of Government policy?

(10) Will he consider reviewing the policy with regard to restoring bonding for teachers so that jobs might be guaranteed?

(11) If not, why not?

Answer—

(1) ***Yes.***

(2) No.

(3) Yes. However it should be pointed out that many teachers on this list are only prepared to work in selected areas.

(4) No.

(5) and (6) Both persons were informed at the time of receipt of their scholarship that the award did not carry any assurance of employment on successful completion of training. This is normal practice.

(7) No. A more accurate comment would be, "lack of planning by the previous Government".

(8) Yes.

(9) Yes.

(10) No.

(11) The abolition of after service bonds was a decision of the Government made after an examination of the arguments for and against the bonding system. The decision had the full support of the N.S.W. Teachers' Federation.

GOVERNMENT ADVERTISING AND PUBLIC RELATIONS

Mr MASON asked the Minister for Local Government and Minister for Roads—

What was the cost of

(a) publications

(b) advertising and

(c) public relations

by departments and statutory authorities under his current ministerial control for the years ending June 30, 1976, to June 30, 1980, inclusive?

Answer—

The following information is given in respect of the Department of Main Roads—

(a) ***Publications***

The information required to answer this question is not readily available and its collation would require considerable public expense. In the circumstances, it is not practicable to provide the information sought.

(b) Advertising

Year	Premier's Department Expenditure	Department of Main Roads Expenditure	Cost
	$	$	$
1975–76	5,240	34,000	39,240
1976–77	14,231	60,000	74,231
1977–78	24,203	111,500	135,703
1978–79	60,565	164,750	225,315
1979–80	7,865	190,000	197,865

(c) *Public Relations*

The information is not readily available and its collation would require considerable public expense. In the circumstances, it is not practicable to provide the information sought.

CUMBERLAND COLLEGE FOUNDATION LIMITED

Mr GREINER asked the Minister for Planning and Environment—

(1) What was the reason for the delay in submission of the Annual Accounts of the Cumberland College Foundation Limited for the year ended 30 June, 1980?

(2) When were the Accounts submitted to the Auditor-General?

(3) What were the reasons for the delay?

(4) Have steps been taken to ensure this situation does not arise in the future?

Answer—

(1) The Cumberland College Foundation Ltd was incorporated under section 16 (3) of the Companies Act, 1961, as amended, on 21 January, 1980, and the inaugural meeting of the Board of Trustees was held on 22 January, 1980.

From the date of incorporation up to 30 June, 1980, the only income received was by way of donations which under the provisions of section 78 (1) (a) (xv) of the Income Tax Assessment Act were required to be credited to the Foundation Building Fund.

The original set of accounts were submitted to the Auditor-General on 1 September, 1980, which were subsequently rejected due to their format and because in the view of the audit officer did not reflect expenditure which in his opinion should have been borne by the Foundation and not the Cumberland College of Health Sciences.

Following negotiations with the audit officer concerned and after making various amendments the annual accounts were resubmitted in draft form on 17 October, 1980, for audit.

This audit disclosed that further minor amendments would be necessary before the final accounts would be in a suitable format and reflect the true position of the Foundation's affairs for the year ended 30 June, 1980.

These variations have now been agreed upon and the final Annual Accounts are currently being prepared for submission to the Auditor-General for audit.

(2) See response to (1).

(3) See response to (1).

(4) In view of the infancy of the foundation it could be expected that establishment problems would be encountered but I believe greater administrative support could have been provided from College resources.

All necessary action has been taken to ensure that this situation will not arise in the future and the Foundation is now in a position to meet statutory obligations.

KIRRAWEE HIGH SCHOOL

Mr KEANE asked the Minister for Planning and Environment—

(1) Have a large number of representations been made by organizations, associations and individuals, other than myself, concerning the need for a multi-purpose hall at Kirrawee High School?

(2) What stage has been reached in the planning for the multi-purpose hall at Kirrawee High School?

Answer—

(1) Yes.

(2) Kirrawee High School has one of the earlier designs of multi-purpose spaces and while it is acknowledged that it does not provide the space or facilities to the extent of more recent designs it does provide a sheltered assembly space.

Schools lacking any form of sheltered facility must then hold greater priority.

SUTHERLAND NORTH PUBLIC SCHOOL

Mr KEANE asked the Minister for Planning and Environment—

(1) Do plans exist for improvements to Sutherland North Public School?

