

Legislative Assembly

Tuesday, 28 April, 1981

Assent to Bills—Petitions—Questions without Notice---Corrective Services (Adjournment (S.O. 49))—Election Funding Bill (Declaration of Urgency)—Parliamentary Contributory Superannuation (Amendment) Bill (Introduction)—Election Funding Bill (second reading)—Allocation of Time for Discussion—Bills Returned—Adjournment (Campbelltown Electorate Parks)—Questions upon Notice.

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

ASSENT TO BILLS

Royal assent to the following bills reported:

Anti-Discrimination (Amendment) Bill
Defamation (Anti-Discrimination) Amendment Bill
Statutory and Other Offices Remuneration (Anti-Discrimination) Amendment Bill
Consumer Protection (Amendment) Bill
Dog (Amendment) Bill
Local Government (Dog) Amendment Bill
Periodic Detention of Prisoners Bill
Prisons (Amendment) Bill
Parole of Prisoners (Amendment) Bill
Stock Diseases (Swine Branding) Amendment Bill
Swine Compensation (Swine Branding) 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 shops, 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.

Petitions, lodged by Mr Crabtree and Mrs Foot, received.

Prevention of Cruelty to Animals Act

The petition of certain residents of New South Wales respectfully sheweth that:

Section 20 of the Cruelty to Animals Act may prevent the conduct of properly organized and supervised bushmen's carnivals and rodeos.

Your Petitioners therefore humbly pray that your honourable House will take action to repeal section 20 of the Cruelty to Animals Act.

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

Petition, lodged by Mr McCarthy, received.

School Funding

A Petition of the undersigned citizens, residents within the State electorates of Goulburn, Kogarah, Balmain, Bathurst and Burrinjuck 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 Brewer, Mr Crabtree, Mr Degen, Mr Osborne and Mr Sheahan, received.

Aboriginal Land Rights

The Aborigines of New South Wales have been dispossessed of their lands for almost 200 years.

The present New South Wales Labor Government established a select committee of the Legislative Assembly to enquire into land rights in New South Wales.

The select committee has completed its report on land rights and the report was tabled in Parliament on August 13, 1980.

The report recommends the implementation of Aboriginal land rights legislation in New South Wales and Premier Wran has committed the Government to the principle of land rights. Now we the undersigned strongly urge the New South Wales Government to implement without delay the recommendations of the select committee of the Legislative Assembly on land rights.

This your Petitioners humbly pray.

Petition, lodged by Mr Ferguson, received.

Casinos

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

- (1) That the gambling facilities in New South Wales are more than adequate.
- (2) That the principle of gambling in general and casinos in particular is harmful to the moral and social welfare of the people.
- (3) The legalizing of casinos is not in the best interests of the economy of New South Wales.

Your Petitioners therefore humbly pray that the honourable House will not take any steps to legalize the introduction of casinos, without democratically ascertaining the will of the people by a referendum.

Your Petitioners as in duty bound will ever pray.

Petition, lodged by Mr Akister, received.

Accommodation for the Aged

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

We request that a greater range of aged accommodation be made available in Leichhardt municipality including self-contained units, hostels, and nursing homes.

We also request that the former Queen Victoria Hospital in Albion Street, **Annandale** which has lain idle for more than three **years** and **which** is presently the subject of discussions between the Health Commission and the Presbyterian Church, be made available as hostel accommodation for inner city aged residents.

Petitions, lodged by **Mr McGowan** and Mr Osborne, received

Kissing Point Police Patrols

The Petition of residents of Kissing Point and near environs in the Commenera ward of New South Wales respectfully sheweth:

That vandalism, hooliganism and other associated crimes, arising from the activities of juvenile element within the community and young males of voting age does occur on a frequent basis, being offensive to said residents both visually and audibly, and further that the activities are potentially injurious to said residents and their property and property belonging to council in the **Commenera** ward.

Your Petitioners therefore humbly pray that your honourable House:

- (1) Increase patrol of Kissing Point area and near environs by Police in unmarked police vehicles.
- (2) In so doing decrease **vandalism**, hooliganism, reckless driving, and other associated juvenile offences.
- (3) Reverse the decision to close the Pymble Police station during late evenings and early mornings, when the majority of **juvenile** and other offences take place.
- (4) Introduce a 40 **kmp/h** speed limit along Kissing Point Road, from the Pacific Highway to the end of Kissing Point Road.
- (5) Seal off the entrance and exit of the South **Turrumurra** shop parking area during non-trading hours viz.: Monday, Tuesday, Wednesday, Friday, 7.30 p.m.–7.30 a.m.; Sunday, 7.30 p.m.–8.00 a.m.; Saturday, Thursday, 9.15 p.m.–7.00 a.m.

Petition, lodged by Mr Greiner, received.

Pulp Mill for Brewongle

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

That the proposed export softwood pulp mill at Brewongle will worsen existing water supply problems, require the planting of more publicly subsidized softwood plantations, lower water quality in the Fish and Macquarie Rivers and cause the loss of 800 acres of productive farmland.

Therefore we humbly request that your Assembly will:

- (1) Instruct that the proposal for establishing the pulp mill at Brewongle be dropped in favour of a more environmentally suitable location, e.g., on the coast.
- (2) Instruct that the maximum size of any pulp mill be dictated by the size of the current softwood planting programme in the Bathurst Forestry District of 54 000 hectares maximum.

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

Petition, lodged by Mr Osborne, received.

Public Funding of Election Campaigns

The Petition of landholders and residents of electorates in New South Wales respectfully sheweth:

That we protest most strongly against any requirement for the disbursement of public funds in support of election campaigns.

Your Petitioners therefore humbly pray that members of the Legislative Assembly reject any bills introduced into Parliament to give effect to such funding.

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

Petition, lodged by Mr Caterson, received.

QUESTIONS WITHOUT NOTICE

MEADOWBANK RAILWAY BRIDGE

Mr COX: I am now in a position to reply to a question asked by the honourable member for Yaralla on 24th February about the Meadowbank railway bridge. In keeping with his keen interest in transport matters in his electorate, the honourable member has consistently indicated his concern for improvements to be made to the Meadowbank railway bridge. I must say that after I visited the electorate of Yaralla with the honourable member and inspected this bridge, I shared his concern. Consequently, in the interest of the safety of persons using both the bridge and the railway, it was arranged to improve the situation by removing the present brick parapets and replacing them with a guard rail; removing the existing footpath, thus widening the bridge carriageway; and constructing a pedestrian bridge alongside the existing bridge.

I am pleased to be able to inform the honourable member and the House that the Sydney side parapet replacement has been completed and replacement of the Hornsby side parapet is expected to be finalized in about two weeks. A Bailey footbridge and its approaches for pedestrians have been completed and the entire bridge carriageway is available to vehicle traffic. The bridge work proper will be completed in about two weeks. Road approach works are being carried out in conjunction with the local council and should also be completed shortly.

RAILWAY STATION FOR AMBARVALE

Mr COX: I am now in a position to reply to the question that the honourable member for Campbelltown asked on 7th April about the construction of a railway station near Ambarvale and the electrification of the line from Campbelltown to

Goulburn. I am pleased to be able to inform the honourable member and the House that design and documentation is planned for calling tenders late this year to enable a physical start on Macarthur station in March 1982. The estimated cost will be approximately \$2.4 million, and funds will be allocated during the 1981–82 financial year. A construction period of twelve months is estimated. So far as the electrification of the line from Campbelltown to Goulburn is concerned, I am advised that at this stage it is proposed that this project be commenced in 1985–86 following completion of the work on the Illawarra line.

WAX TREATED FRUIT

Mr K. J. STEWART: On 9th April the honourable member for Orange asked me a question without notice regarding the waxing of apples. I informed him then that I did not have the information with me at that time, but would make it available as soon as possible. I now supply that information. In an attempt to achieve uniformity of food legislation throughout Australia, New South Wales, in common with other States, follows closely recommendations of the National Health and Medical Research Council. In October 1976 the N.H. and M.R.C. approved a standard for edible fats and oils which contained inter *alia* a recommendation that fats and oils packed and sold for use for protective coatings for fruit be permitted to contain certain additives. Though designed to permit the use of these products in dried fruit it was expressed in more general terms. This recommendation was adopted into regulations under the New South Wales Pure Food Act.

In March 1980 the Food Science and Technology (Reference) Subcommittee of the N.H. and M.R.C. considered a specific application for the waxing of apples. It rejected the application on the grounds that there was no technological justification for the waxing of apples and that its use was purely of "cosmetic value". This recommendation was then forwarded to the Food Standards (Standing) Committee of the N.H. and M.R.C., which recommended an amendment to the standard for edible fats and oils to remove the apparent permission for any fruit to be treated with a protective coating and to include the permission within the standard for dried fruits. Subsequently this amendment has been approved by the Public Health Advisory Committee during its deliberations in Sydney last week.

The New South Wales Pure Food Advisory Committee has already considered the amendment and recommended that these changes be incorporated into the regulations under the New South Wales Pure Food Act. They are now being forwarded to the Parliamentary Counsel for final wording in a form suitable for insertion into the legislation. As soon as this is done the Health Commission of New South Wales will be in a position to enforce these requirements. I am informed that a further submission has been made to the Food Science and Technology Subcommittee on the waxing of apples. The submission contains additional information and will be considered at its next meeting, which is scheduled for 13th and 14th May this year. In the event of a contrary recommendation coming from that committee there would obviously be a need to review the situation. I have received further representations from the Batlow Branch of the Livestock and Grain Producers Association and these representations will be considered pending this review.

AIR AMBULANCE SERVICE

Mr K. J. STEWART: On 14th April the Leader of the Opposition asked me a question without notice regarding the air ambulance service in New South Wales. I informed him then that I would seek full details and advise him as soon as possible. I

should like to advise the Leader of the Opposition and the House that he has apparently been briefed by Alderman B. Semmler, chief executive officer of the Dubbo Base Hospital, who continues to make attacks on the ambulance **administration**, in particular, the administration of the air ambulance service.

The **claim** by the Leader of the Opposition and Alderman Semmler that patients are "dumped" at intermediate hospitals at unseemly hours must be challenged. It is true that in the early stages of developing the air ambulance base at Dubbo it was sometimes found necessary to stage a patient at the Dubbo Base Hospital, but only when the necessary arrangements had been made with that hospital. As trained air ambulance crews became available for basing at Dubbo the need for this practice eased. The further claim of the Leader of the Opposition that the air ambulance service is unable to operate directly between country centres and that patients must be transported through Sydney is not correct. An examination of air ambulance records discloses that during the first three months of 1981 eighty patients were transported between **country** cities or towns and that of this number seventy-eight were flown direct. The two remaining cases, one a patient being transferred from Coffs Harbour to Dubbo and the other a transfer from Bourke to Wagga Wagga, were both flown via Sydney. No stopovers were involved, the patients being transferred to other **aircraft**.

In the *Dubbo Liberal* of 18th April, 1981, Alderman Semmler is reported as **saying**, "It is policy that the air ambulance has to go through Sydney so a patient **being**, transferred from Dubbo to **Armidale**, for instance, cannot be flown directly there. This statement indicates Alderman **Semmler's** lack of knowledge of the air ambulance service. Likewise **Alderman** Semmler is reported as stating that a woman whose husband and child were killed in an accident near **Tomingley** had received **serious** injuries and after she had been treated for some time the doctor in charge had recommended she be transported to her home town **hospital** at **Griffith** or **Leeton** and that she had been flown to Sydney, admitted to a hospital, then discharged the next day and **flown** home. The facts are that the lady had a dislike of flying and **so** it was **arranged** for her to be transported by road ambulance. No movement by **air** ambulance was involved. The accident occurred in 1978.

In the Wagga Wagga Daily *Advertiser* of 22nd April, 1981, there appears an article headed "District Hospitals Back Air Ambulance" in which it is reported that **Riverina** districts hospitals have refuted criticisms of the operations of the air ambulance service in New South Wales. Responsible senior officers of the Wagga Wagga Base, **Griffith** Base, **Deniliquin**, West Wyalong and Temora hospitals are all quoted as **speaking** in favour of the service. The question asked by the Leader of the **Opposition** is **typical** of the intemperate, inaccurate and hypercritical attacks by him on the **ambulance** service of New South Wales.

WATER RATES

Mr MASON: On behalf of the Opposition may I say how delighted we are to welcome back to the House the Deputy Premier, Minister for Public Works and Minister for Ports. I address a question without notice to **h i**. In view of the recent **decision** by the Metropolitan Water Sewerage and Drainage Board to increase water rates by 12½ per cent, I ask the Minister whether most of this savage increase in charges—which is higher than the current rate of inflation—will go towards servicing **the** board's massive debt repayment of \$170 million a year. Was one of the causes of the increase in charges the decision of the board to scrap the private contractor

system in favour of day labour, which is resulting in a heavy increase in costs? Will the Minister table the McKinsey report into the running of the board so that the facts as to how the board has got so deeply into debt and what has caused it to impose this new slug on Sydney householders can be examined by the House?

Mr FERGUSON: I thank the Leader of the Opposition for his welcome back. I note that he did not extend a welcome to the Premier when he returned to the House after a period of illness. Perhaps that is an acknowledgment of my performance as acting Premier at that time. It ill behoves the Leader of the Opposition to talk about a savage increase in water rates of 12½ per cent that is to be imposed on the residents of Sydney. When the Leader of the Opposition was a member of the Government, in one year there was a 50 per cent increase in water board rates. In the five years that this Government has been in office it has shown its concern for the level of water and sewerage rates, not only in the Sydney water board area and the Hunter district water board area but throughout the State, by expending record sums in subsidies for country water and sewerage schemes. Not one member of the Opposition can refute the statement that the present Labor Government has increased expenditure on water and sewerage services.

The Leader of the Opposition asked a series of questions and based his whole argument on the basis of a 12.5 per cent increase in water rates. I remind the honourable member that the federal Government, which he supports, is causing inflation through the way it mismanages this nation. Because of that mismanagement, charges in various services are bound to rise. However, I categorically deny the allegation of the honourable member that the discontinuance of private contractors' operations in the industry has led to steep increases in water rates.

HOUSING INDUSTRY

Mr FLAHERTY: I direct a question without notice to the Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport. Did the Minister on 24th February and 17th March in this House answer questions relating to the inquiry into the nature and terms of employment in the New South Wales housing industry, by stating that the report had not been received but that when it was received it would be released for comment? Is the Minister aware of allegations made by members of the Opposition in another place, in the newspapers and on radio that he and the Government have been sitting on the report since February? Can the Minister inform me and the House of the facts and whereabouts of the Burns report?

Mr SHEAHAN: I thank the honourable member for Granville for his question. The first part of the question asked by the honourable member referred to answers I gave in the House in February and March this year. The answer to that question is, yes. I said at the time that I did not have the report and that I would release it for comment as soon as it became available.

Mr G. A. Burns, a former New South Wales conciliation commissioner, was given a commission by the Governor on 16th May, 1979, to conduct the inquiry referred to by the honourable member for Granville. The first sitting day of the inquiry was 29th May, 1979. The commissioner held public hearings spreading over fifty-two days and he spent two days on field inspections and another week on random interviews. The inquiry heard 124 witnesses and 26 organizations were represented before it. The evidence was completed in February 1980, and the transcript of evidence ran to 4 000 pages.

Soon after becoming Minister for Housing I discussed the inquiry with Mr Burns and told him that the Government wanted his report urgently. Mr Burns had been ill and told me he would submit his report in two parts—the first part by June 1980, and the second part by the resumption of Parliament in August 1980. When the first part of the report was not available by June, Mr Burns told me he had almost completed his work and would submit the report as one document to His Excellency the Governor. I have stated consistently to all interested groups that as soon as the Government received the completed report it would be released for comment. I still have not received the report as it has not yet been presented to His Excellency the Governor.

Mr McDonald: Would the Minister like a copy?

Mr SHEAHAN: Yesterday morning, when I asked to see the report, the permanent head of my department saw the rough draft for the first time and sent it up to me. That is the only document I have—a very rough draft and in no condition for presentation to the Governor. I received that at 6.30 p.m. last night when I returned to Sydney from the country after attending a function with the Attorney-General and Minister of Justice, the honourable member for Wagga Wagga and the honourable member for Albury. I know of no other Government supporter who has seen even the draft document, let alone held it back, as claimed by the Opposition and the media. I assure the House that arrangements are under way for a copy of the report to be presented to the Governor this week—

[Interruption]

Mr SHEAHAN: It is not my responsibility to present the document to the Governor. It was the Governor who gave the commission to Mr Burns. Printed copies should be available for public distribution within the next two weeks. I shall certainly honour my undertaking to make public the document and the Government will consider responses from all interested parties. No undertaking was given regarding any policy action by the Government arising from the report. The only promise given was that there would be an inquiry and that the report would be considered on its merits. As the report reveals in the last paragraph I had no discussion with Mr Burns about what he should or would recommend, though he sought discussion with me about some of the problems he faced in completing the report. I steadfastly refused to discuss or allow any officers from my administration to discuss the substance of the report. I was determined, as I still am, to ensure that whatever recommendations he has decided to make should stand or fall on their merits—and the Government is concerned to see to it that they will. I repeat: I did not see even the draft report until last night. I call on the Deputy Leader of the Opposition and his colleagues in both Houses to say how they came to have what they purport to be a copy of the report.

[Interruption]

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

Mr SHEAHAN: This is the first such report to be presented to the new Governor and he has been seriously embarrassed by the actions of the Opposition and the Master Builders Association in this matter. Everything was done to ensure that the proper procedure was followed in presenting the report to His Excellency—so much so that I had not seen the draft until after the Deputy Leader of the Opposition apparently stole the document he claims is a final report. By alleging that I or **the** Government have been sitting on the report, the Deputy Leader of the Opposition **is** questioning the integrity of the Governor and officers of my administration, and **they** have no means of defence. I condemn the Opposition here and in another place

for doing this. The report must be and will be presented to His Excellency the Governor before it is submitted to the Government and released for public comment. When the formalities are completed I shall release the report and, if the House is still sitting, I shall table it.

Mr McDonald: There is not much chance of that.

Mr SHEAHAN: Perhaps the Opposition will table the copy of the report it has and we might know from where that came. From what I have seen in the past twenty hours the report includes some substantial recommendations and comments that will require detailed examination by the industry and the Government. This examination should not be sidetracked or steamrollered by delays in the completion of that report nor by the sensational headlines given to the Deputy Leader of the Opposition and his friends in the Master Builders Association apparently by a leaking of its contents.

Last year I was amazed to learn that the real case of the employer groups, particularly the Master Builders Association, was not presented to the inquiry but was in the hands of the Opposition. Now this document thief wants me to come clean, as he said this morning on ABC radio. The document I have requires a great deal of proof reading before it could be presented to the Governor, let alone be printed and released for public comment.

As for the statement that yesterday I said I had had the report for two weeks and then changed my story, it is a fact that a couple of weeks ago my press secretary overheard part of a conversation I had with my permanent head regarding delay in the presentation of Mr Burns' report. My press secretary understood from that conversation that the report was printed and presented two weeks ago. While I was with the honourable member for Wagga Wagga yesterday that matter was disposed of. There has been a delay at the Government Printing Office and also on the part of the commissioner. Only yesterday was it learned that a rough draft of the report was to be presented to me; my press secretary telephoned the reporter in question to make known what the position was. The position now is that the report is being prepared for presentation to the Governor. There has been gross discourtesy to the Governor by the Opposition and the Master Builders Association. A copy of the report will be made available as soon as it is printed.

HOME BUSH ABATTOIR

Mr PUNCH: I direct a question without notice to the Minister for Industrial Development and Minister for Decentralisation, representing in this House the Minister for Agriculture. Does the appointment of Mr Duncan Marshall as general manager of the Homebush abattoir corporation expire in three days? If so, what arrangements have been made by the Government to replace him? Has the Minister yet received the recommendations he requested from Mr Marshall on the future of the corporation and, if so, how do they compare with the proposals of the long-concealed Regan report which allegedly recommends the closure of Homebush? In view of their connection with maintaining country abattoirs and employment in country towns, will the Minister report to me and the House this week on the future of Homebush and the Regan report?

Mr DAY: I am unaware of the exact date on which the appointment of Mr Duncan Marshall will terminate at the **Homebush** abattoir. I have no doubt that the whole matter is receiving the attention of the Minister for Agriculture. I shall refer the question to that Minister and provide the honourable member and the House **with** his response.

TOXIC SHOCK SYNDROME

Mr CLEARY: I direct my question without notice to the Minister for Health. Is it a fact that several complaints have been made about a certain brand of **tampon**? In view of the importance of total hygiene as a safeguard to protect the users of tampons against toxic shock syndrome, will the Minister inform me and the House what action can be taken to protect the public?

Mr K. J. STEWART: I thank the honourable member for Coogee for his question. I have received inquiries from newspapers about alleged insect infestation of a certain brand of tampon. I understand also that the Health Commission of New South Wales has received other complaints along the same lines. As toxic shock syndrome is believed to be closely linked with the question of personal hygiene, the suggestion that some tampon packages have insect infestation is of grave concern to me and I am sure to all honourable members. Accordingly, I have asked the **Health** Commission to advise me about the following matters: in what way the subject might be referred to the National Health and Medical Research Council with a view to ascertaining how measures can be taken to have a uniform national approach to safeguard **the** public against unhygienic tampons; what action can be taken to ensure that materials used in the manufacture of tampons are made as hygienic as those used in hospitals and operating theatres; what action can be taken to have the tampons in question hermetically sealed by the manufacturing company; what action can be taken by the pure foods branch to ensure that items of a personal medical nature for which hygiene is important are displayed and sold in conditions where outside contamination risk is **minimal**; and, what action can be taken to ensure that the handling of the manufacture of tampons is quality-controlled both at the primary and warehouse sources as is the case with cotton-wool used in intensive care units and operating theatres? As soon as I have a report from the Health Commission of New South Wales I shall advise the honourable member and the House further.

DAMAGES FOR PERSONAL INJURY

Mr MOORE: My question without notice is addressed to the Premier and Treasurer. As the Attorney-General and Minister of Justice has informed the House that carriage of any legislation to overturn the decision of the High Court of 10th February in the case of *Pennant Hills Restaurant Pty Limited v. Barrell Insurances Pty Limited* is the responsibility of the Premier and his department, will he advise whether legislation is proposed to limit the effect of the decision, and whether he is, willing to announce now an operative date for such legislation pending its introduction.

Mr WRAN: The Government through the Treasury and the Government Insurance Office is looking at the short-term and the long-term implications of Barrell's case. It throws up the prospect of damages in personal injury cases at a level heretofore not experienced in the courts of Australia. Certainly if unchecked legislatively this decision will sooner or later have its effects upon the level of third party insurance premiums in all States of the Commonwealth and, indeed, on premiums under

workers' compensation laws which are referable, of course, to industrial accidents. The honourable gentleman may be assured that the Government is alert on the one hand to the social implications spelt out by Barrell's case in relation to damages for injured persons, and on the other hand the implications in relation to the premiums structure of policies involving personal accident insurance. The Government is seeking some balance between the two. Though it is not by any means an easy matter, the honourable member may be assured, as may all honourable members and the public, that the best advice available to the Government is being taken. In due course a value judgment will need to be taken.

PARAMEDICAL AMBULANCE OFFICERS

Mr ANDERSON: Is the Minister for Health aware of statements made last week by the Leader of the Opposition alleging withdrawal from duty of paramedic ambulance officers during recertification courses? Will the Minister inform the House what services will be maintained during these courses?

Mr K. J. STEWART: My attention was drawn to statements made last week by the Leader of the Opposition about paramedic ambulance services. I endured four television video replays to watch the Leader of the Opposition mouthing the most horrible untruths and inaccuracies concerning paramedic ambulance services in the Sydney metropolitan area.

Mr Wran: The Leader of the Opposition should apologize.