(2) If so,

(a) what are these improvements; and

(b) when will they be effected?

Answer—

(1) Yes.

(2) (a) The construction of a free standing library.

(b) Tenders for the construction of the free standing library closed on 10 November, 1980. Approval has been granted for the acceptance of the tender as recommended by the Public Works Department. It is anticipated that the work will be completed during the current financial year.

JANNALI PUBLIC SCHOOL

Mr KEANE asked the Minister for Planning and Environment—

(1) What progress has been made with plans to improve Jannali Public School?

(2) When will these improvements be effected?

Answer—

(1) Planning is in the early stages for the construction of four classrooms, administration/library block, food service unit/shelter, normal ancillary spaces and dispersed toilet facilities; groundworks will also be undertaken.

(2) It is not possible to give a date for commencement of the project as this is dependent upon the completion of planning and the availability of funds at that time.

ROYAL COMMISSION INTO NEW SOUTH WALES PRISONS

Mr HEALEY asked the Minister for Corrective Services—

(1) How many of the recommendations of the Nagle report numbered 13, 20, 28, 30, *36,* 37 and 38 have been effected?

(2) If there have been delays in implementing any of the recommendations what is the reason?

Answer—

(1) As at 28 February, 1981, action has been taken concerning the implementation of 208 recommendations of the 252 recommendations contained in the Report of the Royal Commission into New South Wales Prisons by the Honourable Mr Justice Nagle. A further eight recommendations are not adopted. In regard to the specific recommendations mentioned in the question, the following have been implemented: 13, 20, 30, **37** and 38.

(2) Both of the outstanding recommendations, viz., 28 and **36,** are supported by the Corrective Services Commission and the Public Service Board. However, the Prison Officers' Union dissents from these proposals and no agreement has yet been reached. Negotiations will continue.

EDUCATION COMMISSION

Mr CAMERON asked the Minister for Planning and Environment—

(1) Has the Minister for Education considered a spokesman for the handicapped as a member of the Education Commission?

(2) If so, is the non-inclusion of such a spokesman final?

(3) What are the reasons to date which have militated against the inclusion of such a spokesman?

Answer—

Section 2 of the Education Comission Act provides that six *(6)* members be appointed by the Governor as follows:

(a) a person who shall, in and by the instrument of his appointment, be appointed as the Chairman of the Commission;

(b) four persons nominated by the Minister, one of whom, in the opinion of the Minister, shall have demonstrated an interest in technical and further education; and

(c) a member, nominated by the Minister, of the New South Wales Higher Education Board constituted under the Higher Education Act, 1975.

Membership of the Commission was the subject of detailed consideration in the light of the numerous claims of a large number of interested parties seeking representation.

Present membership reflects a balance of those interests and includes a number of persons with an intimate knowledge of the needs of the handicapped in New South Wales.

ITINERANT TEACHERS OF THE DEAF

Mr MOORE asked the Minister for Planning and Environment—

(1) What types of school qualify for the use of the services of a departmental itinerant teacher of the deaf?

(2) When were the guidelines formulated?

(3) Will the Minister for Education direct his department to revise these guidelines so that other forms of schools, particularly independent co-operative schools, qualify for the services of such teachers?

Answer—

(1) All departmental schools in which children are enrolled who are assessed as requiring the services of such a teacher.

(2) A policy statement on hearing impaired education in New South Wales was approved in 1975. Service delivery to hearing impaired children is provided within these policy guidelines.

(3) Such a direction is not legally possible because Department of Education personnel are unable to teach in private schools. It would, moreover, be undesirable on the following two grounds:

(a) teachers within the private school system would forfeit their jobs (e.g., itinerant teachers of the deaf employed by Catholic education);

(b) the itinerant teachers of the deaf are kept fully occupied in meeting the demands of deaf children enrolled in government schools.

COLLAROY PLATEAU PUBLIC SCHOOL

Mr WEBSTER asked the Minister for Planning and Environment—

(1) Is he aware of the concern of the staff, parents and children of the Collaroy Plateau Public School at the condition of the Infants Department toilets?

(2) If so, is it intended to remedy this situation?

Answer—

I am aware of the concern of the staff and parents concerning the toilets for infants. It is proposed that the toilets be relocated and replaced as part of a future loans programme as funds allow.

In the meantime the Department of Public Works has been asked to furnish an estimate of cost for the provision of Iimited toilet facilities adjoining an existing classroom in order to provide facilities under supervision.

VISUALLY HANDICAPPED STUDENTS

Mr PICKARD asked the Minister for Planning and Environment—

(1) What support services are provided for visually handicapped students in regular classes?

(2) How many itinerant teachers for the visually impaired are there currently, and where are they operating?

Answer—

(1) The following is a list of support services provided by the N.S.W. Department of Education to visually handicapped students in regular classes:

A specialist counsellor service to the student, the teacher and to the parents of the visually handicapped student.

Advice by counsellors and itinerant teachers in regard to pre-school visually handicapped children.

Services to the child involving, where appropriate, withdrawal teaching or team teaching with the regular class teacher.

The teaching of Braille to educationally blind students.

The provision of large Print and Braille.

Advice in respect of careers for visually handicapped students.

The provision of special aids and equipment.

(2) There are currently twenty (20) Itinerant Teachers of the Visually Handicapped based in the following Regions of Education:

(a) Central Metropolitan Region, 2.
(b) Metropolitan West Region, 9.
(c) North Sydney Region, 2.
(d) Liverpool Region, 1
(e) *St* George Region, *2.*
(f) North West Region, 2.
(g) Hunter Region, 1
(h) Riverina Region, 1.

Total: 20

(Itinerant Teachers of Visually Handicapped (Careers, Pre-School, Orientation and Mobility) based in metropolitan West Region, operate across other Regions).

CAREERS MARKETS

Mr **PICKARD** asked the Minister for Planning and Environment—

(1) How many large scale Careers Markets have been held in 1980?

(2) Where and when were they organized?

(3) What percentage of high schools and central schools currently have Work Experience Programmes?

Answer—

(1) Twenty large scale Career Markets were held in N.S.W. in 1980 as part of the schools' career education programmes. The dates and venues of these markets were arranged to provide a maximum service to students in the early part of the year without puting undue pressure on those central firms, professional organizations and educational institutions which are asked to attend markets all over the State.

(2) Tarnworth—March 11
Bankstown—March 20
Blacktown (Junior Market)—March 26–27
Kogarah—April 2
Manly–Warringah (Dee Why)—April 16–18
Central Coast (Gosford)—April 23
Nepean (Junior Market—Penrith)—May 22–23
Meadowbank—May 28–29
Castle Hill—June 3–4
Blacktown (Senior Market)—June 5
Central Metropolitan (Sydney Showground)—June 10–12
Eairfield—June 19
North Shore (Chatswood)—June 25–26
Armidale—July 10–11
Taree—July 29
Orange—July 30
Warrawong—August 14
Engadine—September 15
Nepean (Senior Market—Penrith)—September 23.

(3) In 1980 over 95 per cent of high and central schools in N.S.W. organized work experience programmes for their students; the number of students involved exceeded 35 000.

LOWER ABILITY PUPIL CURRICULUM SUPPORT TEAM

Mr PICKARD asked the Minister for Planning and Environment—

(1) What work has been undertaken since the beginning of 1979, by the Metropolitan West Secondary Lower Ability Pupil Curriculum Support Team (the E.A.P. team)?

(2) Has there been any evaluation of the effectiveness of the work undertaken by the team?

(3) If so, what were the findings?

(4) What will be the staffing provision for the Metropolitan West L.A.P. team in 1981?

(5) How does this compare with 1980?

(6) How many other similar teams are there?

(7) How long have they been operating?

(8) How successful have they been?

Answer—

(1) The Metropolitan West Secondary Lower Ability Pupil Curriculum Support Team (the L.A.P. Team) commenced working in the region at the beginning of 1979. The team comprises three full-time consultants with expertise in curriculum development in a general sense, and specific expertise in the areas of Reading, Language, Mathematics, Science and Living Skills. During the two years of its operation the L.A.P. Team has worked in schools in the Metropolitan West Region assisting teachers in the development and implementation of curricula and programmes which meet the needs of their lower ability pupils.

(2) A thorough evaluation of the effectiveness of the work undertaken by the team was carried out during 1980. This evaluation included surveys of teachers who worked with members of the team, assessing changes in the areas of Pupil Behaviour and Teacher Concerns.