Mr K. J. STEWART: Yes; the Government would not want the Leader of the Opposition to resign; an apology from him would be sufficient. It is a fact that from Monday, 27th April to Friday, 1st May paramedic recertification courses **will** be held at the Royal North Shore Hospital. It is essential for paramedic officers to do a recertification course each two years to maintain their expert knowledge and skill. During the retraining period only two shifts will not be covered **fully** by paramedic teams, these being on Wednesday, 29th April when one paramedic officer will be rostered at the Randwick ambulance station on the 7 a.m. shift, and on Friday, 1st May on the 11 p.m. shift at Rockdale where one paramedic officer **will** be rostered for duty. I add that two paramedic officers comprise a team. On each of the occasions that I have mentioned a senior ambulance officer will be available to work with the paramedic officer so that no intensive care ambulance will be **off** the road during the recertification training period.

The Leader of the Opposition contended that every paramedic ambulance would be off the road for a fortnight. Further, contrary to the views expressed by the Leader of the Opposition, the Health Commission of New South Wales is continuing to train more paramedic officers. In fact, one course is presently under way and another two are planned to be held soon. Later this year the service will be strengthened by intensive care ambulances being based in the inner western suburbs, on the Manly-Warringah peninsula, and in the Sutherland shire. The provision of these ambulances is being made possible by the generous public support of appeals organized by the mayor of the Ashfield municipality, the Frenchs Forest Rotary Club, the Caringbah Apex Club, and the Lane Cove Lions Club. Since 1976 ten paramedic training courses have been completed in which 139 students were trained. **As** at 31st March last, 117 paramedic officers were working in the Sydney, Newcastle and Wollongong areas. Sixteen additional officers are presently undertaking the clinical segment of training course No. 11. Training courses 12 and 13 are scheduled to commence on 8th June and 7th September. Applications have been called from officers wishing to be considered for paramedic training. Again I remind the House that the

statement made last week during the television appearance of the Leader of the Opposition is typical of the vendetta being waged by him against officers of the ambulance service of New South Wales.

EXPRESS PASSENGER TRAINS

Mr BREWER: Will the Minister for Transport state whether the first XPT set will be run on the Canberra–Goulburn–Sydney run? Will this set replace train No. 38, the Sydney–Monaro express? If the XPT set replaces No. 38, will the Minister ensure that the new train will stop at Bungendore, Goulburn, Bundanoon and Moss Vale, as is the case with train No. 38, so that people in these districts will not be disadvantaged when travelling to Canberra or Sydney?

Mr COX: The question of whether the XPT set will run between Sydney and Canberra is currently under discussion by a committee of representatives of the federal Government and the State Government. Proposals along those lines have been considered for some time. The federal Government is considering the financial arrangements between that Government and the State. In accordance with the suggestion of the federal Government, I have written to the Premier and Treasurer. The proposal is with him. No final determination has been made. I am not in a position to inform the honourable member for Goulburn whether the train will stop at Bungendore and the other places mentioned by him. I assure honourable members that eventually a first-class train of world standard will be provided; it will revolutionize the transport system in country areas of New South Wales and adequately meet their needs.

PART-TIME TEACHERS AT UNIVERSITIES

Mr PETERSEN: My question without notice is addressed to the Minister for Planning and Environment who represents in this House the Minister for Education. Has a decision of the Commonwealth academic salaries tribunal resulted in a considerable reduction in wages paid by universities to part-time teachers by reducing the paid hours for repeat tutorials? Is the Minister aware that this decision was not implemented in Western Australia or at the Monash and Melbourne universities? As universities in New South Wales are constituted under New South Wales Acts, why was the decision of the academic salaries tribunal implemented at the University of Sydney and the University of New South Wales? What action can the Government take to prevent erosion of the living standards of part-time university teachers?

Mr BEDFORD: The honourable member for Illawarra has raised a number of issues about arrangements between the Commonwealth and the States on payments of academic salaries. No doubt those matters will be examined closely by members of the universities and colleges of advanced education. I shall refer the honourable member's question to my colleague in another place and request a detailed reply.

NUMBER PLATE SLOGANS

Mr CAMERON: My question without notice is directed to the Minister for Transport. Have a number of other States won a happy acceptance for the number plate slogans used by them, such as "Garden State" in Victoria, "Sunshine State" in Queensland, "State of Excitement" in Western Australia, and "Holiday Isle" in Tasmania? Is there in New South Wales a regrettable lack of acceptance of the rather

jingoistic and boastful title "Premier State"? Will the Minister consider changing the New South Wales slogan to the more acceptable and true slogan "Foundation State"?

Mr COX: The Government does not propose to alter the slogan of "Premier State". That clearly announces that New South Wales is the premier State—the State with the greatest potential, largest population, least unemployment and most growth in Australia. New South Wales is leading the rest of Australia out of the financial turmoil caused by the Fraser Government.

PLASTIC ICE CUBES

Mr RAMSAY: I address a question without notice to the Minister for Consumer Affairs. Is it a fact that plastic ice cubes, upon which the Minister has placed an interim ban, were imported? What action is being taken to prevent the import of consumer products that might threaten the safety and well-being of citizens?

Mr EINFELD: The honourable member for Wollongong is a member of a **committee** that acts in an important advisory capacity to me. I pay tribute to him as one of the most active members of that committee, which has been of untold assistance. It is true that the plastic ice cubes, on which I have placed a temporary selling **ban**, were imported from the United Kingdom. Also, it is true that the scientific officer, made available by my colleague the Minister for Health from the Division of Occupational Health and Radiation Safety, who examined these cubes said that the water within some of them was contaminated and unfit for human consumption. In fact there are reports that two persons, one a lady and the other a baby, contracted gastroenteritis after swallowing the water. I placed an interim ban upon the sale of the plastic ice cubes while they were the subject of an investigation by the Safety Products Committee, as is required by law.

The ice cubes are one of a number of imported products, including toys, that have been causing the Government considerable concern for a long time. Constitutionally, imported products are a matter for the Commonwealth. I have raised the matter of safety of imported products with at least three federal Ministers. I have suggested that the federal Government give serious consideration to taking action at the port of entry to prevent the importation of dangerous goods. Would not any normal person think that a government responsible for imported goods **would** do something about investigating the possible danger of those goods at the port of entry? No; the **Commonwealth** Government has said consistently that that job is **too difficult**.

In recent times the New South Wales Government, after inquiries by the Products Safety Committee of the Department of Consumer Affairs, has had to ban the importation of teething rings for babies as they were of such design that they could choke babies. In fact, one child almost choked to death. Also, the Government has banned several other articles, including the falcon hunting sling, which fires bearings at lethal speeds; a space saucer that disintegrates at high speeds; a diving helmet that could cause drowning; a toy machine-gun that fired pellets at dangerous speeds; a finger chopper, which literally chopped small fingers; and a hydro-pneumatic rocket which the Products Safety Committee said was potentially the most dangerous toy ever imported.

One would think that a responsible government that examines importations **to** prevent drugs coming into Australia—and we **know** there are plenty—and quarantines various vegetable products would, whatever the cost, investigate the **importation** of products for use by children and adults with a view to preventing those products from

being imported if they are found to be dangerous? The answer of three federal Ministers responsible for consumer affairs and customs is that they have been advised that it is too **difficult**. I do not deny it is **difficult**, but is that **sufficient** reason if the life of one child can be saved? It should be done, whatever the cost or whatever the difficulty.

The New South Wales Government is urging the Commonwealth Government to take steps to prevent the importation of dangerous goods. We should not have to wait until the goods are on sale in a retail store, or until someone has bought a dangerous product before such products are banned under the laws of this country. On 15th May next, when Commonwealth and State Ministers of Consumer Affairs will be meeting in Brisbane, I shall raise again the importance of the Commonwealth taking action at the port of entry to prevent importation of goods that are or may be harmful to children and adults in Australia. I hope on that occasion the will of the New South Wales Government and its people will be listened to and that action will be taken by the Commonwealth to prevent the importation of dangerous goods into Australia.

INVERELL FREIGHT DEPOT

Mr BRUXNER: I direct a question without notice to the Minister for Transport. Does the Minister recall my question to him on 25th February relating to freight charges imposed on rail consignments to Inverell being based on a fictitious distance? In view of the undertaking given by the Minister on that occasion, is he aware that those charges are still being imposed? Will the Minister take immediate action to correct this injustice, or does he intend to make Mr David Hill the best known train robber since Ronald Biggs?

Mr COX: It is true that on 25th February the honourable member asked me a question and I informed him and the House that I would seek further information for him. Some information was supplied by the State Rail Authority. However, I was not happy with the details supplied by the authority and I referred the matter back to it. I shall have an answer for the honourable member later this week.

PAYROLL TAX REBATES

Mr MAIR: I address a question without notice to the Minister for Industrial Development and Minister for Decentralisation. In 1977 did the Government introduce payroll tax rebates and exemptions for certain country-based industries? How many industries have participated in that scheme, what has been its cost and what employment benefits have resulted for country New South Wales? How many industries in Albury have benefited, and by how much? How does assistance to Albury compare with other areas?

Mr DAY: I commend the honourable member for Albury upon his question. He has always shown diligence in pursuing matters of interest to his electorate. As the honourable member pointed out, in 1977 the Government introduced a payroll tax rebate scheme for country-based industries. Already 772 industries have been approved for registration as industries eligible for such rebate. Expenditure on these rebates started in 1977-78 and cost \$6.09 million. It is expected that in the **current** year the cost will be in the vicinity of \$10 million. The rebate scheme applies to payroll tax paid in the preceding financial year. This initiative of the Labor Government has

proved to be worth while indeed. In monitoring the progress made by industries assisted in this way, it has been stated to the Government that there has been a 7 per cent increase in employment in the past two years. This is most gratifying.

Since their introduction in 1977, payroll tax rebates have been paid to thirty-five industries in Albury to a total value of \$2.9 million. These rebates in Albury have resulted in a 16.2 per cent increase in regional employment figures over the past two years, compared with a State average of 7 per cent. The scheme has been particularly effective in the Albury electorate. Because Albury is a national growth centre and also because of its enterprise, it has received a great deal of government assistance in other ways. Since the Labor Government was elected to office fifty-five **firms in Albury** have received assistance to the extent of \$11.8 million. Fourteen new industries have been established in the city with departmental assistance. Forty-one **existing** industries have been assisted to expand their operations. Employment in the Albury–Wodonga **growth** centre increased by 8.9 per cent during 1978–79, **while** the national average was 1 per cent. The Government's activities have been of significant benefit to the people of the Albury electorate.

It is estimated that \$114.7 million of private capital investment has been provided in Albury–Wodonga during 1980–81. Government activity has generated a great deal of this private capital investment. The Murray Industry Development Board has **been** very active in the region. The **chairman** of the board has adopted a constructive attitude to government initiatives in the area. The progress achieved is a credit to the Government. I am sure that the honourable member for Albury will agree that the Government's assistance to his electorate and to the growth centre has been creditable.

CHATSWOOD DEVELOPMENT

Mr **GREINER**: My question without notice is directed to the Minister for Planning and Environment. Why did the Minister ask Willoughby council by letter **dated** 23rd February, 1981, to refer to him two development applications commonly **known** as the David Jones and Westfield applications? Does the Minister realize that **neither** of these applications was before council at the time of his letter? Was the application from David Jones approved by council, by the Planning and Environment **Commission** and by the Supreme Court over a period of seven years ending in 1980? Was the Westfield application received on 24th February—that is, the day after the Minister's letter?

Mr **BEDFORD**: The honourable member for Ku-ring-gai will be aware that a "hearing has been set up for this matter and it is due to begin tomorrow. In the circumstances it would be inappropriate for me to make any comments on his questions.

KEMPSEY SHELTERED WORKSHOP

Mr J. H. **BROWN**: I address a question with notice to the Minister for Lands, Minister for Forests and Minister for Water Resources. Is the Minister aware that the committee of the Kempsey sheltered workshops is attempting to expand its activities by the construction of a hostel? Are a number of similar organizations desirous of joining in the project? As this is the International Year of Disabled Persons, **will** the Minister give an assurance that Crown land will be made available for **this purpose?**

Mr GORDON: I am aware that this is the International Year of Disabled Persons. I am aware also that the honourable member for Raleigh has approached the Department of Lands for an area of land for extending the premises occupied by disabled persons at Kempsey. I assure him that I shall give early consideration to his request, and possibly it will be favourable.

TOTALIZATOR AGENCY BOARD

Mr MCGOWAN: I address a question to the Minister for Sport and Recreation, Minister for Tourism and Assistant Treasurer. Has the New South Wales Totalizator Agency Board come a long way since its establishment in 1964 and is it now one of the most highly regarded operations of its kind? Is the board constantly looking at ways of improving and streamlining its operations? Has the board recently introduced further innovations designed to improve its service to the State's punters?

Mr BOOTH: I thank the honourable member for Gosford for his question. It is true that the New South Wales Totalizator Agency Board has grown remarkably since it began operating on 9th December, 1964. At that stage it had six agencies and about one hundred full-time employees. Turnover in the first year amount to over \$11 million. Today the TAB has 573 agencies including 39 subagencies, 471 full-time employees, 531 agents and 2 500 casual employees. Turnover during the past financial year exceeded \$952 million. The TAB believes that this year its turnover will exceed the billion dollar mark. One of the reasons for this dramatic growth, covering all aspects of activities, has been the TAB's willingness to consider new methods of management, equipment and technology, to improve the service it provides. Recently the board introduced a change—made possible through alterations to its Tabmark computer system—which enables the names of horses and greyhounds to be printed on customers' tickets. This service has been provided to help customers identify winning tickets and check betting details. The system has been operating in the central business area of Sydney and in all country Tabmark offices for a few weeks and so far the response has been heartening. The facility will become available in the Sydney metropolitan area as older computer equipment is replaced by the new Tabmark 2 system.

In recent times the board has noticed a falling off in the number of race meeting broadcasts in country areas, and this has caused some concern. The board has decided to supplement existing services by purchasing a direct line from Radio 2KY Sydney to the TAB head office in Ultimo and relaying race broadcasts by way of a Telecom private line network to each country agency. During March all nineteen TAB agencies in the New England region served as a pilot for the project, which enables punters to listen to the full 2KY racing service. The board intends to expand the service as soon as possible to all country areas. These initiatives are part of a continuing effort by the board to improve its service. The board hopes that by June its new Teletext service will also be operating to display likely TAB totalizator odds. Under the proposal a link will be established between the TAB's computer complex at Ultimo and Channel 7. Odds will be computer generated from early TAB betting and transmitted to Channel 7 for teletext transmission. TAB customers using television sets equipped to receive teletext transmissions will be able to follow the trend of betting. TAB agents will also be allowed to provide receiver sets for the benefit of their customers. The service will principally assist customers operating telephone betting accounts, especially for night meetings when TAB cash offices are closed.

I take the opportunity to pay tribute to the late Al Smith, deputy general manager of the Totalizator Agency Board since its inception. Unfortunately he passed away during the Easter break. He played a major role in developing the TAB facilities throughout New South Wales. He won acclaim as a worldwide authority on off-course operations. Much of the board's success is attributable to him.

PENSIONER DIABETICS

Mr SCHIPP: Has the Minister for Health been asked to assist pensioner diabetes sufferers with the cost of their insulin needles? Do most, if not all, other States offer such assistance? Has the Minister plans to help New South Wales pensioners obtain these costly but necessary items?

Mr K. J. STEWART: I cannot recollect being approached about the matter, but as it is important I shall seek a report and give the honourable member and the House more information later.

PORTLAND RESIDENTIAL LAND

Mr R. J. CLOUGH: My question without notice is directed to the Minister for Lands, Minister for Forests and Minister for Water Resources. Is the Minister aware of the critical shortage of residential home building sites in the township of Portland? Will the Minister request officers of the Department of Lands to report whether Crown blocks are available, with a view to co-operating with the Council of the City of Greater Lithgow to put these blocks on the market?

Mr GORDON: The honourable member for Blue Mountains has approached me on this subject and recently I signed a letter to him advising that three parcels of residential blocks will be available shortly in the Portland area. From memory, the first parcel will be available in about two months, the second in about six months, and the third in about twelve months. The letter is on the way to the honourable member, who should have it within a few days.

COMMUNITY EDUCATION COLLEGES

Mr PARK: I direct a question without notice to the Minister for Planning and Environment, representing in this House the Minister for Education. Is it a fact that in 1976 the Government and the Minister supported me in a request for the implementation of a recommendation of the Correy committee that community colleges be established at Dubbo and Tamworth? As a community college is being established in Dubbo, will a community college be established in Tamworth and, if so, when?

Mr BEDFORD: I recall the 1976 report, known as the Correy report, in which recommendations were made for the establishment of community colleges in New South Wales. I recall also that at that time two colleges were mentioned, namely, Orana at Dubbo and a college at Tamworth. During an assessment of the report the Government took the view that the establishment of the Orana college should have priority. As the honourable member is aware, and I am sure the Leader of the Opposition is aware, that college is now well under way. A great difficulty associated with the establishment of community colleges is the question of cost funding between the State and the Commonwealth Government of particular courses that are to be established. This entails a great deal of discussion between officers of both governments.

Without committing the Government or my colleague in another place to a time when a college may be established at Tamworth, I can say that there **will** need to be a period between now and the making of any decision to establish a college at **Tamworth** during which the Government **can** make a proper assessment of **how** the Orana college is operating and the areas in which it may need to be either strengthened or changed. This is necessary in order that when the Government moves to establish further community colleges it can do so with the benefit of the experience gained from the establishment of the Orana college. I cannot say whether the Minister in another place will be able to give any more definite details about the **timetable** but I shall certainly raise the matter with him and ask **him** to respond to the honourable member.

CORRECTIVE SERVICES

Adjournment (S.O. 49)

Mr SPEAKER: I have received from the honourable member for Pittwater notice under Standing Order 49 of his desire to move the adjournment of the House to discuss a specific matter of recent occurrence and of **sufficient public** importance to warrant urgent consideration, namely, the conflicting statements made yesterday by the Minister for Corrective Services and the commissioner concerning the use of police in the administration of the department.

Mr SMITH (Pittwater) [3.16]: I move:

That this House do now adjourn.

Mr Walker: On a point of order. Mr Speaker, as I understand it, your task in this matter is to determine whether the matter comes fairly **within** at least the spirit of the standing order. Though the notice deals with a matter that is both specific and of recent **occurrence**—

Mr Cameron: That concludes it, doesn't it.

Mr SPEAKER: Order!

Mr Walker: I put it to you, Mr Speaker, that—as the honourable member for Northcott well knows—that is not the only condition that must be complied with. The matter must be of **sufficient public** importance to put aside the business of the House, which today includes one of the most important bills that will ever come before this Parliament—the legislation dealing with public funding of election campaigns. I have carefully read the statements made by the chairman of the Corrective Services Commission, **Dr** Vinson, and the statement made by the Minister for Corrective Services and I cannot discern even the slightest discrepancy. To debate something that is not factual would make the House a laughingstock in the eyes of the public. But I am not relying on that. As I say, it is obvious that there is no conflict, but even if there were some slight conflict in statements made by a departmental head and a Minister about this matter, how could that be of sufficient public importance to warrant the House putting aside the greatest democratic issue that has ever come before this Parliament—the public funding of election campaigns?

The strongest case the Opposition could put is that this is a trivial little matter of a difference between two people in the executive arm of government. It is clear that there is no difference. All that the Opposition seeks to do is to make some false

political point. Even **if** there were a difference, I put it to you, Mr Speaker, that surely could not be a matter of sufficient public importance to put aside the important business of the House.

Mr Cameron: On the point of order. The Attorney-General and Minister of Justice concedes that the notice deals with a matter that is most important and is specific and is therefore not open to criticism on that ground. He concedes also that it is a matter of recent occurrence. You know, Mr Speaker, that the only other matters for you to consider are whether it concerns the administrative responsibilities of a Minister of the Crown—and it is clear that it goes right to the heart of the responsibility of the Minister for Corrective Services—and whether the matter could come before the House in a reasonable time by other means. The House may sit for only another couple of days. The only matter that the Attorney-General and Minister of Justice raised is whether the motion is of sufficient public importance compared with one bill.

There is the clearest conflict between the Minister and the commissioner. The whole State has heard of it over radio and from all the other media. In effect the commissioner is saying that there was never a term of the appointment of the police involved that they should report back to the police internal affairs branch and the Minister is saying that that was a term of their appointment. The commissioner is saying *vis-à-vis* the issue whether they should report direct to him or to the Minister that there is the clearest conflict between him and the Minister. The matter touches sensitively the administrative control of one of the most controversial departments of State in New South Wales at the moment. The matter is worrying the public. It is of intense community concern and it is absurd to suggest—if this is what the Attorney-General and Minister of Justice is putting to the House—that this matter touching the leadership of a great and controversial department of State is not of sufficient importance to warrant urgent consideration.

Mr Smith: On the point of order. The Attorney-General and Minister of Justice said that a bill about to be debated in the House was far more important than anything else for democracy in this State. I submit that the establishment of a secret service or police force within a department is a greater threat to democracy even than public funding. From that point of view I believe that this matter should be aired now.

Mr Haigh: On the point of order. The matter dealt with by the honourable member for Pittwater relates to conflicting statements between the chairman of the Corrective Services Commission and me. The only time that was raised was by a radio broadcaster this morning who said: "The chairman of the Corrective Services Commission contacted the radio service and said 'There is no difference of opinion between the Minister of Corrective Services and myself.'" The only difference of opinion was that between the chairman of the Corrective Services Commission, Dr Vinson, and Mr Orme of the Privacy Committee over a matter that was referred to in this House concerning the role of certain police officers in the Corrective Services Department. Because Mr Orme made a press statement on Monday, this issue becomes of interest now.

Mr Cameron: What is the point of order?

Mr SPEAKER: Order! The House is debating a point of order taken by the Attorney-General and Minister of Justice as to whether this is a proper matter for discussion at the moment. The Attorney-General and Minister of Justice agrees that it is specific and of recent occurrence, but questions whether it is of sufficient public importance to warrant urgent consideration. Members of the Opposition have argued that it is important. **The** Minister should direct his remarks to that point **only**.

Mr Haigh: The issue whether the matter is urgent will be clarified by what I am about to say. I shall read a letter sent by me to Mr Orme on 29th March:

I understand the press release will not now be necessary as the police officers will no longer report direct to Dr Vinson but will return to direct Police Department control.

That means that the subject sought to be debated is no longer urgent because it was resolved on 27th March, 1981.

Mr SPEAKER: Order! The Attorney-General bases his point of order on two matters. He agreed that the subject of the notice is a specific matter and of recent occurrence. However, he questioned whether the matter is of sufficient public importance to warrant urgent consideration. When the honourable member for Pittwater saw me in my chambers for the short time I had available, I agreed that the matter was specific and of recent occurrence but questioned whether it was of sufficient public importance to warrant urgent consideration. In those circumstances I gave it qualified approval. Previous Speakers and I have ruled that the acceptance by the Speaker in his room of a notice under this standing order is provisional only. It is competent for him to entertain argument in the House on points of order as to whether a matter is specific, of recent occurrence and of sufficient public importance to warrant urgent consideration. The Speaker must be satisfied that the subject falls within at least the spirit of the standing order and that it is proper to interrupt the business of the House to debate it. Having listened to argument on the point of order and to the remarks of the Minister for Corrective Services, I am satisfied that the matter has been dissipated in that the police will no longer report to the Department of Corrective Services. However, that is a secondary consideration. I rule that the matter is not of sufficient public importance to warrant urgent consideration.

ELECTION FUNDING BILL

Declaration of Urgency

Mr WALKER (Georges River), Attorney-General and Minister of Justice [3.25]: I declare that this bill is urgent. In doing so I must point out that although a considerable period has elapsed since the Premier's second reading speech, as it was decided not to sit on Thursday before Easter, technically the spirit of the amended procedure for resumption of the debate would be breached unless this declaration were made.

Question—That the bill be considered an urgent bill—put.

The House divided.