(3) The evaluation showed that significant changes in pupil responses were evident as a result of the implementation of more relevant and meaningful programmes. It is also evident that teachers are very positive in their responses to the ongoing, "on-site" support that the L.A.P. Team is able to offer.

(4) In 1981, two of the members currently on the L.A.P. Team will continue working in the areas of Mathematics and Science. In addition, full-time consultants working in the areas of 7–12 English, 7–12 Social Science, 7–12 Home Science, 7–12 Industrial Arts and Secondary Curriculum Development will be available for support of teachers of our lower ability pupils.

(5) The new consultants mentioned in section 4 will spend approximately half of their time working in support of the L.A.P. Team. This represents an effective increase of one and a half staff in comparison to 1980. It also means that the team can offer support to a much wider range of curriculum areas.

(6) One. The Primary Curriculum Support Team.

(7) The Primary Curriculum Support Team began operating in the Metropolitan West Region in 1978 and has continued through 1979 and 1980.

(8) The Primary Curriculum Support Team has been a most successful operation. During the three years it has worked in the region approximately 150 primary schools have availed themselves of the resources provided by the team. This figure represents approximately 75 per cent of the primary schools in the region. Requests for visits to schools by the team for 1981 indicate a continuing demand for the use of the team's services in formulating school-based curricula and providing other support services.

SCHOOL CANTEENS

Mr **PICKARD** asked the Mister for Planning and Environment—

(1) Has guidance been provided in 1980 to relevant Departmental personnel and parent groups on the running of school canteens?

(2) How does this guidance compare with guidance provided by Departments of Education in other States and Territories?

(3) Has there been any evaluation of the impact of the guidance given in New South Wales?

(4) If so, what have been the results?

Answer—

(1) Yes.

(2) The Guidance given by the N.S.W. Department of Education compares favourably with guidance given in other States and Territories. The Department of Education has established the Committee on Dental and General Health Education in relation to Food Service Units in Schools to deal specifically with school canteens. This committee consists of representation from the Health Commission, the Dental Health Foundation and Health Education advisors from the Regional Offices of Education and representatives of the P. & C. Association. The Committee maintains close contact with similar committees in other States and monitors any changes and initiatives introduced by those States.

There are a number of programs at present being developed by other States in this area. **A** full ministerial inquiry has been launched in 1980 to investigate school canteens in W.A. The canteens in this State are established on similar lines. This inquiry is considering the Department's involvement in the aspects of wages, items sold, working conditions of canteen employees, insurance, health and dental care.

In South Australia, The Council for Health, Physical Education and Recreation, a professional association which consists largely of officers of the South Australia Department of Education, Universities and the Health Commission has studied conditions, etc., within school canteens during 1980. This committee is about to release its report in book form to all canteen managers throughout the State. The Committee is also hopeful that some of its recommendations will be adopted by the South Australian Government. The N.S.W. Committee is monitoring these developments; and the report, when released, will be critically analysed by this Committee.

The Tasmanian Government, which again maintains its canteens along similar lines to those used in N.S.W. instigated in 1974 a Committee established along similar lines to the N.S.W. Committee on Dental and General Health Education, to promote health food, hygiene, etc. in school canteens. This Committee has produced good results in that State, significantly reducing the amount of undesirable foodstuffs sold in canteens.

The Northern Territory has initiated a program, commencing in 1981 for primary schools and 1982 for secondary schools, in which a more practical role will be taken in the management and control of school canteens in that State. This program covers such areas as the colour coding of various food types sold in canteens according to their nutritional value. The emphasis of the program is that the canteen can be considered a teaching resource in the overall Health Education Program.

The Queensland Department of Education and the A.C.T. Education Authorities operate school canteens on a comparable basis to N.S.W. There have been no significant changes or developments in their systems in 1980.

The N.S.W. Department of Education, through the Committee on Dental and General Health Education Iiaises closely with other States in these and other projects, considering reports received from these States and the various initiatives proposed and/or introduced, and evaluating these initiatives with respect to the N.S.W. situation.