Ayes, 55

Mr Akister	Mr Cavalier	Mr Einfeld
Mr Anderson	Mr Cleary	Mr Face
Mr Bannon	Mr R. J. Clough	Mr Ferguson
Mr Barnier	Mr Cox	Mr Gabb
Mr Bedford	Mr Curran	Mr Gordon
Mr Booth	Mr Day	Mr Jackson
Mr Brereton	Mr Durick	Mr Jensen
Mr Britt	Mr Degen	Mr Hills
Mr Cahill	Mr Egan	Mr Haigh

Mr Johnson	Mr Mulock	Mr Sheahan
Mr Johnstone	Mr Neilly	Mr A. G. Stewart
Mr Keane	Mr O'Connell	Mr K. J. Stewart
Mr Knott	Mr Paciullo	Mr Walker
Mr McGowan	Mr Petersen	Mr Wilde
Mr McIlwaine	Mr Quinn	Mr Wran
Mr Maher	Mr Ramsay	
Mr Mair	Mr Robb	<i>Tellers,</i>
Mr Mallam	Mr Rogan	Mr Flaherty
Mr Mochalski	Mr Ryan	Mr Wade

Noes, 34

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

Question so resolved in the affirmative.

PARLIAMENTARY CONTRIBUTORY SUPERANNUATION (AMENDMENT) BILL

Introduction

Motion (by Mr Booth) agreed to:

That leave be given to bring in a bill for an Act to amend the Parliamentary Contributory Superannuation Act, 1971, with respect to the circumstances in which a pension is payable to a former member of Parliament, the conversion of any such pension to a lump sum and the payment of a pension to children, and in certain other respects.

Bill presented and read a first time.

Second Reading

Mr BOOTH (Wallsend), Minister for Sport and Recreation, Minister for Tourism and Assistant Treasurer [3.36]: I move:

That this bill be now read a second time.

In the light of the benefits now available in other States and the Commonwealth, a detailed review has been made of the Parliamentary contributory superannuation scheme. As a result of this review, the Government has concluded that improvements

in the New South Wales scheme are warranted and that its operation should be simplified in certain respects. The amendments contained in the bill provide for this. Honourable members will be aware that there is no provision in our scheme for dependent children of deceased members or pensioners, as is the case with all other parliamentary pension schemes. It has been considered equitable to provide benefits for each dependent child of a former member entitled to a pension at the rate of 5 per cent of current basic salary where there is a surviving spouse and 10 per cent of salary for each orphan child. The benefits will apply to children born or conceived prior to the member's death or retirement, up to age 18 or age 25 for students.

I turn now to commutation benefits. Under the existing provisions 75 per cent of pension may be commuted at age 45 but at age 45 and one day the commutation is a maximum of 50 per cent. At present there is also a limit of 40 per cent at age 65 and over. A more appropriate and fairer arrangement would be to introduce a sliding scale to provide that the maximum proportion commuted of 75 per cent will reduce by 1 per cent for each complete year to 50 per cent at age 70 and over, and the bill so provides. Pension entitlements are to be simplified. In lieu of the several forms of benefit now applying the bill substitutes two forms of pension entitlement for members: a commutable pension rising according to a sliding scale after seven years service and a non-commutable pension for ill-health retirement prior to this.

Provision has been made for members to qualify for reduced pension of 48.8 per cent after seven years' service with retention of the present breakdown provisions for less than seven years' service in lieu of the present eight years. The present entitlement of 56 per cent of salary at ten years' service will still apply as will the maximum entitlement of 80 per cent. The three parliaments pension provided in section 19 (1A) will be abolished. Where there is no pension entitlement, it is proposed to introduce into our scheme a provision similar to that applying in the Commonwealth scheme. The principle of involuntary and voluntary retirement is to be applied in the case of a person ceasing to be a member before the automatic pension entitlement arises. In the case of involuntary retirement, contributions will be refunded together with a supplement of two and one-third times the amount of the refund for up to seven years' service. For voluntary retirement the payment will be the member's contributions plus one and one-sixth. This will replace the existing provisions relating to a refund of contributions plus interest or a half-service payment.

The above changes will take effect from date of assent and will not apply to former members, or the widows or widowers of former members, who ceased to be members before that date. The bill provides also for the removal, in respect of all future cases, of the provision for the suspension of pension when an office of profit is held. This is in line with the Commonwealth scheme. The opportunity is being taken to effect a consequential amendment following the passing of the Parliamentary Contributory Superannuation (Amendment) Act, 1980. Honourable members will recall that this amendment restricted the increase in pension of members of the Legislative Council prior to the reconstruction in 1978 to the rate of increase applicable to members of the Legislative Assembly. Inadvertently, a similar restriction was not placed on the spouse pension. This is being done in the bill, and made retrospective to 1st January, 1980.

Other amendments of a minor or ancillary nature are included in the bill. In order to assist honourable members I table a summarized explanation of the various clauses of the bill. I mentioned earlier that the amendments contained in this bill have been formulated after a detailed study of other parliamentary superannuation schemes.

Mr Booth

The changes do not involve major improvements in benefits but are aimed at providing a more equitable scheme. It is important to note that contributions made by members are the highest of any parliamentary scheme in Australia. I commend the bill to the House.

Parliamentary Contributory Superannuation (Amendment) *Bill*, 1981

Clause 1. Specifies the short title of the Bill as above.

Clause 2. Specifies date of commencement.

Clause 3. Amendment of Principal Act in manner set forth in Schedule 1.

Clause 4. Savings and Transitional Provisions.

Schedule 1. Amendments to Principal Act.

Clauses 1 (2), 4 (a), 5 and 7 (a) to provide that a member of Parliament is entitled to an annual pension after 7 years' service or, as at present, upon retirement on the grounds of ill-health, instead of—

- (i) an annual pension after 10 years' service or, where he does not cease to be a member voluntarily, after 8 years' service; or
- (ii) a reduced annual pension after service in 3 Parliaments.

Clause 1 (2) to provide that the annual pension payable to a member of either House of Parliament is 48.8 per cent of the current basic salary of a member of that House for 7 years' service plus 0.2 per cent of that salary for each month of service after 7 years to a maximum of 80 per cent of that salary (instead of 51.2 per cent plus 0.2 per cent for each month of service after 8 years to a maximum of 80 per cent).

Clause 1 (3) as a consequence of the requirement made by the Parliamentary Contributory Superannuation (Amendment) Act, 1980, that the adjustment in the annual pension payable to a former member of the Legislative Council who ceased to be a member on or before 6th November, 1978, follow movements in the current basic salary payable to members of the Legislative Assembly instead of the Legislative Council, to require similar adjustments to be made to the annual pensions payable to the spouses of those members.

Clause 1 (4) (b) to provide that the portion of an annual pension that a member of Parliament may elect to convert to a lump sum is—

- (i) where he is under the age of 45 years—75 per cent (as at present); or
- (ii) where he is 45 years of age or over—75 per cent at the age of 45 years, reducing (by 1 per cent for each year) to a maximum of 50 per cent at the age of 70 years or over (instead of 50 per cent between the ages of 45 to 60 years and then reducing to a maximum of 40 per cent at the age of 65 years or over).

Clause 1 (8) to authorize the payment to the dependent children of deceased members or former members of Parliament (being children born or conceived prior to a member's death or retirement under the age of 18

years or children who are students and under the age of 25 years) of an annual pension at the rate of—

- (i) 10 per cent of the current basic salary of members in the case of orphaned children; or
- (ii) 5 per cent of that salary in any other case.

Clauses 1 (1), 4 (c), (6) and (9) to provide that a member of Parliament who is not entitled to an annual pension is entitled to a refund of contributions together with a supplementary benefit of—

- (i) where he does not cease to be a member voluntarily—two and one-third times the amount of that refund; or
- (ii) in any other case—one and one-sixth times the amount of that refund.

(The provision is to replace the present entitlement to a refund of contributions plus interest or, if the member so elects, payment of pension for half of the member's period of service.)

Clause 1 (6) to provide that where a member of Parliament dies without leaving a spouse or children, the amount payable to his legal personal representative is a refund of contributions together with a supplementary benefit of two and one-third times his contributions in the previous 7 years instead of a refund of contributions plus interest.

Clause 1 (11) to provide that where the total amount of pension or other benefit paid to a member of Parliament and to any surviving spouse or children of the member is less than a refund of contributions together with a supplementary benefit of two and one-third times his contributions in the 7 years before he ceased to be a member (instead of the amount equal to a refund of contributions plus interest) the difference is payable from the Parliamentary Contributory Superannuation Fund.

Clause 1 (10) to remove the requirement for the suspension of an annual pension payable to a former member of Parliament or to the widow or widower of such a member who holds an office or place of profit under the Crown.

Debate adjourned on motion by Mr Mason.

ELECTION FUNDING BILL

Second Reading

Debate resumed (from 15th April, **vide** page 5957) on motion by Mr **Wran**:

That this bill be now read a second time.

Mr MASON (Dubbo), Leader of the Opposition [3.40]: The legislation before the House represents one of the most significant changes that could be proposed to the political system of New South Wales. It is so important that the Premier and Treasurer is deliberately and provocatively forcing this measure on the people of New South Wales, who do not support it, understand it or desire it. Our system of democracy has always relied on individuals to support political ideologies, parties and candidates of their choice. Instead this legislation represents nationalization of political parties, and the feather-bedding of politicians who are incapable, because of their lack of public support, to attract financial support for the promotion of those supposedly higher ideals that parliamentarians represent.

I shall state clearly, precisely and unequivocally the attitude of the Opposition parties to this legislation. The Liberal Party and the Country Party are **totally** and absolutely opposed to it and the concept that lies behind diverting taxpayers' funds into politicians' pockets. The Opposition will oppose the legislation in every way and at every stage. The Parliamentary Liberal Party and the Parliamentary Country Party have jointly determined that they will not register as political parties under the terms of the proposed Act, and that they will not accept 1c of taxpayers' money that will be subverted by the Government under the legislation now before the House.

The Opposition believes that the only justifiable means by which the Labor Party could bring such legislation to this Parliament would be a referendum of the people. The Opposition parties challenge the Labor Party to take this issue to the people. The Government is being forced by constitutional requirements to take other matters to the public by way of referendum. It is foreshadowed that a third referendum will be conducted upon the determination of a 4-year Parliament, so that the Legislative Council could be brought into a position consistent with the Legislative Assembly. Apparently three referendums are considered nothing by the Government. Why then does it not wish to have a referendum on the vital and critical matter of public funding, upon a matter that will take people's money and divert it into the coffers of political parties? The Opposition challenges the Government, before forcing upon the public such a far-reaching and dramatic change to the democratic process of elections in Australia, to give the public an opportunity to express its view in a referendum.

Also I state categorically that the Liberal Party has made a firm commitment that upon return to government it will repeal this legislation. The legislation has within it the seeds of destruction of public involvement in political decision making. It is a recipe for apathy. It is a misappropriation of urgently needed public funds. It is a **flagrant** act by a socialist party, ignoring the rights of individuals to **make** a self-determination on how to spend their funds and what support they will give to the political party or parties of their choice. This is a most cold-blooded, predetermined act of a socialist party. It is designed to destroy the Westminster system of government in this State. The Opposition totally opposes it now in words, and will oppose it in deed. The Opposition calls upon the people of New South Wales to reject a political party that produces legislation of such a nature.

The Opposition is totally and absolutely opposed to the principle of the legislation. Some measures of the legislation are the most horrendous assaults upon the rights of individuals that this Parliament has ever seen, such as the right of freedom to express support for a political party and the right to privacy. The rights to be given to inspectors under the legislation are probably unequalled by any rights given by any Parliament in the free world. Let me set the record straight from the beginning of this debate. The Opposition opposes this legislation and will do so in every possible way. It is a most serious assault upon democracy, freedom and the rights of individuals. The Opposition parties will not register, **as** is their choice under the legislation—the only choice they have—and will not accept 1c of diverted taxpayers' money, so stealthily diverted by the Labor Party. If there is one move that will increase the cynicism of the New South Wales public, it is this legislation being debated today in this House.

Why is it necessary to compel every New South Wales taxpayer to contribute funds to political parties outside the realms of government administration? It is not acceptable that taxation dollars, supposedly for the use of the community, to improve its welfare and to fulfil commitments made by political parties that have the support

of the people, are misappropriated in this sly and devious manner. The legislation **hands** the key to political parties to misappropriate fraudulently more than \$2 million of taxpayers' money at the next election. There is only one reason why the Labor Party is so intent on filching hard-earned cents from every taxpayer in the State, and that is that it is failing to win financial support from the people. It is broke. The only way the Labor Party can see itself overcoming its own financial difficulties is to rifle the New South Wales Treasury. The Premier and Treasurer seeks to hide behind his suggestion that it will cost each elector only 22c—the cost of a postage stamp—to fund the scheme this coming election. In fact it will cost 66c, not 22c, at this coming election. The Opposition rejects the legislation outright. It will not accept for one moment that there is any need for New South Wales citizens to pay the debts of politicians.

Mr Egan: It is a mere 22c from each elector.

Mr MASON: The honourable member for Cronulla should read the bill before he interjects and shows his ineptitude. He has shown by his comment that he does not understand the legislation. He has been taken in by the Premier and Treasurer, who has misled the New South Wales Parliament into a misconception that this year it will cost electors 22c each to fund election campaigns. It is not 22c; 66c is the cost. That is the figure we are talking about. Surely the most deceptive and incredible performance of the Premier and Treasurer was, when introducing this legislation, to describe it as a reform. He said it was one of many reforms that the Government was bringing to New South Wales electorates. The Opposition does not consider it a reform. It is nothing more than an exercise of use of power to entrench the Labor Party in office for as long as possible by means of electoral manipulation and by the use of taxpayers' funds. Quite clearly it is not an electoral reform. It does not have popular support. Public opinion polls show little support for such a misappropriation of funds.

One Government supporter said that the proposed system would not work unless there was bipartisan approval for it. He said that that was the experience gained overseas. Let it be clear on the record that there is no bipartisan approval for this legislation. The Opposition will never support the concept of the taxpayer supporting political parties. If there is one issue that divides the Opposition parties from the Labor Party it is the issue of funding of political parties by the taxpayer. Under no circumstances can the Opposition parties agree to the diversion of much needed taxpayers' money to support the election of a political ideology. It is alien to our philosophy as parties believing in free enterprise. It removes the democratic right of individuals by compelling every taxpayer to fund the campaign of political parties not of their choice.

It has always been an inherent characteristic of our democracy that individual voters have a voluntary right to support, financially or otherwise, a political party **or** belief. Any change from that fundamental concept is an intrusion into the heart of the Australian way of life. However, the Premier and Treasurer is not concerned about that, and every day the Parliament sits more and more legislation restricting the rights of individuals is passed, and more and more the members of the Opposition see their rights as members being whittled away and their opportunity to represent the people of New South Wales in their electorates taken away. There is no concern for Australian democratic conditions in the New South Wales branch of the Labor Party. There is no concern for the future of our parliamentary and representative institutions.

The only thing that the Premier and Treasurer is concerned about is the pragmatic, arrogant and dictatorial manipulation of the system for his own ends. He does not care about the thousands upon thousands of taxpayers who will be forced to finance the election of political candidates that they oppose and, in some instances, detest. **ALL**

he is concerned about—supported by his cronies at the Australian Labor Party headquarters in Sussex Street—is to divert as much of the taxpayers' funds as possible to aid the Labor Party. The Premier and Treasurer has the gall to describe the legislation as fair. It certainly is not fair to the taxpayers who will be footing the bill. Neither is it fair to opposing political parties, nor, least of all, is it fair to the independents and the minority parties, who by the legislation will not be eligible to receive 1c.

The legislation will effectively entrench major political parties within the New South Wales political system. That is what the New South Wales Labor Party has been after for a long time. That party's enormous advantage will be multiplied tenfold by the use of public funds. Surely this clearly demonstrates that in the eyes of the Premier and Treasurer reform is to exclude the right of any citizen to stand for election either as an independent or as a member of a minority party. Consequently we must come to the conclusion that the Premier's definition of reform is neither fair nor of benefit to the future political development of New South Wales. Reform cannot be neutral in this political environment. When the rules of a game are changed, advantages shift and institutions change—sometimes in unforeseen ways. No objective study whatsoever of the implications of the legislation on the New South Wales parliamentary system has been undertaken. The sham, perpetrated by the joint committee inquiring into public funding, was a prime example. It was so deceitful that the Opposition, out of principle, was obliged to resign from and take no further part in that committee. The Premier and Treasurer in drawing up the committee's terms of reference had no intention of examining whether public funding was desirable or not. The decision was made even before the appointment of that committee was announced in this Parliament. The subsequent deliberations of the committee showed what a sham it was. Members of the Opposition—until their withdrawal—were ruled out of order every time they tried to question whether public funding would be a good thing for New South Wales. The chairman of the committee ruled the questions outside the terms of reference of the committee.

Charged with the task of examining and developing a system of funding applicable to New South Wales, the chairman, accompanied by staff, went on a world junket, which was financed by the New South Wales taxpayers. Opposition members refused to accompany him, for the only object in such a trip was to examine public funding systems in other countries. It was not to see if they were effective or should be in operation in New South Wales. That could have been done in a few hours in a library and in discussions with the diplomatic representatives of other nations in New South Wales. By introducing this legislation, the Premier and Treasurer is changing the ground rules of New South Wales politics. He is engaging in a manoeuvre to introduce apathy into the New South Wales electorate and to eliminate voluntary support for political parties. This certainly has happened in the United States of America, even though at federal level it is limited to presidential campaigns and voluntary financial support through the tax check-off system. At one time it was hailed as the method of reversing the apathy that had developed in American politics. It was designed to promote more citizen participation but, as a result of the introduction of that legislation, it has now sunk to the lowest level since World War II.

The obvious conclusion is that people are becoming more cynical of political changes. Changes to election rules, for example, are seen by the public as instruments to achieve certain political goals. Laws that regulate relationships between candidates and political parties, between citizen and politicians, and affect the relative powers of interest groups and political parties, are bound to influence the entire political process and change the way in which citizens, candidates, parties and other groups with an interest in political activities participate in community affairs and interact with one another.

Every change we make affects the future direction of government **and** political development; in particular the way we regulate the financing of campaigns, which **goes** to the core of democratic vitality, the integrity of the election process, the benefits of public debate, and the freedom to criticize and challenge effectively those **who** control the government. But surely, to be able to do this, political groups need to encourage voluntary help and assistance, whether through financing or simply through personal involvement. That is what it is all about. The legislation is designed to restrict individuals in participating in the political party of their choice. The survival of political parties and the Westminster system of opposition to a majority government is directly related to its ability to finance its operations.

Sure there are problems **with** today's increasing cost of media politics, but this is not overcome by dipping into the public till when things get rough. Though it is tempting for parties—in particular, those in opposition—to accept that temptation in an effort to overcome the many advantages of incumbency, the Opposition rejects entirely this abuse of powers of government and the trust placed in the Government by the people of New South Wales. There has been no mandate for this proposal. It was not mentioned by the Premier and Treasurer in either his 1976 or 1978 election speeches. It was not part of the Labor Party's **advertising** campaign. Even the Labor Party platform contained no reference to the proposal now before the House. There is a mere reference to a review of the way political parties are financed, but nothing specific and nothing certain. If there were, the voters of New South Wales would have rejected the Labor Party for what it **is**—a group of people more interested in power than in the problems of the people and the need for compassionate government. The Opposition is constantly calling upon the Government to hold a referendum on this vital question and allow the **people** to decide the mandate for this legislation. Yet, on every occasion this has been cast aside simply because the Premier and Treasurer knows full well it would be rejected out-of-hand by the people.

It is disturbing that the real reasons surrounding the need for this legislation have not been published; that is, the parlous state of the Australian Labor Party's finances—a party, apparently, incapable of raising funds through popular support from voluntary contributions. Only a few weeks ago we were told by the general secretary of the New South Wales branch of the Australian Labor Party in an address to the New South Wales State Council that the party is \$200,000 in the red. Further, it is burdened with a federal organization that is even deeper in debt. In its desperate attempts to shore up its failing financial position, the New South Wales Labor Party is now resorting to illegal activities. I have before me a book of tickets in a so-called guessing competition, which is entirely illegal, conducted by the Australian Labor Party in this State. The Minister for Sport and Recreation, Minister for Tourism and Assistant Treasurer is at the table. The Premier and Treasurer is not in the Chamber to debate the matter. The Attorney-General and Minister of Justice, when taking a point of order during a debate on a motion to adjourn the House under Standing Order 49 said that this legislation was one of the most significant bills that will ever come before the Parliament. Then supporters of the Government ran out of the Chamber like rats deserting a sinking ship. One reason is that these members know they are not people of integrity. They know the law provides that one cannot have money as the prize for competitions of this sort. This competition is being run by the Labor Party against the law of the land, the law that they are sworn to uphold. Ministers of the Government are obligated and sworn to uphold the law, yet here they are party to something that is entirely illegal. This is an example of the integrity of the members of this Government.

The book of tickets contains twenty-five tickets to be sold at one dollar a ticket. The proceeds will be split so that five tickets are for the seller of each book that is completely sold. The seller can get \$5 by selling a complete book. No doubt some poor

old members are cashing in on that. Then \$5 will go to the local branch and \$15 to the head office of the party. The prize is \$100 cash each week for a year which, the book says, amounts to a total cash prize of \$5,200. It is clearly outside the law of the State to offer cash prizes in raffles or guessing competitions. Yet the Labor Party is keen to ensure the integrity of honourable members in financial affairs. Each book of tickets contains also an interesting explanation which I shall read. These have been sent by the Labor Party to all its members.

Mr McDonald: Who sent it out?

Mr MASON: It has gone out from the headquarters of the Labor Party.

Mr McDonald: Mr Richardson?

Mr MASON: I suppose Mr Richardson must accept responsibility, though his name does not appear. It bears the name of O'Loughlin Bros as printer. At the top it has "Australian Labor Party" and then it says:

Dear Member, The party needs your help. We are still deeply in debt following last year's federal election and we are facing a State election this year. It is essential that the party clear itself of debt before public funding of State election campaign funds is introduced.

Any debt we are left with will be almost impossible to clear and will make funding Federal elections in future extremely difficult.

Now the truth is out. Now we know why this legislation has been brought before the House. The Labor Party is so lacking in support from the public and so concerned about the funding of future federal elections that it must divert trade union funds and other revenue into the federal arena. That is what this legislation is all about.

[Interruption]

Mr MASON: I am shocked to hear the honourable member for Wentworthville joking about the breaking of the law of the State which he is obliged to uphold. That is one of the real dangers of public funding. It will be extremely difficult to fund election campaigns in other States and the Commonwealth, campaigns that the Labor Party knows it will have great difficulty winning. Now that the intention of the Labor Party has been exposed by its own admission, New South Wales voters will be able to make an objective judgment on this measure at the next election. It is incredible that this measure has been introduced, according to the Premier and Treasurer, to overcome the massive cost of election campaigns. It is easy for politicians—who some people might argue are responsible for inflation—to look after the interests of their political parties by dipping into the public till. I imagine that any group in the community would be quite ecstatic if it enjoyed the privilege that parliamentary representatives have of being able to vote themselves largesse from the public purse to see them through their difficulties.

Thousands of community organizations which have made representations to the Government must be concerned by the deliberate misuse of power that is occurring, especially when there is so much need for government funds to be spent in other areas. At this time we are witnessing State Government-imposed hospital cutbacks, deteriorating roads, low priority for welfare and a scandalous lack of housing. It is unbelievable that the Government is even contemplating such a measure. Members of the Opposition are seriously concerned that this Labor Government is

more interested in using scarce taxpayers' money to relieve the Labor Party of its increasing debt. Many projects are urgently needed in the community. I shall spell out some of them.

It is proposed to divert more than \$2 million to this purpose this year. As a result of inflation, this will probably increase to \$5 million at the next election, \$8 million at the election after that and more than \$10 million at the election after that. Members of the Opposition believe that sums of this magnitude should not be diverted in this way. The honourable member for Blue Mountains is not in the Chamber, but members of the Opposition believe that some of this money should be put towards the provision of a new high school at Lawson and the provision of increased water storage capacity for the Blue Mountains. In the electorate of Burwood some of this money could be used to upgrade the Western Suburbs Hospital, many parts of which consist of wooden buildings that are eighty-eight years old. Yet the Government proposes to divert millions of dollars to politicians and political parties.

Members of the Opposition believe some of this money should be spent in the electorate of Camden where a new assembly hall is required at Bowral and a community hall is needed at Picton. The community at Camden is crying out for the commencement of a 100-bed extension at the local hospital. The honourable member for Cronulla is going through his usual interjections like a magpie. Instead of supporting this legislation he should be trying to have some of this money allocated to the upgrading of facilities at the Burraneer Bay primary school or to the provision of an assembly hall at the Wooloware high school.

In the electorate of Gladesville we should like to see money provided for traffic control lights in Putney, Gladesville and East Ryde. If the Government has so much money available, we should like to see some of it used in the electorate of Gosford to upgrade the facilities for the police and the law courts, which are an absolute disgrace, or for the building of a new school at Kincumber. In the electorate of Kiama members of the Opposition would like to see a start made on a third high school at Shellharbour, which is urgently needed. In the electorate of Miranda there is a need for immediate commencement of a second crossing of the Georges River to supplement the Tom Ugly's bridge where peak hour traffic conditions are chaotic. Why are the members who represent these electorates not crying out for some of this money to be expended for these purposes?

In the electorate of Manly some of this money should be allocated to the upgrading of the Manly wharf to provide reasonable passenger comforts and facilities. In the electorate of Yaralla the Opposition would like to see stage two of the Meadowbank public school completed and the widening of Victoria Road at West Ryde. In the electorate of Wakehurst there is an urgent need for the implementation of a beach nourishment programme for Collaroy, Dee Why and Narrabeen, to protect these precious assets. Why is not some of this money being used for these purposes? Also in that electorate, specialized bus transport is required for incapacitated people. This is a major problem in the area. In the electorate of Waverley, some of this money could be used to provide an assembly hall for Randwick High School. In the electorate of Wentworthville, flood mitigation works on the Toongabbie Creek are urgently needed. I invite the honourable member for Wentworthville, who will contribute to the debate on this legislation, to support my request for the provision of government money for this purpose.

One could go through a whole list of the issues I have mentioned in the various electorates where honourable members, challenged to give a higher priority to urgent matters to be dealt with, would choose those priorities rather than see millions of

Mr Mason]

dollars diverted from the Treasury into the pockets of politicians and to the management of political parties. It will be the public of New South Wales who will decide on the future of this legislation. Public opinion polls have shown a constant disapproval of taxpayer subsidy for political parties. On 14th May, 1979, a poll conducted by Saulwick and Associates in conjunction with Beacon Research, published in the Sydney Morning Herald, showed that only 23 per cent of voters throughout the nation supported public funding of campaigns; 75 per cent expressed outright opposition. In New South Wales, 73 per cent stated that parties should pay for their own campaigns. Of those, 65 per cent of A.L.P. voters believed in voluntary party financing of campaigns.

This was again confirmed by a Gallup poll by Australian Public Opinion Polls, published on 28th May, 1979, which showed that 70 per cent of people disagreed with public funding, 26 per cent were in favour and 4 per cent were undecided. Again, 66 per cent of Labor voters were opposed to taxation subsidies. Another Gallup poll published on 3rd December, 1980, which is the most recent available comment on people's attitudes, reaffirmed that 70 per cent of Australians opposed the funding of political campaigns for federal and State elections from taxation. Only 24 per cent were in favour and 6 per cent were undecided. In New South Wales, the number who disapprove actually increased to 71 per cent, with 23 per cent agreeing.

The opposition to this proposal is so widespread that in every State public funding was opposed, ranging from 63 per cent in Western Australia to 84 per cent in Tasmania. As in previous polls, the majority of A.L.P. voters were still opposed to the concept, even though they had nearly two years to be convinced by the Premier's rhetoric and the urgent need demonstrated here today to introduce this taxpayer subsidy of political parties. In this latest poll, 64 per cent of A.L.P. voters were opposed, compared to 77 per cent of Liberal-National Country Party voters. There is certainly no doubt that, put to the test, this proposal would be rejected out of hand by the people of New South Wales.

Now that the Premier and Treasurer is at the table, I challenge him to take this matter to the people. Let us have a referendum on the matter. A positive result in such a referendum would be the only justification for imposing this horrendous legislation on the people of this State. The people have shown their opposition to this measure. The Premier will be regarded as gutless if he is not prepared to go to the people and let them have their say. We in the Opposition are clearly committed to rejecting this unprincipled matter out of hand. Honourable members should also be aware that in the United States, which has been subject to public funding on a limited scale for some time, the people are still strongly opposed to it. In a poll conducted by Civil Service Incorporated, during February 1980, over 68 per cent disapproved of public financing for congressional campaigns, and Congress has turned it down. Only 4.2 per cent strongly supported the proposal, with a further 19 per cent supporting it to some extent.

If the Premier and Treasurer wishes to continue to use overseas experience as his rationale for public funding in New South Wales, he must also accept that it has no popular support in that greatest of democracies, the United States. Indeed, it has been the subject of massive litigation and great controversy in the United States; it has done nothing to open up the Presidency as was intended, but has led to greater apathy. In fairness to the Opposition, I ask the House to allow me to incorporate in *Hansard* a report of an overseas tour funded by the Liberal Party conducted by one of our members.

We reject the expenditure of taxpayers' money on certain tours that are conducted. Therefore, the Hon. W. L. Lange, who was originally a member of the joint committee of both Houses into the public funding of election campaigns, visited a considerable number of countries—far more than the number visited by the chairman of that committee. Indeed, his report is in violent contrast to that of the chairman. Therefore, in fairness I ask for the report to be incorporated in *Hansard*.

Mr DEPUTY-SPEAKER: Order! I assure the Leader of the Opposition that he will always receive fairness from the Chair. However, on this occasion, though I am being completely fair, I must inform him that it is not possible for him or any other honourable member, other than a Minister, to have material incorporated in *Hansard*, apart from material of a statistical nature. Honourable members concerned should consult the Speaker in his room prior to such a request and, provided no other honourable member objects to the incorporation of such statistical material, it may be incorporated. However, it is not in order for an honourable member to have a report incorporated.

Mr MASON: I thank you for that ruling, Mr Deputy-Speaker. I would never question your fairness, sir; you are one of the fairest members in the House and the Opposition appreciates your fairness in the chair. It is a great pity that the House will not have the opportunity of reading the report to which I refer as it shows the other side of the coin. I do not want to weary the House by reading out the report.

Mr Punch: Have it incorporated by consent.

Mr MASON: Is there some way in which the Premier and Treasurer will give consent?

Mr DEPUTY-SPEAKER: Order! I have already ruled on the request. It is not possible for the honourable member to have the report incorporated in *Hansard*, nor is he permitted to quote lengthy passages of the report.

Mr MASON: No doubt the report will be referred to by other honourable members, particularly by the Hon. W. L. Lange in another place. It will indicate how improper, wrong and misleading is the claim that public funding overseas is successful, well-received and without problems. It is causing massive problems and difficulties. The one example of a country in which the practice is successful is alleged by the Premier and Treasurer to be Puerto Rico. Let us not argue about its success there if the Premier wishes to put forward such an example. It is not just the Opposition and the majority of Australians who oppose this inequitable and fraudulent misappropriation of funds. Let me quote what the press has to say. The *Sydney Morning Herald* of 10th November, 1979, said in an editorial:

To require the taxpayer to pay election campaign expenses would outrage many voters who have the strongest moral objections to the philosophies and policies of particular parties.

It would tend to entrench existing parties in Parliament to the detriment of smaller parties outside Parliament. It would weaken the links between politicians and the party rank and file on which they now rely to an extent for fund raising. It would encourage even more frequent elections, since political parties would not have to pay for campaigning. It would not necessarily prevent continued use of privately contributed funds for campaigning in devious ways. It would give birth to a new system of bureaucratic controls with wide reach. And it would open up a further area of manipulation by successive governments, each of which could be expected to change the rules of funding to help maintain themselves in power and to muffle the voice of opposition.

I now quote from the issue of the *Daily Telegraph* for 28th November, 1980:

The report on public funding tabled in State Parliament yesterday should be consigned immediately to where it belongs—the garbage bin . . . Not one of these recommendations is acceptable (which would) give the incumbent an unwarranted advantage and must be grossly discriminatory against new candidates or parties . . .

The move to force disclosure of donations can only be seen as a blatant infringement of the right to political privacy. Every person should have the right to support in any way he chooses the party or candidate of his choice . . . Obviously, public funding would be in the interests of the Labor Party. The Federal election left the New South Wales Branch heavily in debt. But the Government should not allow itself to be seen guilty of interfering with the electoral system for such a cynical reason.

On 21st February the *Australian* had this comment:

Democracy cannot be measured in money terms . . . In fact, there could be few more undemocratic demands on a nation overloaded with demands on the public purse.

No system of public funding can be organised without denying genuine democracy . . .

Why should individual voters be denied the right and opportunity to vote with their pockets as well as their pencils? In a democratic society, people should be entitled to decide how much or how little they wish to donate to the party of their choice without the other requirement of public funding, public disclosure of donations, the most offensive infringement of individual electoral liberties imaginable.

I have given the House the comments of the three daily morning newspapers published in Sydney. Oversea experience shows that public funding and disclosure laws have been open to abuse. Like amendments to the Taxation Act, attempts to close loopholes in disclosure laws are a lawyer's paradise, with the result that more and more administration and bureaucracy is required in an effort to plug the gaps—gaps that would not have existed if disclosure laws were not introduced. The simple fact is that in a situation where heavy penalties are imposed for breaches of disclosure laws, every effort is made by lawyers and accountants to design foolproof and secretive alternatives. In the United States of America, before embarking on a campaign, a candidate for the presidential election appoints as his first campaign assistants a lawyer and an accountant to work out the details of the way in which he will manipulate public funding. It has led to an increasing complexity of running political campaigns and, unintentionally, the cost has risen so dramatically that it has raised the ante for new candidates to participate.

Spending limits and disclosure laws in the United States of America have led to the formation of numerous political action committees working independently but in support of candidates. The same loophole exists in this legislation, where front groups and organizations will be able to support candidates as long as they do not endorse them or stand as representatives of that particular group. There are numerous examples of failures in the oversea experience. It is wrong for the Premier and Treasurer to use the introduction of public funding in other nations as the reason for doing it in New South Wales. The great majority of countries with public funding and disclosure laws have entirely different political systems from ours, and the reasons for their introducing public funding are many and varied.

The Opposition felt so strongly about the abuse of privilege by the Joint Committee upon Public Funding of Campaigns for Elections that it withdrew, **and** at its own expense sent the Hon. W. L. Lange on a fact **finding** mission to assess the problems found in other nations. On his return, he produced a report which is of great importance. Before I leave the matter of oversea experience, honourable members should be made aware that the essential elements of the funding and disclosure system proposed in this legislation are taken from the Houghton report into public funding in Britain---a system that has never been put into practice. I might point out that one of the reasons for the failure of the Labor Government in Britain to adopt the Houghton report was the intense opposition of the trade union movement in that country.

I wonder whether the Premier and Treasurer, now that he is introducing public funding, will remove the political levy now paid to the Labor Party by trade unions in New South Wales. This compulsory contribution by trade union members via their union fees is entirely unacceptable to the Opposition. I note with some cynicism that the legislation before the House will allow considerable loopholes for the trade union movement to spend on behalf of the Labor Party without necessarily being subject to the disclosure clauses. I do not doubt that at the next election we shall see a myriad of advertisements from "trade unionists for Labor", to name just one. The bill brings no credit to the Government. During the course of the debate, Opposition members will draw attention to many of the horrendous aspects of the bill which are aimed at harming the Liberal Party and the Country Party, and giving advantage to the Labor Party. We will oppose the legislation at every opportunity. More important, we indicate to the Government and the people of New South Wales that we will not sell our political soul or integrity for taxpayers' money and thus take the easy way out.

As I have stated, Opposition members will not register, nor will we take one cent of money that should be directed towards the needs of the people of New South Wales. They are the people who will have to provide the money and who will be subjected to misappropriation of their funds by the Government. Those funds will go into the pockets of politicians and be used to bolster the Labor Party, which is struggling because of lack of support and financial contributions. The Opposition believes in its political philosophy. The public will support the Opposition in presenting that political philosophy. If the Government proceeds with the legislation it will be shown to be what it is: a government of prejudice and bias; a socialistic government without regard for the needs of the taxpayers of New South Wales. When the public understands the Government's intention by the legislation it will reject the Government out of hand. The Opposition will give the public a chance to do that at the first opportunity.

Mr QUINN (Wentworthville) [4.27]: I support the bill.

Mr McDonald: That is no surprise.

Mr QUINN: The Deputy Leader of the Opposition might surprise Government supporters in the same way as his leader surprised them a couple of years ago when the Premier and Treasurer announced the intention to have an inquiry into public funding. On that occasion the Leader of the Opposition said that he supported public funding of elections.

Mr Mason: That is rubbish.

Mr QUINN: The Leader of the Opposition is on record **as** having done so. It was only later, after the Leader of the Opposition spoke to Mr Bartels and they saw some of the problems that may **arise** for their party, with the loss of some of the secrecy that now exists, that he changed his attitude to that which he expressed this

afternoon. The Leader of the Opposition mentioned that I as chairman of the joint committee on public funding went overseas. He described it as some sort of junket. I note that the Leader of the Opposition is leaving the Chamber. He is not willing to listen to any criticism of his comments. The Leader of the Opposition suggested that Opposition members refused to go overseas. The House voted to permit two members of the joint committee to travel abroad to gain experience of the systems that were in operation there and of the manner in which they were accepted or otherwise by the people and political parties. The committee determined that I should go and that the Hon. W. L. Lange, representing the Opposition on the committee, should accompany me. I remind the House that it was a unanimous decision of the committee, on which were representatives of the Liberal Party, the Country Party and the Labor Party. The Hon. W. L. Lange was most keen to go. He was anxious to know the itinerary and when we were to leave; he wished to co-operate in every way with the proposal. Then members of the Liberal Party had second thoughts. The Hon. W. L. Lange was directed in writing by the general secretary of the Liberal Party of New South Wales not to go on that particular trip. Although Liberal Party supporters assert that they do not do that sort of thing, that they are free to do what they will, go where they like, express any views that they wish to put forward, do not expel people from their party or take any action against those who go against the party line, the Hon. W. L. Lange was given in writing his directions not to go.

This afternoon the Leader of the Opposition said that the Hon. W. L. Lange chose not to go overseas, that no Opposition member wished to go. The Hon. W. L. Lange was anxious to go on that trip, but the Liberal Party directed him not to go. To compensate him for missing that trip and to enable him to gain some experience, the Liberal Party raised funds to send him round the world on a real jaunt, a whistle-stop tour. I do not know where the funds for that trip came from, but I could guess. It was said that the Hon. W. L. Lange visited many countries. Indeed, he visited some countries that I as chairman of the committee and the officer who went with me did not visit. We visited those countries to inquire into their systems of funding election campaigns and the acceptability or otherwise of those systems to the people of New South Wales. Also, we wanted to speak to persons in all spheres of politics, as well as citizens not directly involved in politics. We spent one week in each of four countries in an endeavour to obtain a pertinent and complete examination of systems there.

On the contrary, the Hon. W. L. Lange did a whistle-stop tour. He spent one night in Rome, spoke to one person the next morning and then travelled on. Opposition members cannot deny that for I have a copy of the itinerary of the Hon. W. L. Lange. I know where he went and to whom he spoke. I do not know what information he collected. His sole purpose in making that trip was to speak to persons who opposed the public funding of election campaigns. He spoke to anyone who went on record in those countries as being opposed to public funding. Those were the persons from whom he obtained information, which he included in his report. However, he did not have the courtesy to make a copy of the report available to me or the committee on which he was serving at the time. He did not make available a copy of his report nor reveal any thoughts he had on systems in operation overseas. His report should have been made available to the committee.

The Leader of the Opposition should not at this late stage attempt to have it incorporated in *Hansard*. If there were anything of value in the report—and I doubt there is—should not it have been made available to members of the select committee? Should it not have been available to the committee when it deliberated and held discussions so that its report may have included the benefit of the experiences of the Hon. W. L. Lange? If his report were of any value, the committee's recommendations

could have been adjusted accordingly. The Hon. W. L. Lange should have been a member of the official oversea delegation. He could have spoken to any person he desired to speak to. Nothing prevented him from doing so, except the direction from his political party not to go. What the Leader of the Opposition had to say this afternoon about this matter should have been tempered by the truth and should not have included a pack of irrelevancies and inaccuracies.

The Leader of the Opposition said that the Opposition parties objected to the legislation. It was well and truly made known to members of the select committee that the Opposition parties objected to any system of public funding. Of course, what they really object to is the idea that they may have to open their books to public scrutiny so that the people may learn from where the finances for those political parties originate. The secretary of the Liberal Party told the select committee on oath that no one, apart from a select group of persons who constitute the inner executive of the Liberal Party of New South Wales, is aware of how much money the Liberal Party has, where the money comes from, or where it is spent. That party does not produce a balance sheet for its members. It does not make that information available to the State Council of the New South Wales Liberal Party. In that regard it is a party of secrecy.

On the other hand, the Labor Party and other parties that gave evidence to the select committee were quite willing to make available a copy of their balance sheets. The balance sheet of the Australian Labor Party is a public document. It is published and made available to meetings of its State council, and it is available to any member of the public. The finances of the Labor Party are revealed in public documents. The finances of the Liberal Party and Country Party are a dim, dark secret. That comment applies particularly to the Liberal Party. That party fears publication of its sources of finance. The Leader of the Opposition mentioned the right of inspection that will be given under the proposed legislation. He does not want inspectors entering Liberal Party premises to examine books and find out from where the Liberal Party's funds are derived. That is the real bone of the matter. That is the real objection raised by the Liberal Party to any system of funding that may be introduced in New South Wales. That party fears that someone might learn who is paying the piper and who is paying the bills for political elections and who is benefiting as a result. A senior officer of the Liberal Party gave evidence on oath to the select committee as to the reasons why it feared public funding and the consequences.

As I stated earlier, I support the bill. It is in conformity with the recommendations of the select committee, though it varies to some minor degree. However, the principles expressed in the committee's report are incorporated in the legislation. The system of distributing funds among political parties or candidates could have been varied. Several alternatives were considered by the committee, but were rejected in favour of the method finally recommended, which is now the subject of this legislation. Perhaps I should comment on one variation to the system of distribution which is not contained within the report but the possibility of which was examined. That variation was rejected for many and varied reasons.

Instead of dividing into two funds money that had been collected—a state-wide fund and a constituency fund—it could be left, as is done in Germany, in one fund. Out of that fund candidates for the upper House or groups of candidates for the upper House who are not members of political parties that have been registered could have been paid in accordance with the number of votes they got, multiplied by a monetary unit for a number of years, and that amount would be deducted from the total. The same system could have applied for non-party candidates in the Legislative Assembly. The residue of the single fund could have been divided in

Mr Quinn]

proportion to the vote obtained by political parties as a group in the upper **House**, or by political party candidates in the lower House, and the result would have been very much similar to the distribution which is arrived at by the proposed distribution scheme, the exception being that instead of money going to candidates in the constituencies it would have all wound up in the head office of the party. That is a system similar to an amended scheme operating in Germany and was considered worthy of consideration, but was rejected for many and various reasons. Unfortunately, time does not permit me to go into details of the reasons for rejection. I thought it worthy of placing on record the fact that that particular system of distribution was considered and rejected by the select committee.

Mention has been made of other systems operating overseas. The Leader of the Opposition suggested that by taking on a system of public funding such as is being debated this afternoon, democracy will be destroyed. This should not happen in the Westminster system of government and it is not operating in the United Kingdom. Perhaps some Opposition members are not aware that since 1919 in the United Kingdom every candidate for election to the House of Commons has been able to have one item of mail delivered by the post office to every voter on the electoral roll in his constituency. Perhaps the value of that one postage stamp for each elector could be considered a donation to that candidate. All that the committee is suggesting is that the value of one postage stamp, the 22c, be divided between all the candidates in proportion to the acceptability of those candidates by the people at election time.

Also, under the Westminster system in Britain the high cost of political advertising on radio and television is borne by the taxpayer. In Australia the cost of political advertising on television, radio and newspapers is extremely high. In Britain no one is permitted to buy television time for election advertising. Time is allocated to the political party and to the candidate by a committee, which has been set up for that purpose. The media time allocated in Britain for political advertising is more than is allocated in Australia by the ABC, or the compulsorily limited time from commercial stations. In Britain the political parties are given prime time to advertise free of charge. Yet we hear the bleatings that in Britain under the Westminster system aid to political parties and candidates contesting an election should not be given.

The committee of inquiry under the chairmanship of Lord Houghton of Sowerby in 1976, which was not acted upon, recommended aid to political parties for election purposes. It was aiming at giving aid for political parties to carry on their everyday operations. That is one of the reasons why the Leader of the Opposition said that some trade unions and some supporters of the Labor Party objected to the Houghton committee's recommendations and they were not proceeded with. That is not to say that they will not be proceeded with in the future, for I consider that they will be.

Chapter 3 of the report of the New South Wales Joint Committee upon Public Funding of Election Campaigns dealt with the national systems in use in such countries as West Germany, Austria, Italy, Sweden, Norway, Denmark, Finland, Israel, Canada, the United States of America, and Puerto Rico. It is surprising that the only one that the Leader of the Opposition is willing to make a fuss about is Puerto Rico. In that part of the report the select committee did not give great consideration to the system operating in that country. The New South Wales committee commented on the various systems that operated in the provinces of Canada and the States of

the United States of America. Forty-nine of the States in the United States of America have adopted a system of public funding of election campaigns. Some fund elections for the position of governor. In the federal system the presidential candidates **are** funded. Some States fund election candidates for the United States of America legislature. The system of funding in the United States of America is **different** from systems operating anywhere else in the world.

In this debate I have heard comments about lawyers and accountants and the cost of the administration of the system in the United States of America. It is true that that is a costly system to administer, in particular because of the provision of recording and the legal documents that have to be drawn up. In order to obtain funding candidates have to enter into a contract with the funding authority. If a person signs a contract, he should have a lawyer to read the contract and tell him what the contract means before he signs it. The lawyer will point out the conditions and obligations laid down in the contract. The New South Wales select committee examined all those issues and discarded them as being not desirous for New South Wales. The New South Wales joint parliamentary committee was interested in the system operating in Canada and Western Germany. The recommendations of the **committee** were partly along the lines of the system in Canada and partly from West Germany. The committee took into consideration also the system operating in the United Kingdom, even without the Houghton report being adopted.

Members on both sides of the House should read the excellent report prepared **by** the New South Wales joint parliamentary committee. I accord much credit to the officers of the Premier's Department who assisted the committee. Also, I give credit to **the** members of the select committee who determined the principles and prepared the recommendations contained within the report. The honourable member for Fuller should receive a great deal of commendation for his work and the many hours he spent on behalf of the committee in preparing the report and its wording. The members of the committee read those words in the ultimate and translated them into the report. The report was made available to all members of the House and it finally became the legislation now being debated.

The high cost of an election campaign is borne by the head office of any political party in financing the campaign through radio, television and newspaper advertising. The bulk of the campaign's costs are absorbed in that type of advertising. Therefore, the committee recommended that the funds available—the 22c per voter per year available at the end of the parliamentary term—should be divided into two groups: two-thirds of the fund should go into a statewide fund and one-third into a constituency fund. In that way the political parties that bear the enormous wst of **the** statewide campaign can obtain reimbursement of their expenses if they receive sufficient votes at the election. The committee was confronted with a problem in determining where the cut-off should be, who should be eligible to receive funding and who should not.