(3) and (4) There has been no formal evaluation of the impact of the guidance given in N.S.W. However, informal evaluations on the effects of the Department's program are made on a continuing basis. Information obtained through conferences and seminars conducted by the Committee on Dental and General Health Education, is evaluated to consider the effects of the current program. Feedback is regularly received from the Regional Health Education advisers who are in constant touch with schools within their regions, and are in an excellent position to evaluate the effects of the program as well as highlight any problem areas. Feedback is also received from P. & C. groups, and canteen managers themselves. These various groups provide a constant source of information on the effects of the guidelines provided. All information received from these sources is evaluated and the policy of the Central Committee is updated regularly to reflect the results of this evaluation.

TEACHER LIAISON OFFICERS

Mr PICKARD asked the Minister for Planning and Environment—

(1) How many Teacher Liaison Officers are there?

(2) Where are they located?

(3) What major needs are they fulfilling?

(4) Is the number of such officers adequate to service the needs of teachers?

Answer—

(1) There are *6* Teacher Liaison Officers

(2) These officers are located as follows:

Head Office—2 officers responsible for the Metropolitan Area and two country regions.

South Coast Regional Office—1 officer.

Hunter Regional Office—1 officer.

North Coast Regional Office—1 officer

Western Regional Office—1 officer.

(3) Teacher Liaison Officers form a link between individual teachers and the Department on administrative matters and provide up-to-date information and assistance in areas of personal and professional concern, e.g., leave, salary, promotion, retirement procedures, etc.

(4) Given additional resources, the Director General of Education would appoint additional officers to cover the two remaining country regions and extend the present service in the Metropolitan Area.

However, at present, an appropriate roster of school visits and office duties of the existing officers are coping with the present work load.

FIVE DOCK PUBLIC SCHOOL

Mr MAHER asked the Minister for Planning and Environment—

(1) Does the Government propose to improve and refurbish Five Dock Public School?

(2) If so, (a) what work will be undertaken, (b) when will the work commence and (c) what will the cost be?

Answer—

(1) Yes.

(2) (a) Repairs, renovations and conversions to provide a food service unit, improved administration facilities and additional toilet facilities. A free standing library is also to be provided.

(b) It is not possible to predict when the project for repairs, renovations and conversions will commence as planning is only in the initial stages.

A tender has been accepted and approved for the erection of a free standing library and it is anticipated that the project will be completed this financial year.

(c) Funds of $150,000.00 have been approved for the repairs, renovations and conversions, while an amount of $168,000.00 has been approved for the library project.

YARALLA SCHOOL TRANSPORT

Mr McILWAINE asked the Minister for Planning and Environment—

(1) What subsidies are paid to private bus operators for the conveyance of schoolchildren in the Yaralla electorate?

(2) What is the amount and extent of subsidies paid to each of the companies?

Answer—

(1) Normal term fares as applicable to individual services.

(2) ***Expenditure*** 1980

	$
Cumberland Bus	58,112.51
Deanes Coaches	4,559.75
Delwood Bus Co.	178.68
Harris Park Transport	1,696.80
North and Western Bus Line	68,606.80
Parramatta Bus Co.	132.11
Parramatta Ryde Bus	19,330.69
West Bankstown Bus	89.34
	$152,706.68

It should be noted that "wash up" payments for third term have not been paid, as returns have not yet been received from the bus companies. It is expected that the final expenditure will be 10 per cent higher (approx.), i.e., $168,000.

MARSDEN HIGH SCHOOL

Mr McILWAINE asked the Minister for Planning and Environment—

(1) Do plans exist for improvements and/or additions to Marsden High School?

(2) If so,

(a) what are these improvements; and

(b) when will they be effected?

Answer—

(1) Yes.

(2) (a) Architectural planning will soon commence for the provision of a free standing library and the updating of existing staff and administration facilities by conversion of existing spaces.

Funds in the vicinity of $300,000 were approved recently for repairs and renovations and the upgrading of science facilities.

(b) I cannot give an indication of when work will commence on the library project as this is dependent on the successful completion of planning and the availability of funds at that time.

The Building Construction and Maintenance Branch of the Department of Public Works has been requested to commence work on the repairs and renovation project as soon as possible.

RYDE PUBLIC SCHOOL

Mr McILWAINE asked the Minister for Planning and Environment—

(1) Do plans exist for improvements and/or additions to Ryde Public School?

(2) If so,

(a) what are these improvements; and

(b) when will they be effected?

Answer—

(1) Yes.