In some countries, any and every candidate gets an equal share of the funds. **That** could possibly be described as true democracy but also it could bring in **many candidates** who merely nominate for election for ulterior motives. The committee discovered that in some countries candidates use the election campaign as a means of advertising their business. The literature used by them to obtain support at the **polls** **in some** instances is really put out to obtain support for their commercial businesses.

Mr Quinn]

It becomes difficult to separate the wheat from the chaff in such circumstances. If they were to obtain equality of funding, as they do in some countries, with true and proper candidates—those who have a possible hope of being elected—it would be totally unfair. I make no apologies for the committee's rejecting such proposals and setting a threshold of electoral acceptability which must be reached by a candidate before participating in the division of available funds.

The New South Wales joint committee considered deeply how high or how low that threshold should be. In Germany it is down to half of 1 per cent. In some countries it is as high as 15 per cent. The committee determined that it should look at a candidate's right to have the deposit refunded. To qualify to have the deposit refunded, the committee recommended that a candidate should gain sufficient votes to reach a proposed threshold. Also, the threshold has to be reached to qualify for funds to be distributed. Eligibility in the Legislative Council is 3.125 per cent of the total State vote. It is a low percentage, but requires that a candidate should receive a large number of votes. The committee examined the figures for the only election held for the Legislative Council, which was in 1978. Only the candidates from the two major parties had their deposits refunded after that election. In some Senate elections, the minor parties in New South Wales would have a chance of obtaining a refund of deposit and therefore participating in the distribution of funds. The funds they would receive would be limited and in proportion to the votes received. If 5 per cent of the vote is gained—which is rare for a minor party—that party would qualify for 5 per cent of the funds to be distributed from the pool. About \$70,000 or \$80,000 would be the most they could receive in those circumstances. Had they really put up a campaign in an endeavour to become elected to the Legislative Council they would have spent far in excess of the \$70,000 or \$80,000 which is the maximum that they would have returned to them.

I come now to the constituency fund. The committee was faced with the problem that there must be a threshold and considered whether that threshold should be 3.125 per cent, as it is for the upper House, or something else. The committee settled for the return of the deposit, which is a fair and reasonable yardstick. Perhaps the manner in which the return of the deposit is calculated under the Electoral Act could be reviewed in future. Members of the committee did not feel qualified to undertake that review and did not consider that the terms of reference entitled the committee to go more deeply into the Electoral Act in order to recommend a change in the qualification for return of one's deposit. It may be that after the experience of the first election when this scheme is in operation, or a later election, the Parliament will determine that some change to the Electoral Act is justified to vary the percentage of vote required before a candidate is entitled to have his deposit refunded. Raising or lowering the threshold required to participate in public funding under the scheme contained in this legislation would require amendment of the Electoral Act.

There will be many problems, particularly for candidates for the Legislative Assembly. They will be required to keep accurate financial records and a list of donations made to them. They will be required to declare the donations and name the donor who gives them anything in excess of \$200. In the past most candidates have not been in the habit of keeping accurate records in this regard, but in future they will have to do so. It will be necessary for the funding authority when it is set up, or the Government through one of its departments prior to the setting up of the authority, to make guidelines available to candidates, for there could be many traps to ensnare the innocent. There could be also loopholes, of which certain people may take advantage,

but guidelines are needed to protect the innocent who may unwittingly err and commit a breach of the law which would render them **liable** to the heavy fines that are listed in the legislation. I urge the Premier and Treasurer to have members of his department, or the funding authority when it is set up, prepare guidelines for all candidates and all political parties. Everyone concerned with elections should have the guidelines available to them as early as possible before the election is held so that they will not unwittingly do things that the legislation declares to be illegal.

In conclusion, I shall comment on the joint committee and those who served upon it. I sincerely thank them for the assistance they gave me as its chairman. Unfortunately, not all members of the committee were co-operative. Some members of the Opposition helped me considerably in the latter stages of the committee's deliberations by failing to appear at meetings of the committee. Thus, it was able to transform the draft report into the report of the committee much earlier than would otherwise have been the case. Again, I thank honourable members from the Government side and members of the Labor Party in another place who served on the committee for their co-operation, particularly those who spent many hours in the preparation of the report as **well** as in the work of final drafting. The staff of the House gave sterling service. In addition to the clerk of the committee and the stenographer, attendants and others assisted the committee during sittings when it took evidence in the **parliamentary** buildings and during its deliberations. The **staff** of the House was exceedingly co-operative and made light the work of the committee. Without their assistance and co-operation the report could not have been brought down in time for the legislation to be before the House now. I express my heartfelt thanks to them and commend the legislation.

Mr PUNCH (Gloucester), Leader of the Country Party [4.55]: The bill contains two key principles, namely, public funding of political parties during election campaigns and provision for the compulsory disclosure of political contributions. The National Country Party of New South Wales is vigorously opposed to the principle of public funding as it denies the individual the right to vote with his pocket as well **as** his pencil. We are not willing **to** forsake our principles for **easy** money unless there is a mandate for legislation of this type. Let me make quite clear the position of the Country Party: at the coming State election we will not be registering our party with the election funding authority; we will not accept any public funds and by not registering we will reject the whole principle of this legislation.

We will not ask the taxpayer to pay for promoting our cause when the money could be better spent on building a hospital, a pre-school kindergarten, a road, a bridge, a water and sewerage scheme, or any other sort of works in country centres that would provide employment opportunities for the young country people who, because of the actions of this Government, find themselves out of a job. Furthermore, when we regain the Government benches we will give the people of this State the opportunity to say whether they want their money spent on political parties. We intend to hold a **referendum** when we introduce **legislation** to repeal this dreadful measure. At the next election, when the public of New South Wales see the Labor Party espousing its socialist philosophy on television or the radio or in a newspaper advertisement, the taxpayers of New South Wales will know that as a result of this legislation their purses have been raided to pay for the advertisement. When they see a National Country Party commercial they can be assured that the Country Party and its supporters—not the taxpayers—have **paid** for the advertisement.

The public funding section of the bill is nothing more than a means of financing a bankrupt Labor Party, nothing more than a way of getting the taxpayer to pay for the extravagances of the Wran public relations machine. That public relations machine has sold to the New South Wales electorate a cosmetic story that the Wran Labor Government has achieved a great deal. That story has been costly to sell. It has bankrupted the Labor Party to the extent of more than \$200,000 at present. To make matters even worse, the story the public relations machine has tried to sell is false. If one studies the record one finds that this Government has achieved nothing more than a cosmetic image. All it has achieved in a few years is a cessation of work on city freeways and country roads, cutbacks in the building of hospitals, schools and water and sewerage schemes, disrupted rail services, and a grave shortage of funds to assist **people** affected by the drought. **All** political parties are having difficulty in coping with the rising costs of electioneering, but political parties are not alone in suffering the effects of inflation and they do not deserve preferential treatment ahead of other voluntary organizations. The obligation on political parties to pay for their own campaigns induces some measure of responsibility in them, particularly the party in power which will be less likely to hold an early election if it has to fund itself entirely. Moreover, under this legislation New South Wales taxpayers will end up subsidizing the political activities of parties interstate or federally. If the Labor Party in New South Wales has guaranteed income, it can spread existing voluntary donations to fund campaigns in Victoria or South Australia or on a federal level.

The section of the bill relating to compulsory disclosure is a complete and absolute farce. One could drive a bus through the loopholes in the disclosure provisions of the bill. It is the greatest hypocrisy for the Premier and Treasurer to claim that this legislation "declares to the world that the great political parties of New South Wales are not up for sale". I certainly know of two parties that are not up for sale—and they are both on this side of the House. But I know one party on the other side of the House that is out for all it can get. We are not for sale and we want to remove the risk of parties selling political favours that are so prevalent in the Labor Party today.

How dare the Premier and Treasurer suggest to the public that the disclosure provisions will reduce corruption when he knows that they are worthless. My belief is that this legislation will breed corruption on a scale that has never before been witnessed in Australian political life. Parties will begin laundering money, in the same way as the friends of the ALP launder their drug money now. Those in power will be able to keep "enemy" lists. Disclosure will fuel the fires of political extortion, **intimidation** and reprisals. We shall see a proliferation of front groups. **All** this in the name of public **scrutiny** and the raising of the standards of political activity, to quote the Premier and Treasurer. This legislation not only encourages corruption; it provides loopholes by which corrupt practices can be undertaken. For example, the definition of a party under this bill provides a loophole for non-disclosure. If, say, the New **South** Wales branch of the Labor Party does not form a part of the federal body—and this could be done **simply** and legally—the federal body could do the collecting and receiving of money for a New South Wales election; it is not being concerned with the endorsement of candidates for that election. Such a federal body could accept unlimited individual donations and then pay those moneys to the New South Wales body. In **its** declaration of disclosure, the New South Wales branch merely states that it received

x thousand dollars from the federal body, but the detail of the actual donors would remain unknown. A similar technique could be adopted by using interstate branches of the party.

Alternatively, any party could arrange for some well-trusted and well-regarded person to be its collector. If needs be, he could be outside the State and do the banking outside the State, for example, in the State Savings Bank of Victoria which does not operate in New South Wales. Potential donors could be directed to this trusted person and invited to make their payments to him, on the understanding that in due course he would give to them a receipt in his favour from the political party. Every single parliamentary member of the party may know who the various donors are, but if the party agent is not told, he cannot lie about it in the declaration of disclosure, nor is there any record of it. Under clause 87 (3), it would seem that a large organization with trusted staff could avoid disclosure under the Act by having, say, twenty of its staff donate \$1,000 each to a political party. The staff would be paid back, but the company would have successfully donated \$20,000 to a party without disclosure. There is no provision for anonymous donations. But what happens if a donor posts a \$10,000 postal order to the party's head office? The party does not know who it is from so it cannot be prosecuted for not disclosing the donor. Similarly, a donor could drop \$10,000 in cash into the fund-raising bucket at an election function, and it would only show up in net proceeds with no identification of the donor. In other words, the entire system of disclosure can be circumvented. The disclosure provisions are meaningless—the most that the public will find out is how much each party raised in total. The more important information wanted by the Labor Party about who the party's key backers are will not necessarily be revealed.

The Premier and Treasurer purports to aver that this bill is fair to all political parties. In fact, it is much fairer to the party in power. The Government of the day can make any regulation away from Parliament that it wishes as long as it is not "unfairly biased against or in favour of any particular parties, group, candidates or other persons". I quote clause 117 (4). Is that to say that a regulation can be biased in favour of a political party, as long as it is not "unfairly" biased? What is fair or unfair in any context is essentially and inevitably a matter for subjective determination. To promote total fairness, regulations should be made on the recommendation of the authority in the first instance. Similarly, clause 90 would allow a government to cut out from the published report of the authority whatever details of whatever gifts it liked. The regulations could be so timed in gazetting, that the report was tabled in Parliament before there was any opportunity to debate the regulation. For example, the Government could regulate that gifts made by trade unions need not be disclosed. This means a Government can exclude what it sees as embarrassing to it, while leaving in—with deliberation—what it sees as embarrassing to the Opposition.

Other provisions of the bill are totally unworkable. For example, clause 94 states that a declaration of disclosure is not valid unless all political contributions and electoral expenditure specified in the declaration are vouched for. In an election campaign, there must be hundreds of people who handle money and make arrangements—most of them not office bearers. Let us take the case when a party worker, not an official, manages to elicit a discount for services from a company as that company's way of making a political contribution. How can any system of vouching be policed?

The Premier and Treasurer has stated that the legislation is "a measure for a better democracy". It is a pity he has failed to introduce it in a democratic way. The essence of democracy is majority rule and this Government has no mandate to introduce public funding in this State. The public has not had the opportunity to vote on the issue. In fact, it is an insult to the people of this State that some senior

Government source—I believe the Premier—has allegedly said that the issue is "far too important to be entrusted to the people". The reason the Government will not hold a referendum is that it knows it would be defeated. Two public opinion polls have indicated that a good majority of people—more than 70 per cent—are opposed to the concept of public funding. In the opinion of the National Country Party, public funding denies the ability of a democratic system to be democratic. The Houghton committee report in the United Kingdom summed it up this way:

The injection of large sums of State money into an essentially voluntary system of party politics is so grave a departure from historical practice as to represent, in itself, a threat to the system.

Public funding will lessen the requirement of political parties to be in touch with the electorate. It weakens the democratic process by taking away the incentive to work for one's beliefs and political convictions. Public funding is an infringement of individual rights and civil liberties. It forces people to contribute to parties to which they are opposed—even to some they revile.

Country people have always contributed to election campaigns. They do not want to subsidize the activities of political parties; they are prepared to pay voluntarily for such activities. They are certainly not prepared to have their taxes given to such outrageous groups as the Marihuana Party or the Communist Party. The most trenchant criticism against the principle of public funding is the diversion of public moneys from welfare and community services. The public should not be sympathetic to yet another claim on its purse when that claim is merely to make the lives of political parties easier. A sum of \$2 million could be far better used to fund a water supply scheme at Ivanhoe or to reopen the Nelson Bay hospital or Nabitac hospital or to build additional accommodation at Taree Technical College or other needy health or educational institutions in this State. It could be used to fund those primary producers and small shopkeepers throughout country areas of New South Wales who are in dire distress as a result of the drought. The Government has refused to give adequate assistance to those persons.

There is already substantial public funding for the administration of elections. The 1978 elections cost New South Wales taxpayers \$3.6 million. The public is being asked to finance the Election Funding Authority, which will be another giant bureaucracy. If one adds to those costs the amount that all parties will have to spend on managing and auditing their books for the mandatory declaration of income and expenditure, the total financial burden will run into millions and millions of dollars. Clearly the Government's proposal will not meet the stated objectives of the bill. It is yet another cosmetic exercise to get the Labor Party out of trouble under the guise of democracy. The political life of New South Wales will suffer a savage blow if the provisions of the bill are enacted. I reiterate, the New South Wales Country Party will oppose the bill at all stages. Country Party members will refuse to register for any of the hand-outs that may be forthcoming. The money should be used to meet the many needs of New South Wales. At the next elections the Country Party will ask the people of New South Wales to register their opposition to this fraudulent measure by voting against its mentor—the New South Wales Labor Party. The electors of New South Wales will register their disgust and, indeed, their censure at the introduction of such an undemocratic and unprincipled measure, which we have undertaken to remove from the statute book of this State.

Mr EGAN (Cronulla) [5.11]: Anyone listening today to the Leader of the Country Party would not believe that two years ago he was in favour of public funding of election campaigns. On 11th March, 1979, when the Premier and Treasurer

announced that the Government would introduce public funding in New South Wales, the Leader of the Country Party was in favour of it. On 12th March of that year he was reported in the *Sydney Morning Herald* as follows:

Mr Punch said that Mr Wran's proposal could have some merit because costs would go beyond the resources of political parties, but the money would have to be fairly apportioned.

But by 14th March he had changed his mind. In a press release issued on that day he said:

While the idea of public funding of election campaigns is superficially attractive, the practical difficulties of an equitable distribution are insurmountable.

The next paragraph of the press release states:

State Country Party Leader, Leon Punch said today that on further consideration he was totally opposed to public funding.

That statement concedes that the *Sydney Morning Herald* of 11th March, 1979, had reported accurately the comments of the Leader of the Country Party. Within two days he had been got at by the Leader of the Opposition. How humiliating it must have been for him.

The bill, which provides for the introduction of public funding of election campaigns and the disclosure of private election campaign contributions, is one of the most significant democratic electoral reforms in the history of our State. Not unexpectedly, given what we know of them and what they represent, the Leader of the Opposition and the Leader of the Country Party oppose it. They oppose it with the same motives as they and their predecessors have opposed every other major electoral reform: essentially, because their commitment to the concept of democracy is contrived and their concern for the protection of privilege is paramount. I am very proud to belong to a government that has such an excellent record of electoral reform. In the short span of five years, it has already achieved an upper House elected directly by the people and lower House electorates of approximately equal numbers of voters. Together **with** these earlier reforms, the proposals contained in the bill will establish New South Wales as the pacesetter in Australian democratic electoral reforms.

In its attempts to condemn public funding of election campaigns and to defend the continuation of financing by substantial and secret private contributions, the Opposition has put together one of the most lamentable collections of bogus arguments I have ever heard. We heard today a typical performance by the Leader of the Opposition. As usual, he was heavy on histrionics, but light on logic and commonsense. When one listens to him one realizes why his approval rating with the public is now down to less than 20 per cent, and why I and other Government supporters who won seats for the first time at the last elections rub our hands with glee each time he comes into our electorates to campaign against us. What we heard today from the Leader of the Opposition was little more than a regurgitation of the same silly arguments he used when the joint committee on public funding was established. However, this time he tried to bolster his arguments by invoking the support of a few newspaper editorials. It seems that the only time members of the Opposition have any confidence in the arguments they are putting is when they are someone else's—in other words, when they have been plagiarized. Simply because an argument is put forward by a newspaper does not clothe it with the authority of **holy** scripture. Newspapers **are not**

Mr Egan]

infallible. Sometimes they disagree, even when they come from the same stable. For example, the very conservative views of the *Sydney Morning Herald* are not shared by the Melbourne *Age*. An editorial in the *Age* on 12th March, 1979, had this to say:

. . . Mr Wran's move deserves support for reasons that transcend party politics.

The editorial continues:

Because contributions from rich individuals and corporations are largely secret, there is also the danger—despite private codes of ethics—that successful parties and politicians may become beholden to generous contributors or sectional interests.

Perhaps the view of the *Age* is influenced to some extent by its close knowledge of the recent Victorian land deal scandals, and the link between those scandals and the fund-raising endeavours of a number of Victorian and federal Liberal parliamentarians. Every member of this Parliament knows enough about election campaigns and election fund raising to know—whether they are honest enough to admit it is a different matter—that the present means of fund raising are fraught with dangers. Substantial and secret donations—four, five and six figure donations—must give rise to serious public misgivings. Can anyone but the most naive seriously maintain that donations of that magnitude have never conferred or will never confer an unfair or improper advantage? President John F. Kennedy described aptly the practice of private funding of election campaigns as putting legislators and governments in a position of moral hock.

One does not have to look far to find cases where private funding of election campaigns has given rise to grave fears. At the last election, in my electorate of Cronulla, much of the advertising on behalf of my Liberal Party opponent, Councillor Dennis Porter, was financed by Mr Thomas Essington Breen, the proprietor of Metropolitan Sands Pty Limited, whose sand mining operations are among the biggest not just on the Kurnell peninsula, but in the State generally. I know that Mr Breen provided substantial funds, because I was told of it by disillusioned members of the local Liberal Party and by sources associated with some of the advertising outlets which Mr Porter used in the last election and with whom Mr Breen had direct dealings.

It just so happens that the rape of the Kurnell peninsula by sand miners is one of the biggest issues in my electorate. Sand mining is also one of the activities that the Government is determined to bring under control with the forthcoming prescription of a planning scheme for the Kurnell peninsula. No one can convince me that Mr Breen's generous assistance to Mr Porter would have been forthcoming had Mr Breen's commercial interests not been involved. Nor can anyone convince me that had Mr Porter been elected he would not have been under some obligation to protect those interests. Mr Porter is currently on a charge of wilful false promise and is out on \$10,000 bail. For that reason I do not wish to say anything more about him, in case I canvass any matter that might be sub *judice*.

In recent years we have seen the exposure of the Watergate and associated affairs, which provide a documented case history of favours given for political donations and pressure exerted to extract political donations. It is worth bearing in mind that those scandals were not associated with some tinpot campaign in some obscure banana republic; they were associated with a campaign for the highest office in the most powerful nation on earth. Much closer to home we have also had some distressing examples in recent times. The Iraqi breakfast affair, I regret to say, is among them. So too was the association between the ill-fated Mr Keith Gale of **Gollins** and the present Prime Minister, Mr Malcolm **Fraser**, as well as the Leader of the New South

Wales Country Party. Also we have seen the recent efforts of the Queensland National Party to raise funds. In a letter to potential donors the president of the Queensland National Party, Sir Robert Sparkes, said:

Your contribution clearly should be viewed not as an act of altruistic generosity but as a sound and very essential investment in the protection of your commercial future. . .

I am staggered that Opposition members support that approach to fund raising, as it amounts to a flagrant threat. There is no mincing of words there. He is saying: "You contribute, or you will not get any government contracts. You contribute, or you **will** face obstruction from the Government". It is as clear and as simple as that. It is *extortion* and *corruption* of the worst kind. If members of the Opposition support that sort of extortion and corruption, it is little wonder that they have taken the stand on this bill that has been taken by the Leader of the Opposition and the Leader of the Country Party. The source of political donations, the reason for them, and the pay-off received for them should rightly concern everyone who values the integrity of the political system and the confidence and trust the public has in it. But of equal concern to anyone with a real regard for democracy is the need to ensure that no parties or candidates are deprived of a chance to win public office simply because they lack the financial resources to put their case. Impecuniousness, or the lack of wealthy backers, should not be a bar to public office. Except for members of the Liberal Party and Country Party, that is not a terribly radical proposition. In fact, it is an entirely reasonable view. Surely it is a perversion of democracy and an affront to all concepts of fairness if candidates and parties with strong financial backing are able to gain such an advantage over poorer opponents that their respective qualifications become secondary factors. Almost 120 years ago a petition from residents of the Northern Districts was presented to this House. That petition deserves notice for its eloquent language and its compelling logic. It reads:

. . . No person, however lofty his intellect, great his attainments, and sterling his honesty, unless he be the possessor of wealth, or paid by his constituents, can aspire to a seat in the House of Assembly. . . Electors must, therefore, continue to entertain the idea that the franchise is incomplete until the man of their choice, however poor in purse, is enabled by the support of the State to represent them in Parliament.

That petition related to the payment of parliamentary salaries, a major and essential democratic reform. But the argument applies with equal force to the public funding of election campaigns. No one should be prevented from coming here simply because he lacks the wherewithal to maintain himself while here. Nor should he be prevented from coming here because he lacks the wherewithal to be elected here. As one of our predecessors, Mr McElhone, said in this House on 17th May, 1887, "I shall be no party to barring a man coming into the House on account of his poverty". No one should be deprived of being elected to the Parliament simply because he lacks wealth or financial backers. Why should the millionaire have an advantage over the wage-earner? Why should the Pitt Street farmer have an advantage over the fair dinkum farmer? Why should the parties who represent the millionaires and the Pitt Street farmers have an advantage over the party that represents the wage earners and the fair dinkum farmers?

[Interruption]

Mr SPEAKER: Order! I suggest to the honourable member for Sturt that as he is the next member to speak in this debate, and he will probably expect the courtesies usually extended to a member making his maiden speech, he should allow the honourable member for Cronulla to complete his speech without interruption.

Mr EGAN: Frankly, when the Opposition case is stripped of all its sham, **the** only argument it has left is its belief that its members were born to rule, and their belief that anything that seeks to introduce an element of fairness into the electoral process is an interference with that privilege. One of the most fraudulent arguments against public funding is the claim, made today also by the Leader of the Opposition and the Leader of the Country Party, that the legislation will compel persons to contribute to causes they find repugnant. If that argument had any validity, it would be an argument for stopping expenditure from the public purse on everything, because almost everything on which public funds are expended is repugnant to **some-one**.

I abhorred the fact that thousands of millions of dollars, some of which were **mine**, were spent on sending young Australians to be killed in Vietnam. I do not remember hearing any member of the Opposition parties claiming that my abhorrence, **or** that of millions of other Australians, was reason enough that funds should not have been spent for that purpose. Nor nowadays do I hear any member of the Liberal Party or Country Party object to the fact that Opposition members are paid from the public purse to peddle the nonsense that they do peddle, despite the fact that public opinion polls and the last State election results show that over 60 per cent of New South Wales electors oppose the views they put. In any event, the simple fact is that under the legislation being debated funds will be apportioned to parties and candidates in proportion to the vote they receive. That means that people will be contributing not to causes they abhor but to the cause they have voted for. In any event, it was particularly hypocritical for the Leader of the Country Party to raise that argument, for as I said at the outset of my speech, the Leader of the Country Party, when the issue of public funding of election campaigns was first raised by the Premier and Treasurer, came out in support of the principle, with the one qualification that there should be an equitable distribution of the funds. Yet today we are told by the Leader **of** the Country Party that the principle of public funding of election campaigns is anathema because it involves compelling persons to contribute to causes which, in his words, they revile.

I want to **deal** with one more attitude of the Opposition. Behind its opposition to this proposal there seems to be some type of suggestion that politics and political parties are unworthy of support from the public purse and that they should be either avoided like the plague or at best regarded as a necessary evil. I reject that view entirely. I regard politics as one of the greatest and most noble pursuits. It is **essential** to freedom. It involves the recognition that government is enhanced amid the open canvassing of rival views. I agree too with the Houghton committee's description of political parties as the crux of democratic government. As that committee's report said:

At election times it is they who run the campaigns and whose job it is to give the voters a clear cut choice between different men and different measures . . . In short, they are the mainspring of all the processes of democracy. If parties fail, whether from lack of resources or vision, democracy itself will fail.

Yet who can doubt that democracy is in a precarious state when parties depend **financially** on only a handful of substantial donors. Reform of election campaign **financing** is clearly long overdue. It is essential if we are to prevent corruption and promote fairness. I am proud to support this historic bill.

Mr SULLIVAN (Sturt) [5.33]: I thank you, Mr Speaker, and honourable members for granting me the indulgence of the House to make my maiden speech in **this** debate. I am privileged to stand in this august Chamber to deliver it. **As** a former member of the federal House of Parliament, I am acutely aware of the huge

responsibilities put upon me by the people of Sturt when they elected me as their member. I pay tribute to the previous member for Sturt, who for more than ten years proved he was an excellent parliamentary representative for that area. He represented his constituents in admirable fashion. I have no doubt that he will be returned to represent the portion of the electorate of Sturt that will be absorbed into the new seat of Murray.

Also, I pay tribute to my opponent, Mr Michael Anthony of the Australian Labor Party. He conducted himself honourably throughout the campaign, and despite the convincing win achieved by my party he came forward, without rancour, to offer his personal congratulations. I wish him, his charming wife and family all good fortune in the years ahead. Of course, I must thank also, with some cynicism, the Ministers of the Government, including the Premier and Treasurer, who during the campaign came into the Sturt electorate dripping with Treasury cheques with the obvious intention of buying votes. It was no more than political bribery at its worst—or perhaps at its best—but it did nothing to help the Labor Party. The message is clear: country people are not to be bought. Country people are more interested in policies. I am proud to be a member of the National Country Party, which provides the right sort of policies for country people.

I am aware that one should thank helpers publicly in a general sense, because once one attempts to name particular people one usually misses a worthy person and unintended hurt can result. Nevertheless, I pay special tribute to Mr Harold Loudon, my campaign director; Mr Ernie Rockliffe, chairman of the Sturt electorate council, and the council itself. I thank the members of the National Country Party and Liberal Party, especially Mr Brian Moriarty, the endorsed Liberal candidate for the seat of Albury, who readily came forward to do all those menial jobs connected with elections, such as door knocking, organizing meetings and handing out how-to-vote cards. I thank also Mrs Lyn Sparkes, formerly the Sturt electorate secretary for Mr Tim Fischer, who came to help me willingly in that same capacity. No doubt she will continue to provide an efficient electoral secretarial service until the seat is abolished. It would be remiss of me if I did not say some words about the passing of the electorate of Sturt. I am told it is to be abolished following the electoral reform referred to by the Premier and Treasurer, who said: "In 1979 we established the principle of one vote one value in voting in Legislative Assembly elections". I consider it a tragedy that that catch phrase should be used so much when referring to voting in elections.

I ask honourable members to consider some of these figures whenever they hear that phrase in the future. I say that in particular, because the Premier and Treasurer, who made that comment, is also federal president of the Australian Labor Party. In that position I consider he may be able to throw some light on why these variations occur between those who vote in New South Wales and those who vote in Tasmania. In Tasmania there are 277 880 electors; New South Wales has 3 233 481 electors. The quota for each seat in Tasmania is 7 939. The quota in New South Wales for a State seat is 33 000. On those figures alone, the people of Tasmania have four members of Parliament to each New South Wales member. Is that electoral justice? At the federal level there are five members of Parliament in Tasmania, with a quota of 45 500. In New South Wales the quota is 75 000. So by comparison, in Tasmania there are almost two federal members to every New South Wales federal member. Is that electoral justice, if we are all to be called Australians? If the members of the upper Houses in the States are included in those figures, and the senators also Tasmania has one member of Parliament for every 4 000 electors. New South Wales has one member of Parliament for every 16 000 electors. I consider that puts the lie to the cry of one vote one value.

Mr Sullivan]

I now wish to speak to the Election Funding Bill. To quote the Premier and Treasurer, "This is an extremely important piece of legislation". Indeed it is much more than that. It is an incredible piece of legislation. Without doubt it is the most horrendous legislation ever to come before this House. When enacted the legislation will set a remarkable precedent. It will give politicians the keys to the State Treasury. Despite claims to the contrary by Government supporters, the bill will provide the mechanism for politicians of all persuasions to charge their political activities to the taxpayers of New South Wales.

Once the principle contained in the bill has been established as law by a so-called insignificant cost of only 22c per voter, it will allow the floodgates to be opened simply by amendment to the legislation. How often have we read about the minimum costs of establishing principles? I refer honourable members to the grand speeches made in federal Parliament on the introduction of some of the costly health care measures, or perhaps in this State those speeches made not so long ago about the low cost construction of a much needed opera house. Surely it is a principle of democracy that legislation should be enacted as the result of need, and that the need be established and evidenced by a ground swell of pressure from individuals, groups, associations and organizations from within the community. I merely ask, from where did the Government see the need emanating for the introduction of this bill?

Public opinion polls revealed that more than 70 per cent of the people of New South Wales are against public funding, and this figure includes a significant number of Labor Party voters. The Liberal Party has totally rejected the principle. The National Country Party has totally rejected the principle. Therefore, one must conclude that the bill has been organized for the Labor Party. It is a bill which, on the overwhelming evidence, must have been initiated to pay off the debts of the Labor Party. Not one word of the speech of the Premier and Treasurer was directed to arguments to validate or support the introduction of what he described as this pioneering measure for Australia. Neither Government supporter who has so far spoken in this debate has put forward arguments to validate or support the introduction of this legislation. The terms of reference of the joint committee were totally biased. They directed the committee to make recommendations on the introduction of a system involving public funding. Two paragraphs from chapter 1 of the committee's report are extremely enlightening. In fact, these words are unbelievable. I refer to the first two paragraphs of the section headed, "Some Matters of Principle", which read:

The Charter granted to the Committee by both Houses of Parliament was to recommend a system of public funding of election campaigns. The responsibility of the Committee did not include any discussion as to whether this was desirable or not. For this reason, a number of submissions, including substantial sections of those submissions from two major political parties, were irrelevant to the Committee's inquiries; the serious and conscientious work of their representatives before the Committee was of no direct value.

The stridency of opposition to the introduction of public funding—stridency that was expressed both to the Committee and in discussion in the editorial columns of the State's newspapers—do require a brief comment if for no other reason than that the opponents may claim that this fundamental question is not one that the Committee was prepared to face.

And that is that. So much for democracy and matters of principle! In this House this afternoon the Minister for Corrective Services said that in an overseas trip a pertinent and complete study of the systems of public funding was undertaken. Yet the report of the joint committee says that the committee was not concerned with

whether or not public funding should be introduced in this State. The Premier and Treasurer referred to systems of public funding introduced for one reason or another into a number of major democratic countries throughout the world. He obviously wished to find support for his proposal in the “They do it; why **shouldn’t** we?” argument.

The Premier and Treasurer referred to West Germany and special mention was made of that country by the joint committee. But the Premier and Treasurer and the joint committee did not say that the main reason for the introduction of a system of party political funding in West Germany was that after the shocking experience of Hitler and the Nazi movement, little or no interest was shown in the political process; consequently, to assist in re-establishing democracy in the postwar years, financial support was given to political parties. That is a long way from the situation existing in New South Wales in 1981. Further, neither the Premier and Treasurer nor the joint committee referred to the fact that in all the countries they mentioned voting is not compulsory. I wonder whether the Labor Party would agree to introduce non-compulsory voting in New South Wales as part of the party’s vaunted electoral reform.

A study of the joint committee report and the Houghton report—which was the report of the committee on financial aid to political parties in the United Kingdom—and a number of other papers prepared on this subject did not produce one compelling or substantive argument in favour of public funding. Obviously the Premier and Treasurer and the Government could find none and this is why this undemocratic bill has been presented to the House in this despicable manner. Numbers only in this Chamber and in another place will see the bill through. In the Government’s view, logical argument in support of the bill is totally unnecessary.

A referendum is not to be held, simply because the result is totally predictable and might be one that is not sought. It is my view that the Premier and Treasurer has made a grave political mistake. No man and no party could ever believe that political popularity cannot be lost. One way or another the people of New South Wales will vote on this legislation. If it is not to be the subject of a direct referendum question, then let the forthcoming State poll be the referendum on this issue. I welcome this prospect, which will give the thinking citizens of New South Wales an opportunity to rid the State of a government which, by its own actions, has shown itself to be no longer of the people. The Premier and Treasurer stands condemned; the Government stands condemned; so does the bill.

Mr ANDERSON (Nepean) [5.48]: I congratulate the honourable member for Sturt on his maiden speech. No doubt he will be pleased to have it out of the way. I should like to say how delighted I was that the House appointed me as a member of the joint committee which considered the public funding of elections. I enjoyed the experience of inquiring into the matter and participating in the deliberations of the committee. There were, of course, some problems, but they were overcome by the resignation of some members of the committee. In my view certain members of the committee did not participate in the right spirit. However, I pay tribute to the honourable member for Tenterfield who acted with honour and integrity in the action he took towards the end of the sittings of the committee. I appreciated the friendship that existed among the members of the committee, despite the obvious disagreements at various times.

At the outset it is important to draw a distinction between the matters being raised by members of the Opposition today and their real opposition to the principle of public funding. They may call for a referendum and make statements of principle, but it will become clear to anyone who reads the report following my remarks that their

real opposition to this legislation and the protection of democracy that is incorporated **in** it and the report of **the** committee is their violent opposition to the **principle** of disclosure. In my view it was the one issue in the deliberations of the committee and certainly in the taking of evidence that was of grave concern **to the** members of the Opposition serving on the committee.

Mr Dowd: Can the honourable member not think of something else that **the** Government could do with \$3 million?

Mr Schipp: It could pay telephone bills for members in the Western Suburbs.

Mr ANDERSON: The honourable member could do a lot in the western suburbs. I hope the second Liberal Party candidate in my electorate **will** last longer than the first one did. The Leader of the Opposition in his contribution to this debate referred to a number of electorates, but he did not mention Penrith. It is delightful to look at the operation of the Liberal Party in Penrith for it typifies the back-stabbing and infighting that is now going on in the parliamentary Liberal Party. The **party** selected a candidate who started his campaign, but he was knifed in the back by other members of that party in the area.

[Interruption]

Mr ANDERSON: The honourable member for Wagga Wagga should wme **into** the Penrith electorate, as some of his colleagues have done. Within a **few** weeks **of** their visit their original candidate withdrew. The Leader of the Opposition did not mention Penrith. He made some reference to water storage in the Blue Mountains. **At** the instigation of the Deputy Premier, Minister for Public Works and Minister for Ports, the Sydney water board took over control of water and sewerage services to the Blue Mountains. The Opposition opposed that. Why was it that this Government had to provide money for the refurbishing of **Camden** Hospital? It was because the previous Government **failed** to do it. To return to the bill, it is interesting to read the report of the joint committee—judging from the remarks of the Opposition, its members have not read the report—and to look at the number of democracies in the world that have some form of public funding.

Mr Dowd: Not this form.

Mr ANDERSON: If it is such a terrible thing, why is it that so many democracies have instigated public funding? The honourable member for Lane Cove says, not in this form. That is correct because the joint committee established by this Parliament took a considerable time to come up with a proposition that will work and provide the necessary protection rather than creating massive bureaucracies and perhaps justifying all the complaints which the Opposition in its smokescreen today has tried to raise. Whether one looks at the system in West Germany, Austria, Italy, Sweden, Norway, Denmark, Finland, Israel, Canada, the United States of America, Puerto Rico, or the assistance offered in Great Britain, one can see that public funding has become acceptable. Let us examine the system in those countries prior to the introduction of public funding. There was much opposition before it was introduced, but after the event those who were against it did not act to have it removed. I believe that that is what will happen here—except that the **Opposition** will not have a bar of disclosure.

One could not come **up** with a fairer formula in respect of disbursement than that provided in the **legislation**. There will be an opportunity for candidates to put matters before the people—an opportunity that for many people does not exist now. I believe that the formula will allow candidates in the various electorates to campaign in the way best suited to their electorate. It is clear that a campaign conducted in an

area such as Lane Cove is totally different from a campaign conducted in an area such as the old Nepean. In **1976** and **1978** I recall utilizing **all** the media outlets in my electorate. They included advertising in twelve newspapers and on two radio stations. That takes no account of the situation in country areas which have television stations. Some candidates prefer to write personal letters or to send pamphlets to each household; others prefer to use the media. This formula gives an opportunity to give a wider coverage, and I believe it is the best that can be devised.

I propose to refer briefly to evidence given to the joint committee—first to the submission and subsequent evidence given by the academics for pluralist funding. That evidence is most interesting, much of it is worth repeating. On page 2 of its evidence that group made the following comment:

Our review of the relevant literature and of the laws relating to campaign finance in other democracies has revealed that the public funding of election campaigns is much more common in democratic systems than is generally realized in Australia.

I think that is clear in that, for obvious reasons, attempts to establish opposing groups in some countries are denied. The submission continues a little later on page 2 as follows:

In order that public confidence be maintained in the legitimacy of parliamentary democracy, we stress the vital and wide-ranging role our political parties need to play in ensuring that the public is politically informed, encouraged to participate, provided with effective representation, and given an opportunity for a choice in public affairs. While our parties do their best, often working on a "shoestring", it is our contention that their performance urgently and increasingly needs improvement.

Surely any objective persons, even members of the Opposition, would agree with that statement. On page 3 of the report the academics refer to certain scandals that have taken place and say:

Nevertheless, in the interests of maintaining public confidence in our democratic institutions and irrespective of whether State subsidies are introduced, candidates for public office should be made to follow procedures of disclosure sufficient to ensure that campaigns can be seen to be free of strings and scandals. Secrecy breeds suspicion.

Later in its submission on disclosure, the group said:

Self-regulation combined with full and adequate disclosure are joint principles for the oversight of electoral expenditure. These principles will make the electoral process more equitable and democratic. The aim of disclosure provisions is not to tell parties and candidates what they can do, but to require them to tell the public what they are doing.

Therefore, it is clear that the Opposition is terrified about the disclosure provisions. In response to a question put to the group, one of the witnesses said on page 11 of the transcript:

Further, we think that sufficient allegations are made—not often in New South Wales but certainly in Australian politics and elsewhere—about the potential of corruption and the potential of buying political parties and candidates, that the argument in favour of making public who is spending money where and where it is coming from and where it is going to should be an unassailable principle, to use the words of a *Sydney Morning Herald* editorial. In principle, it seems to us to be clearly unassailable. It seems

to be vital in the interests of democracy to remove doubt and to increase public confidence in what all our political parties and candidates are doing. That is the principle behind which disclosure recommendations are made.

Is it such a terrible thing to suggest that the public should be informed? It is interesting to note that disclosure is not unknown in other countries. On page 12 of the transcript, one witness from the group said:

We tend to ignore the fact that a number of other governments have adopted funding recommendations and that most Australian governments—but not the New South Wales Parliament—have some degree of disclosure and reporting legislation now. The Commonwealth Electoral Act contains extensive disclosure and reporting provisions that are not enforced, but the legislation is there.

The difference is that this legislation and the scheme itself provide disclosure provisions that can be enforced. However, this will not require massive bureaucracies of the type that have grown up in the United States of America and other places. It will require reasonably simple lodgment and give an opportunity to the public to inspect so that they may understand from where parties and candidates are receiving their funds and make a judgment as to why.

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

Mr ANDERSON: I wish to turn now to some of the evidence given on behalf of the Liberal Party to the Joint Committee of the Legislative Council and Legislative Assembly upon Public Funding of Election Campaigns, in particular that appearing at pages 38 and 39 of the evidence. Paragraph 1.3.5 of the submission to the committee on behalf of the Liberal Party referred to corruption and stated:

Parties should raise their necessary funds by persuasion not coercion. The availability of public moneys for political purposes could introduce vast new possibilities for corruption.

Public funding will remove the opportunities for corruption, particularly the provision for disclosure. At paragraph 2.2.2 under the heading "Party Discipline" the Liberal Party submission stated:

The provision of subsidies to the parties' individual candidates would have the opposite and equally unfortunate consequence of undermining party discipline.

Then at paragraph 3.2 under the heading "Disclosure of Public Funds" this statement appears:

Disclosure—or at least some form of audit—should be required of those parties and candidates that opt to accept public funds. This, however, should apply only to the funds received for which the party or candidate is accountable to the public. For its private expenditure a party should be accountable only to its members.

I shall come back to that point. At page 55 of the evidence the general secretary of the Liberal Party, Mr Bartels, was asked the following question:

419. On page 12, item 3.2, you deal with the acceptance of public funds by a party. I do not understand from your submission whether you are saying outright that if a scheme were introduced for public funding that the Liberal Party would not accept the funds, or would you accept them under protest?—A. The position of the Liberal Party is we would not accept funds unless you made it impossible for us to do so—and you can make it impossible for us not to accept them.

In view of the information given to the House by the honourable member for **Wentworthville** honourable members may find the opinion expressed by Mr Bartels most interesting. At page **58** the following evidence by Mr Bartels appears:

459. You referred to the cynicism of the public. From your experience in politics, would you not agree that the public are generally cynical about politics and politicians anyway, as a general concept?—A. I suppose so, yes.

Other witnesses gave similar evidence about cynicism by members of the public towards politics and politicians. I return to the matter I referred to before in the Liberal Party submission about its responsibility being only to its members. Mr Bartels said at page **69** of the evidence to the committee:

... If you are asking me would we disclose what we actually spend on election campaigns, no, we would not.

635. You would not desire to?—A. We would decline to answer.

636. You do not want the public to know what it costs you?—A. It is something we have always kept to ourselves.

637. It is something for the administration of the party alone?—A. Yes.

638. How about the general meeting of the State Council, would they be aware?—A. No, they would never ask.

639. If they asked, would the administration be prepared to inform them?—A. The State Council is the governing body.

640. They have no interest at all in what it costs?—A. They leave it to the party executive.

641. You never give the State Council a balance sheet?—A. We let them know where we stand, but we do not give detailed costings of election campaigns.

642. When you present a balance sheet to your State Council after an election has been held, you make no indication at all as to what is spent on the campaign?—A. No.

643. How can you give a proper balance sheet?—A. We do not give the State Council a full balance sheet but just an indication of what are the incomings and outgoings.

644. The administration keeps all that information secret?—A. It is the State executive that keeps it.

645. The State executive I refer to?—A. Yes.

646. It is kept secret and nobody has a right to know, in your view?—A. Except the auditors. It has never caused any difficulty with the party.

Further on he was asked:

649. You are not prepared to co-operate by informing this committee of the cost of an election campaign?—A. I would prefer not to.

Yet the Liberal Party has the audacity and the hypocrisy to put forward the submissions that I referred to before. I repeat, the thing most feared by the Opposition, particularly the Liberal Party, is the disclosure provisions. This fear is revealed by the Liberal Party representative admitting that they do not even tell their own members about certain financial matters. When pressed to give the committee details Mr Bartels refused

Mr Anderson]

point blank to do so. By contrast, a spokesman for the Labor Party made all information available. I refer briefly to the evidence given by Mr Richardson in support of the Labor Party submission. At page 77 of the evidence the following statement appears:

I believe there is trenchant opposition because some people in political parties in Australia believe they have a great advantage over others, and like most people in such position, they are fighting to protect that advantage.

That attitude became abundantly clear from evidence given before the committee and reiterated in this House tonight by the Leader of the Opposition and the Leader of the Country Party. Mr Richardson was the only witness I can recall who had been overseas to study public funding of elections. In respect of that aspect he said:

I can only go on the oversea experience, which is the reverse of that. There is no experience to go by here. But if you look at Germany and Italy, as well as Austria, the opposite has happened. All the parties have been better able to get out and talk to people and involve them more and more in the process, with the result that more people have wanted to join parties. I do not see why that experience should not occur here.

This evidence was supported in various ways. The public funding of election campaigns has not meant a decline in party membership. The reverse has occurred. Further, it **has** meant that more people are involved in the political process. The Opposition suggests that Government **supporters** will commit a terrible crime if people are allowed to participate in the electoral process and to be better informed. I can well understand why the Opposition would not wish the public to know about some of its policies. Electors should be as well informed as possible. They should not receive merely the opinion of some person who has an opportunity to put forward one view or another. All candidates should have an opportunity to make the community aware of their views. That is the goal to which all honourable members should strive. Two witnesses appeared before the joint committee to give evidence on behalf of the Country Party. They gave some answers that were similar to those given by the representative of the Liberal Party. At page 105 the following evidence appears:

1152. Is the balance sheet of your party made available for all your members? —A. No. The balance sheets are made available to the members of the governing body of the party, namely, the central council at its annual general meeting, and it is available for perusal by those people. But it is treated as confidential beyond that.

1153. It is a public document? —A. No.

1154. That document would contain details of the costs incurred by the party, would it not? —A. **Yes.**

1155. Do you think that your organization would be agreeable to making available that information to this Committee? —A. No, I do not think the party would be agreeable.

.

1169. If it were to be introduced, has your party taken a decision as to whether it would accept or reject funds that could be available to it? —A. It has taken no decision.

I remind the House that the same evidence was given on behalf of the Liberal Party. It is no use the Leader of the Opposition telling the House what he wants to do; honourable members know that if certain front bench members of the Opposition

have their way he will not be their leader much longer. The honourable member for Wentworthville correctly identified those who pull the strings that make the Liberal Party puppets jump. At page 106 the following evidence appears:

1178. Who are the people who engage in fund-raising activities?
 —A. Various members of our executive committee.
1179. Parliamentary members? —A. In some cases.
1180. Is there any restriction on the parliamentary members in the raising of funds? —A. The same restriction that is on any other party member, that of confidentiality.

When representatives of the Liberal Party were giving evidence before the committee they went through the exercise of asserting that the party had a code of conduct and certain things did not happen. I refer again to the evidence given to the committee on behalf of the Country Party. At page 109 the following evidence is recorded:

1228. Apart from membership donations does your party involve itself in fund raising? —A. Yes.
1229. Could you elucidate on that? —A. No further than to say that we encourage donations from individuals and bodies who are interested in helping to fund a party such as ours.

1241. The last sentence of paragraph 7.4 states: "Such behaviour only serves to deepen the public's alleged cynical regard for our politicians and candidates". In your view is it only alleged cynicism or does the cynicism exist within the community? —A. I believe it does exist, but we do not believe that State Government funds will alleviate the position in any way.

1242. Do you not believe that disclosure provisions will go a long way towards removing cynicism? —A. Not necessarily.

1242A. Would you agree that it is the view of some members of the community that various parties are in receipt of substantial donations from various sources? —A. Yes.

Further down page 109 this interesting series of questions and answers appears:

1247. You say that out of respect for the people with whom you are involved in the party? —A. Yes.

1248. Are you privy to the information in the balance sheet? —A. Yes. The balance sheet is presented to the governing body of the party, the central council, annually.