(2) (a) Funds in the vicinity of $80,000.00 have been approved for a programme of ground improvements at the school.

These works will include the construction of a netball court, turfing, drainage, footpath replacement and resurfacing.

(b) It is expected that this work will be completed this financial year.

WEST RYDE PUBLIC SCHOOL

Mr McILWAINE asked the Minister for Planning and Environment—

(1) Do plans exist for improvements and/or additions to West Ryde Public School?

(2) If so,

(a) What are these improvements; and

(b) when will they be effected?

Answer—

(1) Yes.

(2) (a) Conversions are to be undertaken to provide a library, staffroom, duplicating room, food service unit, communal area, sick bay, practical activities areas, indoor toilets and additional administration facilities.

(b) It is not possible to predict when these improvements will be effected as planning is a lengthy process for a project such as this.

RYDE BRIDGE

Mr McILWAINE asked the Minister for Local Government and Minister for Roads—

(1) Have studies been undertaken regarding the feasibility of installing Driver Aid Systems on the Ryde Bridge?

(2) If so, what systems are involved?

Answer—

(1) and *(2)* As the honourable member is aware, the Department of Main Roads in January, 1980 installed an automated computer controlled movable median system on the Ryde Bridge, such system being a type of "Driver Aid System". The installation included the provision of a modified computer connected traffic controller, loop vehicle detectors, movable medians, variable message signs and television cameras. The Department does not propose to provide any further facilities.

The Department is also examining the possibility of providing "Driver Aid Systems" on the Sydney Harbour Bridge and the Spit Bridge. However, investigations have not progressed to the stage where advice could be given of the types of systems likely to be adopted.

STATE RAIL AUTHORITY APPRENTICES

Mr ROBB asked the Minister for **Transport—**

Does the State Rail Authority have an employment policy which prevents the employment and transfer of an indentured apprentice?

Answer—

The State Rail Authority does not have an employment policy which prevents the employment and transfer of an indentured apprentice.

However, it is unusual for an apprentice to transfer into the Authority unless a vacancy has occurred, in which case, an application would be made to **the** Apprenticeship Directorate under the scheme for State Government Subsidized Apprentices for a replacement apprentice of similar standing.

The apprentice must meet the employment criteria to be employed by the Authority which consists of:

(a) Trade test.

(b) Medical test.

GRANTS TO SCHOOL COMMUNITY ORGANIZATIONS

Mr MOORE asked the Premier and **Treasurer—**

(1) Do the Budget Papers 1980–81 show in Section C1—Grants-in-Aid, that the grant to the Federation of Parents and Citizens' Association for 1979–80 was $30,000 and that for the Federation of School Community Organizations was **$7,500?**

(2) Did he say in his Budget speech that assistance during 1979–80 to the Federation of Parents and Citizens' Association was $43,000 **and** to the Federation of School Community Organizations was **$10,300?**

(3) If so, what is the explanation for the $13,000 and $2,800 discrepancies, respectively?

Answer—

(1) Yes.

(2) *Yes.*

(3) (a) Apparent discrepancy of $13,000 relating to payment to the Federation of Parents and Citizens' Association for 1979–80

The amount of $43,000 mentioned in the 1980–81 Budget Speech as assistance to the Parents and Citizens' Association during 1979–80 comprises $30,000 by way of direct grant and $13,000 being the cost of rail warrants issued to the Federation for travel by Federation delegates to approved functions. The cost of the rail warrants formed a charge against the Department of Education, Head Office item "B3. Travelling, Removal and Subsistence Expenses."

(b) Apparent discrepancy of $2,800 relating to payment to the Federation of School Community Organisations for 1979–80

The amount of $10,300 mentioned in the 1980–81 Budget Speech as assistance to the Federation of School Community Organisations during 1979–80 comprises $7,500 by way of direct grant and $2,800 being the cost of rail warrants issued to the Federation for travel to approved functions. The cost of the rail warrants formed a charge against the Department of Education, Head Office item "B3. Travelling, etc." item.

The 1980–81 allocations of $70,000 and $17,500 respectively for the Federation of Parents and Citizens' Associations and the Federation of School Community Organisations include provision for the purchase of rail warrants, the cost of which has been charged in previous years to the Department of Education, Head Office Item "B3. Travelling, Removal and Subsistence Expenses".