1249. You would know the contents of the balance sheet? —A. Yes.

1250. How many members has the central council? —A. I think it has seventy-two members.

That means that seventy-two members of the Country Party see that party's balance sheet—out of a total membership of over 23 000 persons, which was the figure given in evidence to the select committee. That number compares favourably with the number of persons entitled to see the Liberal Party balance sheet, as no one is entitled to see that. In contrast, every member of the Labor Party is entitled to see the balance sheet that is presented, and does see it. I have said four times, and I repeat, that the Opposition is terrified about the possibility of disclosure of the source and amount of campaign funds. The Liberal Party says it does not want funds to which it will become entitled under the legislation, for it does not need them, despite what is said in

the press. It is easy for Opposition members to express moral attitudes in the House, but members of the Labor Party know what is going on. The select committee heard evidence by Mr **Simpson** of the Institute of Public **Affairs** of New South Wales. He was asked this question, among others, by the Hon. Deirdre Grusovin:

1898. In your submission you say that the case of government aid is based on four factors? —A. The four factors I have set out in the submission constitute the case for government aid. The first of those factors is that elections are now so expensive that the parties are no longer able to mount effective campaigns without financially crippling themselves. I do not have a lot of evidence on this. The parties are reluctant to give us much information on it.

On page 166 questions are asked about a \$2 million donation to an American political presidential candidate. I give that information to put in context the question and answer I shall read:

1990. So it would be all right for a Government contractor to donate \$2 million to the Labor Party for the next State election campaign and the people should not know about it? —A. You ask me a question about \$2 million. I said that in America the situation was such that something needed to be done. I do not think that any political contributions in this country have reached anywhere near the \$2 million level. But we shall never know unless they are disclosed.

That is the real point in issue. I should like to refer briefly to the evidence of another witness. I shall not have time to read it all, but this passage appears on page 150:

1814. It has been suggested in many places that a disclosure would protect the recipient, or the donee, from possible demands by a donor. In your experience as a long-term parliamentarian do you agree there are donors but that donees repeatedly decline to accept their directions or coercion or even encouragement for further donations? Do you agree there is very little evidence to suggest that donees in fact have reacted to a point of action as a result of donations received from donors to political parties? —A. I wish I could answer that question, yes. I cannot.

Later this question and answer appear:

1833. Do you believe that given our political system, tolerance, mutual goodwill between the parties, and a belief in parliamentary democracy, that the public funding of election campaigns constitutes in any way a threat to democracy? —A. If the funding is done properly I do not think it constitutes a threat, but rather the opposite. I think the proper use of a mechanism like this will favour the maintenance, or the establishment, of true democracy. What we are trying to do, surely, is to see that the voters know as much as possible about the candidates and their policies before they cast their votes. That is not democracy, but it is the mechanism which is necessary for the best operation of true democracy.

That witness was a former federal Liberal Party member of Parliament and former Minister, the Hon. W. C. Wentworth.

Mr Dowd: What an authority.

Mr ANDERSON: For a number of years the Hon. W. C. Wentworth was highly regarded in the federal Government. In recent weeks newspapers have carried articles about allegations of scandals in Queensland. From time to time allegations are made about politicians in New South Wales and other States. Opposition members might be willing to let such allegations go without comment. I am not. My working

life **commenced** as a public servant. I was accused of being a loafer merely because I was a public servant. I spent ten and a half years in the New South Wales police force, whose members have been subjected to allegations of **various** types.

Mr Dowd: The honourable member should not become emotional.

Mr ANDERSON: I become emotional when I hear of such allegations, and the nudge-nudge wink-wink say-no-more approach is common. About 99 per cent of members of the New South Wales police force are good, honest policemen, but they are regarded by the public with certain cynicism. It may be good enough for the honourable member for Lane Cove to go along with that cynicism, but it is not good enough for me or other Government supporters. I am sick and tired of cynicism about politics and politicians. This legislation will do something to overcome it, mainly through the disclosure provisions, of which the Opposition is terrified. The community is willing, at the cost of a postage stamp, for such a provision to become law. It will cost the price of a postage stamp not for every person but for every enrolled elector. That is the price of improving democracy and ensuring that political parties disclose their donations and the source of those donations. It will give the public an opportunity to be **informed** when making their choice. Some persons tell me they deliberately vote informally. That is a pity. I would rather, if they do not vote for me, that they vote for my opponent than vote informally, for by doing so at least they would exercise a choice based on information available to them. The public funding of campaigns for elections, at a cost of about **22c** per enrolled elector per year, will go a long way to overcoming the cynicism that exists in the community.

Mr Catterson: That is what it is **supposed** to cost for the next election, but it will increase.

Mr ANDERSON: The honourable member for The Hills might be willing to accept that cynicism in the community, but I am not willing to accept cynicism about politics and politicians. The Government is doing something to remove that cynicism. I repeat, the Opposition is not opposed to public funding; it will accept those funds when they become available. However, it is **terrified** of disclosure of its finances and their sources. The Opposition ought to be fair **dinkum** and support the legislation. It is a great move to bring true democracy to New South Wales. I commend **the** legislation.

Mr DOWD (Lane Cove) [7.48]: I should have been disappointed if there had not been an emotional outburst from the honourable member for Nepean, as that is what the House is accustomed to seeing from him when facts are being dealt with. For half an hour he has spoken about a report. The House is not debating a **report**; it is debating the Election Funding Bill. However, I am glad that he has raised the matter of cynicism; if ever there was introduced in the House a measure that underlined cynicism, it is this measure. To illustrate my statement I shall turn to one provision, clause 89 (c), which relates to declarations of contributions. It is supposed to be a measure designed to provide true democracy. It relates to disclosure of sources of funds, the amount of the contribution under clause 84 and the amounts of donations excluded. It means that anyone who wishes to contribute to the Labor Party or any other party, may make three donations of **\$1,000**—a large sum in the context of any State election—without disclosing such sums in the party's funds. But another provision will be open to even greater cynicism. I refer to subclause (c) of clause 89 of the bill which provides for the disclosure of the net proceeds of fund raising ventures or functions and details of each such venture or function, including a brief description of its nature. Supporters can attend fund raising dinners, pay \$100 a plate, and remain anonymous. It would not be difficult to organize a \$500-a-plate dinner, which **would** allow those contributing to remain anonymous. That is what the Labor Party does.

It invites businessmen to such dinners and notes who has the courage not to attend. The Labor Government stands for sanctions and intimidation. What company would be willing not to contribute publicly to the Labor Party for fear of sanctions that might be levelled against it? I remind honourable members that the Labor Party is the political wing of the trade union movement and that the trade union movement **can** apply sanctions effectively to any company that steps out of line. Of course the Opposition does not want disclosures. I shall disclose contributions to my last election campaign, which cost \$2,500. I received donations totalling \$200 for that campaign.

If this bill is passed, \$3,500 would be allocated for the Lane Cove **electorate** at the next elections. That public money could be better used than to support the Labor Party because of its inability to raise funds for its election campaigns. Once these funds are paid to the Labor Party there will be no control over them. It must be remembered that the Labor Party conducts federal election campaigns, and conducts them badly; it loses. It does not raise sufficient money. It conducts local government and State government election campaigns, and **conducts** them badly. This is **why** the House is now dealing with this bill and why about **\$3** million of public money is to be expended. Much of the money will be spent employing inspectors and other people to administer the fund. As I say, that money could be spent much better than funding the Labor Party's campaign.

Mr Mulock: If you do not take the money, it will be lost.

Mr DOWD: *Yes*, at this election. The sum will be larger than **\$3** million at subsequent elections. No measure has typified the Wran Government more than **this measure does**. Why should not the House be debating the bill for disclosure of **pecuniary interests** of members, which was introduced by the Government several weeks ago? **Headlines** were featured in the newspapers at that time.

Mr Mulock: The honourable member will get his chance.

Mr DOWD: That is tremendous. That bill is as cosmetic as the bill now before the House. Any competent lawyer—I am not speaking about the Minister for Mineral Resources and Minister for Technology—could drive a horse and cart through the gaps in the legislation. It is a cynical measure designed to **create** the impression of public disclosure. It will give only an impression of propriety where no propriety exists. It is a grab of public money to add to the millions of dollars needed to support the Wran machine in the funding of the Premier and Treasurer's media monitoring and all the public servants needed to promote and help the Government. The New South Wales Government cannot raise **sufficient** funds for its State election campaign. It should be borne in mind that clause 89 (c) of the bill will enable the Labor Party to raise hundreds of thousands of dollars and not have to disclose the source, because the money **could come** from a fund-raising **dinner**. Any party can do that. That is why the honourable member for Nepean is correct when he talks about cynicism. The bill underlines that cynicism.

When honourable members debate the bill dealing with disclosure of pecuniary interests how many supporters of the Labor Party will disclose their little family trust funds? Will this great workers' party have to disclose the position of its members? How many Labor Party supporters **will** have to disclose their wealth? Why is the House not debating that legislation? When is it to come before this House? Regulations can be drawn under that bill to exclude the major part of any secret benefits that people achieve. What is so special about the bill now before the House? **I shall** inform honourable members. There is a great new invention of law in this State. By the provisions of clause 24, for the first time there will be discretionary laws.

Guidelines are to be introduced. They are not Acts of Parliament or regulations. What force will they have? They have the force of law, so that for the first time the Wran Government gives to a statutory authority the power to make law that cannot be reviewed by the people. The law is not democratic and cannot be reviewed.

Clause 24 (2) will provide that regard shall be had not only to the provisions of the proposed Election Funding Act and regulations, but also to the guidelines. This is the first time that the House has had to debate this derogation of the sovereignty of the Parliament. It is an absolute disgrace that, in addition to all the discretions inherent in the bill, we should be debating guidelines—a new form of subordinate legislation. What will it mean? It will give powers to the commissioner. I have great respect for the present commissioner. We are dealing with legislation that will remain on the statute book until it is repealed. Whoever the commissioner may be, he and the Labor appointed member will have the numbers to interpret this Act as the Government deems appropriate. It is a disgrace that the Government—which regards itself as an open, democratic Government that governs by the rule of law—has introduced such a provision, which will detract from the democratic process.

Honourable members have heard a great deal about the report of the Joint Committee upon Public Funding of Campaigns for Elections. We are not debating that report and what happens in other countries that do not have democratic processes similar to those in New South Wales. The House is debating this unique bill; no previous government has gone to this extent. The Wran Government says there is to be disclosure of members' pecuniary interests and of contributions; that is absolute nonsense. Under the legislation a survey will be undertaken as part of the electoral process. It will be to determine attitudes, and it may be undertaken by a trade union! A trade union could say to the Labor Party, "Here are the figures. Do not waste money obtaining a survey. We have done one for you". Though that will be an expensive part of the process, it will not be caught by this legislation. That is what is so cynical about the legislation. The Government makes out that everything is pure and open. The Labor Party will get some company to add a few questions to its survey. It is a dishonest way to try to make out to the public that some sort of disclosure has taken place.

Mr McIlwaine: We are learning a lot tonight.

Mr DOWD: I am delighted that the honourable member for Yaralla can learn anything. If he keeps quiet a little longer, he will learn more. About \$3 million of public money can be spent more wisely than to further the cosmetic aims of the Wran Government. What has the House debated in this session which is of benefit to the people of New South Wales—pecuniary interests and disclosure of contributions? Of course I do not want contributions disclosed. I do not see why a person who donates \$200 to my election campaign should be put at risk. It is his private contribution.

Mr Cavalier: It is not a private act.

Mr DOWD: It is his private contribution to my campaign. Are we to expose everything? Under the legislation the Labor Party could put on a \$1,000-a-plate dinner for 100 people and it need not be disclosed under clause 89 (c).

Mr Cavalier: It must be.

Mr DOWD: The honourable member is cynical. He has not read the bill. Honourable members should look at the sanctions contained in the bill. The Government was elected on a promise to restore jury trials for some offences. Under this

bill party officers can be brought before a Supreme Court judge and may be liable to a penalty of \$10,000 without trial by jury for an offence under the proposed Act or the regulations.

The great democratic Labor Party, the protector of civil liberties, promised to restore the jury trials that the former Liberal Party–Country Party Government abolished for some offences. It has not kept its promise, but it has added to the statute book a few more offences that will not be tried by juries. Officers of a party who give their time freely will be subjected to a \$10,000 penalty at the discretion of a single judge, sitting in summary jurisdiction. The House is debating the right of the Government's minions, its inspectors, to go through the party membership roll, if it so chooses.

The honourable member for Cronulla displays a big grin. That is exactly the intimidatory process that the Labor Party sets out to undertake. It does not believe in freedom of association. It wants everything made public. As the honourable member for Sturt said in his maiden speech, any government that brings in legislation thinking it will be in government for ever, soon finds out that that will not be so.

The citizens of New South Wales will have to choose between the Liberal Party and Country Party coalition which believes that people should be able to contribute to the party of their choice, and the way that the Labor Party, with a subterfuge, has drafted the bill. The bill has been drafted so that people might get around its provisions. If Government supporters had read the bill they would know that. People wish to contribute to the party of their choice in the same way as they support the party of their choice. By this exercise the Government will be able to say: look what we have done; we have exposed all the people who contribute to political parties. The cost of running an election campaign in New South Wales is such that it is easy to subvert completely the provisions of the measure. The Government should hang its head in shame. It makes out that it is terribly clever in exposing contributions which can go straight through. The Act will oblige registration of parties and disclosure. How will that be done? Clause 87 obliges disclosures unless the amount involved is \$1,000 a year over three years.

Mr Egan: It does not.

Mr DOWD: It obliges the appointment of an agent under clause 41. It obliges disclosure if a payment is made under the condition that the money is to be used for the sole purpose of promoting or opposing the election of a person or persons to a legislature other than the Parliament. The Labor Party has only to say to people that they should not contribute money for State purposes, they should contribute it to the next federal election. The Labor Party could tell people to give it the same amount as always but to state a condition that the money is to be applied to the federal election. All the money goes into the one fund. The books can be rigged so that the amount goes to pay for a federal election. The bill is a cosmetic farce.

Sanctimonious, hypocritical nonsense has been uttered about why the public should know what contributions are being made. Why should people not support the party of their choice and contribute money to it? The difference between the Labor Party and my party is that the Liberal Party was built on a system in which the people who contributed money had no control whatever over the members and how they voted. That was why the United Australia Party failed and why the Liberal Party was founded. The Labor Party has to serve its masters. How many votes does the honourable member for Fuller control in the Labor Party caucus? It does not matter how many he controls, he cannot beat the trade-union heavies, the centre unity blokes, because he, the representative of the ordinary man in the party, has not got

the numbers, even with all the members of the steering committee. That is not a democratically elected party that is based on adult franchise in the way my party is. Every individual in my party has a right to go to the State Council meeting and participate. The honourable member for Fuller knows that he has no chance of control because of the trade-union movement. Where does the trade-union movement **get** its money from to help support the Labor Party? Some of that money comes from Liberal Party supporters who are forced to contribute.

Mr McIlwaine: Hear! hear!

Mr DOWD: The honourable member for Yaralla thinks that this is a great joke. That will be changed if the coalition parties assume office. It will take only a few weeks. When government inspectors come along it might be found that records have been left at the pub. The honourable member for Fuller respects those people who want to get the criminals out of the Labor Party. Crooked party branches support some people who are elected to Parliament. It is an absolute disgrace that such a hypocritical exercise should occur in which crucial records suddenly disappear. What chance will the inspectors have during the **term** in office of a Labor Party which cannot find its own branch records? How many turned **up** at the last branch meeting?

Mr Moore: They are like **truckies**. They keep several versions of their record books.

Mr Mulock: That is nice. That will look well **recorded** in *Hansard*.

Mr DOWD: Much has been said about persons seeking election being able to get money to fund a campaign. What are the cutoff provisions? The cynical **cutoff** provisions make sure that the smaller parties and the independents do not get a razor. Where is the democratic process? Where will any candidate who puts himself forward for election—or a new party that commences—get money? Under the formula in the **bill** they will not get money. The cynical formula makes sure the money goes to the Labor Party and to the other major parties, if they decide to accept the funds. Of course, they will not accept funds. The Opposition believes that public funds should not be spent in this way to support political parties. If the Labor Party cannot get enough funds to run its own show, it does not deserve to be in government. The Labor Party spends enough, through the Premier's Department, to support the Premier's tired image and to make sure that it is elected again. That will change. The legislation will also change as soon as the coalition parties get back into power.

The bill makes vulnerable every person who freely gives up his time as an **office** bearer to manage a party. If one looks at the definition of officer one finds that **an** officer subjects himself to penalties. The **definition** of officer covers just about everybody who holds **office** in a political party. The federal Government is curing problems brought about by the Whitlam Government and is getting unemployment down and reducing inflation. If the honourable member for Yaralla does not visit the **schools** and he wants me to do so I will talk to the pupils at schools in his electorate. In a comfortable society like ours, because of this type of legislation people will not want to come forward and contribute to parties if they are to be subjected to criminal penalties, without juries. With a maximum penalty of \$10,000 people will not be willing to come forward and the democratic process will be hurt.

The Opposition believes that people who wish to contribute to a political party under a system such as ours where there is no control by people outside the party in the way that the Labor Party is controlled by the trade unions from outside, **should** be able to do so. In the same way the Labor Party tried to bring in a cosmetic disclosure of the pecuniary interests of honourable members. By clauses 83, 84, 85 and 86 anyone who wishes to contribute can get around the provisions about disclosure.

It is cynical to talk about how disclosure will have to be made. The public should realize that at the next election one of the issues will be whether public funds should be used to support the Labor Party or to support schools, hospitals or whatever is needed—even roads. One would think that the Minister for Mineral Resources and Minister for Technology should be servicing his electorate and spending money on freeways.

Mr Mulock: \$20 million is being used for that purpose. The programme is fifteen years ahead of what the coalition parties would have achieved.

Mr DOWD: Nothing has been done so far as freeways are concerned, other than a little bit of tidying-up of what was done previously.

Mr Mulock: The honourable member should go out and have a look at Mays Hi and Parramatta.

Mr DOWD: This authority in the regulation-making power contained in the bill detracts completely from the authority of this Parliament. The House is being asked to pass a bill which does not spell out all the provisions of the regulations. Why will the Government not table the regulations? What has it to be scared of? The Government should table the regulations and let the public and the parties know what choice is available under this legislation. Let honourable members know in advance what the guidelines are. It is an absolute disgrace that the Government should use its numbers in this House and in another place to enact legislation that detracts from the authority of this Parliament. The situation is exactly the same as it is in regard to the legislation proposed to deal with the disclosure of members' pecuniary interests, if the Government ever introduces it into this Chamber for debate, as it almost has on two occasions. The Government is asking people to vote on legislation by way of referendum without spelling out what it is. The Government is not willing to let people know in advance what the total scheme is.

This legislation makes provision for the trade unions to be used cynically to provide all the survey information and all the other things that are not caught by the bill. The legislation has been carefully drafted to make sure that copies of surveys can be made available without property being transferred. If there is no transfer of property, the matter will not be caught by the Act. The Labor Party will continue, as it has done over the years, to use the money of trade unionists to support a political party that the members may not support.

The ultimate indignity of the bill is contained in clause 59. If the bill is interpreted as drafted—and who knows what it means for it is one of the worst bills ever presented to the House—the parties will be eligible for payment from the central fund if the authority is satisfied that the members of the group claim to be endorsed by the party and by no other party. Is it the intention of the Government that a candidate cannot be endorsed by two parties on a joint ticket of the type that has been used in previous elections? Is this an attempt to prevent the Liberal Party and the Country Party joining together on a joint ticket?

Mr Mulock: There is no chance of that happening. That is not the intention of the Government.

Mr DOWD: There is no chance of that happening? It is the intention of the Government to use that clause to try to split the coalition. There is no provision for apportionment. There is no provision for paxties—whether it be the Country Party and the Liberal Party or any other group of parties—to choose to come together, as they are entitled to do. This Government, with its numbers and with its superior

knowledge, has decided it will not make provision for that arrangement. It may well be on a proper interpretation that clause 59 prevents joint tickets. It is a disgrace that we should subvert the wish of the people as expressed in the legislation to reform the upper House that this bill should be used as a means of dividing people who wish to share together on a ticket. The formulae that are used here are a cynical exercise to get as much money as the Labor Party can out of the public purse to make sure that the people of this State think there is full disclosure when they well know, if they read the legislation and have it explained to them, that that is not the **effect** of it. This bill more than anything else typifies the contempt that this Government has for the people of this State. It insults them, knowing full well that people do not get the opportunity to read bills. It is remarkable that honourable members have had as long as they have to read the bill, the way that the Government organizes the parliamentary process.

Mr Cavalier: The honourable member has had five months to read the report.

Mr DOWD: We are not legislating the report. Perhaps the honourable member for Fuller does not realize that. The legislative process here is to make sure that honourable members in this Parliament decide what the law is and that the law is not decided by some authority outside or some guidelines outside or what is contained in some report.

Mr Mulock: The honourable member is wrong in his interpretation of the clause.

Mr DOWD: Members of the Opposition are grateful to the Minister for Mineral Resources and Minister for Technology who has given us a legal interpretation that we know we can rely on because of his vast legal experience. He has told us what the **clause** means. I am delighted to know that he has read it. Let the record show that the Minister says the interpretation I put upon it was wrong. We can run a joint ticket.

Mr Mulock: The honourable member forgot to **look** at the definitions clause.

Mr DOWD: Is the Minister referring to the definition of the word **group** which appears in clause 59 (2) (b)?

Mr Mulock: No—party.

Mr DOWD: I see. The Minister should look at the definition of group. If it means **what** the Minister says it does, it is a miracle of drafting. Members of the Opposition repudiate this legislation. It is an abomination before this Parliament. The sooner we get back into government and repeal it and allow public money to be spent for the benefit of the public, not for the benefit of the Labor Party, the better it will be.

Mr CAVALIER (Fuller) [8.16]: The legislation before the House is among the most important it will ever have to consider. This bill is designed to alter fundamentally the rules of the political game. The principal virtue of Westminster democracy has been its adaptability. The parliamentary system in this State was created in Victorian times and has its roots in pre-Victorian England times. Unlike so many parliamentary systems or legislatures on the European Continent, the Westminster system has survived. It has managed to survive because it has proved that it can

adapt. With little violence, Britain has emerged as a modern democracy. Along the way it extended the franchise from a small property-based elite, much favoured by the National Country Party in this country still, to the totality of British adults. It has abolished open voting and the consequent intimidation of the few voters that were entitled to vote, intimidated by the powerful dukes, earls, marquis and barons, that so much of the backbench of the Country Party like to posture from time to time they still are.

Britain managed to end, in the course of the past 150 years, the rotten boroughs, the power of the lords to reject supply, and legal shackles on trade unions and provide for the right of the working people to be represented in the highest court in the land. The New South Wales Constitution and responsible government in this State came into existence when the reign of Queen Victoria was but twenty-two years old. Consider the electorate of 1856 or the electorate of 1891 for that matter in either Britain or New South Wales. Consider the difference when Benjamin Disraeli first stood for the House of Commons for the electorate of Upper Wycombe. He lost by twelve votes to twenty. They are not proportions. They are the totality of the electorate. When William Holman first stood for this Parliament before the turn of the century he was able to visit each voter at his home in the electorate of Cootamundra. He went to them riding on a bicycle. Compare either of those two experiences with the mass electorate that faces any member of this House in 1981. Our average enrolment now is 31 000. Not even someone as assiduous as the honourable member for Drummoyne could possibly hope to meet everyone personally.

Mr McIlwaine: He has already done that.

Mr CAVALIER: The honourable member for Drummoyne will probably go **down** in history as the first member of a parliament in the Westminster system to win a contested election unanimously. So one needs to communicate. Communication can **be** done by any one of several extremely expensive and extremely inflationary prone methods—postage, television, radio, newspaper advertising and space in newspapers generally, printing, paper—and when one gets beyond pretty basic sort of paper, it is a very high cost item—market research, public relations and advertising. All of them are extremely prone to movements in any prices and all of them are well ahead of any measurement by the consumer price index.

Public funding is about equalizing the contest and giving an opportunity to all sides to win. Everyone is able to nominate. Notwithstanding the doom saying by the Leader of the Opposition, that right is not in any way affected by this legislation. The Opposition waxed lyrical about the right to nominate and tried to bring forward some doubt that this measure would in some way affect it. Of course, they are very happy to indulge in this measure of repressive tolerance as long as the present system ensures that the conservatives have all the advantages. The conservatives love you to participate as long as they have a wholesome guarantee of winning. Public funding is about equalizing the opportunity for all sides to win. We should not be really surprised at the vehemence of the opposition from the Liberal Party and the Country Party. Let me quote what the report of the joint committee had to say in paragraph 1.19.3. [*Quorum* formed.] The committee observed:

Any alteration to the electoral landscape has traditionally brought forth opposition, including predictions of imminent danger to the democratic process—according to **how** the democratic process was then defined by the hegemonic ruling group in that society.

In New South Wales the Liberal Party and Country Party have not quite become used to the fact that they are no longer the ruling group in this society and that they no longer set the standards of public life in this State. It will be many decades before they again have those pretensions. The committee went on to observe:

In the last two hundred years the Westminster Parliament has extended its franchise for its Lower House of Parliament quite massively since 1832 from a most restricted property-based qualification by stages until it embraced universal male suffrage and then, in 1928, universal adult suffrage. At each stage that the franchise was extended, opposition was fierce: Prophecies of dire peril were made by those who were benefiting from the existing arrangements.

It is one of the sadnesses of public life in this State that those who participate in the conservative parties are so abysmally ignorant of their actual political roots. Learning and the love of history is not part of the apparent education of a conservative member of Parliament, as the events of 11th November of that year. Those events show they are quite unable to learn the lessons of history. It was salutary to read of the way in which Britain managed to avoid explosions in the 19th century when the rest of Europe was engulfed, because the leaders of that nation, great conservatives like Disraeli and Grey, were willing to bend before the popular will. Conservatives in Canberra and conservatives on the opposite side of this House refuse to bend and, as they were in October 1978, will be swept away once again. The committee's report, in talking about an extension of the franchise and the nature of the opposition it brought forth, in paragraph 1.19.5 said:

The same process occurred in the colony established at Sydney Cove under the authority of the Westminster Parliament. In colonial times and later as a State, the New South Wales Parliament has extended the franchise gradually until, in 1973, it included all citizens over the age of 18. As in Britain, opposition to each extension of the franchise came from those whose level of articulation is enhanced by their knowledge of the traditional levers of authority and their access to the media. Similar shows of opposition have confronted such reforms as the Secret Ballot, Compulsory Voting, Preferential Voting, Payment of Members of Parliament, the Abolition of Plural Voting, the Equality of Enrolment in Electorates and the election of the Members to the Legislative Council by the people of New South Wales.

In his second reading speech the Premier and Treasurer summarized some of the outstanding reforms that have been brought forward by the Wran Government in the five short years of its existence. This Government is responsible for putting forward three of the major reforms designed to bring about an equality of contest in New South Wales electorates. Those reforms were opposed vehemently by the Liberal Party and Country Party. They became law. They have become established as part of the fabric of our elective system just as compulsory voting, the secret ballot, payment of members of Parliament, and the abolition of plural voting have all become established as right, proper, and beyond challenge by any political force in our State. People are generally aware that Oxford University and Cambridge University were once represented by separate members of Parliament in the House of Commons. The New South Wales Parliament used to have a representative from the University of Sydney. That was wiped out, but it required a division of the House to do it. Surely people would not suggest that that type of electoral system should be returned to this Parliament?

It is measures of the kind designed to bring forward the notion that every adult citizen of this State is absolutely equal that is the difference between the members of this party inside and outside Parliament and those sitting opposite who represent

Mr Cavalier]

conservative parties that have come and gone. The Opposition would have this House believe that this is a radical measure: radical indeed. Public funding enjoyed bipartisan support in West Germany, Austria, Italy, Sweden, Norway, Denmark, Finland, Israel, Canada and the United States of America. We observed that most of the States of the United States of America have a system of public funding. More than 750 local municipalities in Norway have public funding administered by the local town hall. It is in no sense a radical departure for one State in this federation to set forth on its own. It was the States that blazed the trail in the United States of America. Indeed, it **was** the quite obscure and not generally well-known Commonwealth of Puerto Rico, a protectorate of the United States of America, that led the world in public funding. What the committee had to say about the geography of public funding is worth quoting to this House. At paragraph 1.19.11 the committee said:

The geography of public funding is worthy of special mention. The Committee **does** not believe it is any coincidence that those countries bordering upon Eastern Europe—countries which have good reason to cherish that measure of freedom that a competitive party political system provides—have **all** chosen to sustain the party political process by direct financial aid and assistance in **kind**. Indeed, it is in West Germany, a nation which has known totalitarianism this century, military occupation, and lives with the permanent threat of invasion, that the Parliament has recognized political parties in its Basic Law.

I congratulate the honourable member for Sturt for his maiden speech earlier in this debate. He was fortunate to have had so important a subject upon which to make his first speech in this Parliament. The committee did recognize the circumstances under which public funding was introduced in West Germany, mainly as a result of the aftermath of the absolute destruction of the party system in the Weimar republic. It was realized from the outset that parties were essential to the stability of democracy. In the 1950's and 1960's one way of absolutely ensuring the stability of political parties was to subsidize them through the State. I do not believe any member of this House can say that democracy has been endangered in West Germany or in any of **the** other countries I have mentioned, on the borders of eastern Europe, by the fact that they have public funding. Quite the opposite occurred. Stability has been ensured in those countries by measures for public funding. Public funding of election campaigns is seen increasingly as a solution to political problems in the Third World. Certainly it is a weakness of the party system that has heralded the failure of so many Asian and African legislatures. Without free and competitive parties the noble words that created those systems of government have had no life breathed into them. More and more historians writing about the United States civil war acknowledge that one of the principal causes of it was the breakdown of the two party system in the late 1850's.

Let us not forget that Britain would now have public funding if the Callaghan Government had enjoyed a majority on the floor of the House of Commons. **The** underlying theme of the Houghton report was that political parties outside the Parliament deserved support precisely because they are considered indispensable as democratic institutions to the Parliament. Indeed, public funding is seen by many, including conservative commenators, as essential in many countries that have a particular problem. Let me take India as an example—a country that has come through temble times, including a series of elections and a state of emergency. I shall quote what *The Economist* said about India. Nobody can say that magazine is particularly radical, and I am pleased to note that several members of this House regard it as staple reading. *The Economist* of 28th March **commented:**

State finance for election campaigns has been discussed in India for several years—and never more so than during Mrs Gandhi's emergency, when companies were strong-armed into contributing to the Congress party. Spread over five years, state support would cost less than 0.5% of the revenue raised by central and state governments. It would be a bargain at twice the price.

Once political parties were no longer dependent on black money, their leaders might be bold enough to starve its roots.

It is a reasonable response to that comment to say that such a situation does not obtain in New South Wales at present. It does obtain in Queensland where the party system and the whole concept of parliamentary democracy has been debauched beyond belief because of the attitude of the National Party Premier of that State. I have quoted at length the report of the joint committee. My service as a member of that committee was one of the most valuable tasks I have ever undertaken. To have played some role in the drafting of the report and the legislation based upon it will be a source of pride for me always. The report stands up well five months after publication. Even with the most searching examination by those who would sabotage it, the thrust of the report remains unchallenged. No objection has been put forward to the recommendations on practical or mechanical grounds. Criticism of the bill on those grounds is shallow and half-hearted. The Opposition fears this bill because it knows it will work. Why should the Opposition fear anything contained in the bill? It fears it only because it is reviled by fairness—and fairness is the basis of this bill.

Funds will go to the central party headquarters and to the candidates according to the level of support accorded to them by the voters in the sanctity of the ballot-box. This scheme will reward votes gathered, not money collected. An important proviso is that no party or candidate can receive more than half of the funds available. A loser in a given electorate, for example the opponent of the honourable member for Northcott, would receive funding equal to the proportion of the votes he obtained. But the important proviso is that no matter how well an individual candidate may poll—for instance, the honourable member for Drummoyne will gain 78 per cent of the vote in the next poll—he will not be entitled to more than 50 per cent of the funds available in that seat. To take another example, the Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport will poll 67 per cent of the votes in his electorate but he will not be entitled to more than 50 per cent of the funds in his seat. The honourable member for Heffron, who will no doubt touch 90 per cent of the vote in the next election, will not be entitled to receive more than 50 per cent of the funds in his electorate. The funds for each electorate will be equal. The legislation does not recognize marginal or target seats.

Mr Egan: Nor should it.

Mr CAVALIER: I agree with the honourable member for Cronulla. Several submissions before the joint committee sought to recognize that fact. Those submissions were well-based and argued fully, but in the end the committee decided that the contest in Gordon or Cessnock was as important as it was in Cronulla, Maitland or Hornsby; it decided that seats on the margin were no more important in terms of deserving a vigorous electoral contest between two or more candidates than those that are so safe that a real contest does not take place. In other words, voters in Cessnock and Gordon are as much entitled to a vigorous campaign as are voters elsewhere. On the formula built into this legislation, the funds for each electorate will be about \$7,000. Therefore, no candidate will receive more than about \$3,500. In terms of the

marginal seat or the sprawling country electorate with regional radio and television, \$3,500 will not go far. The basis of the scheme is not to replace voluntarism or the work of branch members; it is to supplement private funds rather than to replace them.

While talking of costs, I regard it as a worthwhile exercise—and I know it is for I have done it—for any member of the public who is concerned about the cost of the scheme, or if he regards payment of money to politicians as a dirty exercise, to examine the cost of keeping the Opposition afloat. One has only to tally the salaries of the thirty-five Opposition members, the Opposition's thirty-five electoral secretaries, the rent of its electoral offices, the cost of office space in Parliament House and the cost of telephones to realize that the figure is well in excess of \$2 million a year. The annual cost of keeping the Opposition afloat—and of course the Opposition exists, rightly, to oppose the Government and to engage in politics all the year round—is more than the triennial cost of public funding of election campaigns. It is extraordinary that the Opposition, which waxes so eloquent on the line that this scheme is incumbency protection for those who are elected members of Parliament, does not believe in equality of funds for Liberal and Labor candidates in marginal seats. In other words, the Opposition believes that it is all right for those who are now in the swill of Parliament, but it is not right to make a contest, so to speak, much more easy for other persons.

Clause 88 (2) sets out how funds should be spent. The committee decided not to make hard recommendations in that regard. It said only that the funds should be expended on those purposes necessary to contest the election of the Parliament of New South Wales. The committee believed—and the legislation enshrines this fact—that the whole scheme of public funding should be based on commonsense. The Government does not expect any party to waste the funds made available to it. There will not be a need for a rigorous definition of how the money will be spent, as funds are so scarce that only a madman would spend them improperly. The bill is based on commonsense rather than on hard words in law. The proposed legislation presumes also that an election is not some legal fiction that begins with the issue of writs and ends with their return. An election is an ongoing process. The bill ensures that political parties will have an opportunity to have long-term campaigns, mini-campaigns and mid-term campaigns and be able to claim advance payments of a total of 30 per cent of their full entitlement. That sum can be spent in amounts of 10 per cent and 20 per cent over the life of a parliament.

The threshold figure in this legislation to determine who will be entitled to public funds caused a considerable problem in the committee. The recommendation was made that the threshold for gaining public funds should be exactly equal to the vote required to retain one's deposit in an election—a concept understood and accepted on both sides of the political fence. For the upper House the threshold is a mere 3.125 per cent of the formal vote. It would have meant that in the 1950's the Democratic Labor Party would have qualified. It would have meant also that in various elections in the late 1970's the Australian Democrats would have again qualified. In the fullness of time in upper House elections across the State minor parties will qualify. The committee deliberately did not engage in a definition of what is a legitimate candidature or a frivolous or extreme candidature. The only definition that counts is the will of the people. If enough people vote for a candidate or party that candidate or party will become entitled to public funding. The people will decide who is qualified. The legislation is admirable in the way it deals with the necessary mechanics. Every candidate will be able to appoint an agent. Claims for public funding must be made in ninety days and there are adequate provisions for extensions. All claims may be inspected so that the opponents of myself or the honourable member for Northcott will be able to inspect what is put in. That is a worthwhile and valuable safeguard for every person.

Payments will be made by reimbursement for actual expenses incurred. No cash will be paid out in advance, and for that reason alone the opportunity for corruption and improper expenditure has been virtually eliminated. Disclosure is a vital aspect of the bill. As the honourable member for Nepean said, it is the disclosure aspects of the measure that so much frighten the Opposition. I make it quite clear that anyone standing for election later this year, whether he registers or receives public funding, will have to disclose the source of his income and how it is spent and whether the funds he uses are public or private. The scheme will not be full of the loopholes that the honourable member for Lane Cove fears. If the honourable member tries to engage in some of the antics he referred to with the Election Funding Authority, he will quickly learn that the authority is not a paper tiger like some of the statutory authorities the Liberal Party and the Country Party established.

The authority will protect the interests of the people of New South **Wales**. It **will** not be a matter of single line expenditure where entries can be buried. The honourable member for Lane Cove gave an example of a fund raising dinner which one thousand people attend and pay \$1,000 a head. It will be possible for the Election Funding Authority to go beyond anonymity. After the 1981 elections everyone **will** have a good indication that the antics they thought would be acceptable to the authority will not be tolerated. By the 1984 elections, when the Opposition will be receiving these public funds, everyone will comply with the legislation and the spirit in which it was introduced.

The Election Funding Authority is a worthwhile concept in the development of statutory authorities. The Leader of the Opposition will have the right to nominate one member, as will the Premier and Treasurer. Persons in public office, such as members of Parliament and aldermen, or those who seek election, such as candidates or their agents, will be **barred** from serving on the authority. The reports of the authority will be presented to you, Mr Speaker, and you will lay them on the table of the House. Those reports will be vital reading for anyone who is interested in politics in this State. In its report the authority will be at liberty to make recommendations on amendments to the legislation. The report will be a critical document, and the composition of the authority will ensure that the authority will be critical also. The authority will have the power of secondment. It will not be a vast bureaucracy on the United States model. It can operate as a small, tightly-knit structure between elections. During and after elections, if special investigations or additional audit requirements are necessary, secondments can be made from the public service or specialist staff can be hired from the private sector.

The shibboleths introduced in this debate by the Leader of the Opposition I shall **demolish** in the short time left to me to speak. The one that has been most frequently mentioned, sometimes by interjection, is that the scheme has been introduced to pay the Australian Labor Party's debt from federal elections. Since 1972, when I became particularly interested in the development of Australian Labor Party policy, public funding for election campaigns has been part of that party's national policy. In the **Whitlam** era, when Labor did not have control of the Senate, a bill was introduced to bring about public funding. Public funding has continued to be part of State ALP policy and the legislation introduced by the Wran Government is the fulfilment of that long-standing policy. In case Opposition members do not accept what I have said, I shall examine some practical aspects.

The Australian Labor Party cannot pay off its debt from the federal elections or take over debts of the national executive under the provisions of this legislation. Money will be paid out by the authority to the various parties after the election. That **money** will be only for actual expenses incurred. It **will** be necessary to provide the authority with certified receipts and audited statements. It will not be possible

to use public funds to pay off a pre-existing debt. The election will bring about a new debt. Funds cannot be transferred to pay off an existing debt, for they must be used to pay the costs of the then current state campaign. The scrutiny of the public funds takes place before those funds are paid out. Because of the way in which the legislation has been drafted and the small size of the authority, the possibility of litigation such as that experienced in the United States of America is remote.

The legislation is based on existing concepts and machinery. The Government has deliberately turned away from introducing limitations on expenditure. If the lion's share of available funds goes to major parties, it is only because, and only for as long as, the major parties receive the lion's share of support from the people of New South Wales. The people of this State will determine how much each political party receives. The scheme is based on popular support and the continuing will of the people of this State. It deserves the support of this House.

Mr CAMERON (Northcott) [8.46]: I am a voluntarist. By nature and instinct I subscribe to the view that nothing that can be achieved voluntarily ought to be compelled. I stand by the view of the Liberal Party of Australia, which is that it will not register under this scheme; it will not accept money under this scheme; and when it is returned to the Treasury benches, as inevitably it will be, it will repeal this legislation. I stand by that concept because I hold strongly that quality goes out the door when compulsion comes in. This legislation is compulsion in its least attractive and least necessary form, for today in Australia the political parties are being funded voluntarily. Those who believe in political parties support them with funds; persons who have a party of their choice support that party. The system works, and works well, on a voluntary basis without the evil overtones of compulsion that the Wran Labor Government seeks to introduce.

On what kind of precept does the Government seek to introduce this compulsion? Where is the example? Whence did it originate? Was it found in one of the great democracies of the world or was it a Ronald Biggs type of situation, a Latin-American type of situation? Who was the pioneer? The truth will out. Puerto Rico pioneered the way for subsidies in 1957, for a scheme that provided only partial reimbursement to parties and candidates for electoral expenses actually incurred in gubernatorial elections. What a precedent; what a pioneer we are to emulate.

I favour the purist principles that in some respects the honourable member for Fuller enunciated. He pointed with pride and satisfaction to the achievements of persons such as Disraeli in Victorian England. He spoke of their flexibility, their qualities and their insight that ensured the survival of Westminster style democracy. If that is his view, I join him. I believe the high water mark of Westminster parliamentary democracy was reached in the Victorian era, not only in England but also in New South Wales. When one recalls the type of person who was in this Parliament at that time and compares him with the present members—much more subsidized, as we are by the electorate, but not nearly as subsidized as will be the persons who replace us—it becomes obvious that quality was then at an enormously higher level than anything that is achieved under the Wran administration.

I go clearly and firmly on record as saying that if the proposed scheme gets into the statute book and stays there, in twenty years' time the standard and quality will be much lower again. One has to think only of the type of men who were members of this Chamber and note what they achieved without any kind of taxpayer support for their propositions. I refer particularly to some former Prime Ministers of Australia who came from this Chamber in its heyday. None is coming from it today. Edmund Barton, the first Australian Prime Minister, came from this Chamber as did John Christian Watson, the first Labor Prime Minister. George Houston Reid and Joseph

Cook were former members of this Chamber. I remind the House also that William Morris Hughes was a member of this Chamber. Only recently I read his autobiography, "Crusts and Crusades", one of the funniest books ever written by an Australian. In that book Mr Hughes stated that in 1894 he was endorsed by the Labor leagues of two metropolitan constituencies. He said that he left his horse behind at Molong and came to Sydney to decide which of these constituencies he would represent. On his arrival in Sydney he discovered that he could not afford to represent either as his impecuniosity was so intense that he could afford only to take on a constituency that was located within the radius of a penny tram section of this Parliament.

Mr Sheahan: He should have brought his horse with him.

Mr CAMERON: Some citizens consider that they would be better served if their members sent their horse here and stayed behind themselves. William Morris Hughes is an example of what men can achieve without any taxpayer backing. He rose to the position of a great Prime Minister of Australia. If one brings in big intrusive taxpayer-supported government and a whole new race of subsidized politicians, quality will continue to decline in the manner in which it is declining now. If one wants a return to quality, one has to go back to voluntarism, smaller government, lower taxation and a stronger, finer and purer stream of individualism. None of those elements is tolerable, entertaining or acceptable by the Government. That is the blunt reality. In the community there are serried masses of voters who want no part of taxpayer funding of politicians and political parties. The public opinion polls disclose that three of every four voters oppose the taxpayer funding of politicians and political parties. Three electors to every one are saying that they want the system to remain as it is whereby those who care will support the party of their choice in their own way, in confidentiality, in privacy and with their own funds.

Mr Knott: Why did they elect the honourable member?

Mr CAMERON: The electors of Northcott made one of the best decisions of any time. I emphasize that, more and more, the community is starting to gain insights into the role of government. In the past it has had too little insight into that role. The community is beginning to realize that government cannot spend its money better than the community can spend it. Although the scheme is written off as little government or postage stamp government, costing some 22c for each citizen, the blunt truth is that all levels of taxpayer support are capable of easy escalation. Inevitably they will escalate dramatically. Though the Government refers to the cost for each citizen as being that of a 22c postage stamp, even at this stage the total expenditure will run into millions of dollars. In five years' time there need be only some dramatic multiplier effect to increase the cost to some \$20 million or \$30 million. This is as inevitable as are all the processes of escalation that go with socialist legislation of this kind.

The plain truth is that the Government proposal will not achieve any of the things that the public is being led to believe it will achieve. The legislation will be totally ineffectual. Everything that is claimed for it will be capable of easy, facile circumvention. The patterns are as plain as a pikestaff. If any three firms, for whatever bad, corrupt or even good reason, wish to subscribe to Labor Party funds they will merely send their money to the federal secretary of the Labor Party with a little note saying, "Please send a Labor Party cheque to the corresponding value to the New South Wales division of the Labor Party." The territorial limitations of the bill will make that activity legal. The person who gives \$600 every election to the Labor Party will simply give \$200 a year, or whatever is the maximum amount that does not attract disclosure. All the inspectorial powers built into the legislation in their Frankenstein proportions will operate day by day, week by week and year by year. The inspectorial powers and the invasion of privacy provisions that are built into the bill are of such proportions

as to reveal that the police State will be a reality. The inspectorial powers associated with the Government's proposal are greater than those invested in the Department of Taxation. The scope for intrusiveness, prying and invasion of privacy is overpowering. Not just the party but the individual candidate, not just the member but the member's wife, will be subject to the invasive inspectorial powers built into the legislation. If a member has a joint bank account with his wife in which all of her financial affairs are recorded, those affairs will be subject to those powers.

The honourable member for Fuller spoke about the nations that have followed the disastrous lead of the pioneering country **Puerto Rico**. Of course, the honourable member did not mention the Union of Soviet Socialist Republics. I presume that country has taxpayer funding. The point is that as that nation has one party, presumably the costs are not great. Some honourable members may have heard the story of the commissar of elections who said to the general secretary of the Communist Party, "A terrible thing has happened; we will not be able to hold the elections next week." The general secretary was confounded by this unexpected development and said to the commissar, "Why are we not going to be able to hold the elections?" The commissar hesitated in replying as he was worried about disclosing the truth, but he said finally, "Mr general secretary, we cannot hold the elections because we have lost the results."

Elections in the Union of Soviet Socialist Republics are not as demanding as they are in a free Westminster style democracy. Probably the expenses are not as great. However, they will be great in New South Wales. The bureaucracy will grow dramatically in size. The honourable member for Fuller may assure honourable members in his bland tones that New South Wales will not have a bureaucracy as big as is associated with such schemes in the United States of America; that New South Wales will not have the dreadful pattern of expensive litigation that is associated with such schemes in the United States of America; that New South Wales can have small government and a little bureaucracy and not much litigation. How often have honourable members heard bland assurances of that kind across the spread of history? How often have those bland assurances always been defeated by the reality of socialist democracy when the socialist taxation bill mushrooms and escalates to elephantine proportions until the taxpayer, who is looking for only small government, finds himself entirely defeated?

When I first heard of the patterns of this bill I began to feel that the only person whom one would have to worry about would be the poor official agent of each party. For him we might have concern for the fines that might be put upon him; for him we might have to start knitting long woolly underwear for the cold nights in prison when he could not pay the fines; for him we might have to start preparing food parcels. But the blunt truth is that every office-bearer of a great political party would be liable to this kind of process. The officers of my party have calculated that if all the fines that are capable of being imposed were imposed, a party like mine might be facing fines in the proportion of \$8 million.

Many features of the bill need to be looked at closely. It is a bill that goes behind such desirable principles as confidentiality and privacy. It is a bill that imports intrusion and invasion into the life of the ordinary citizen who wishes simply to support the political party of his choice. Particular provisions of the bill merit the closest consideration. It is all very well for a Minister to say, "The Government has obtained some legal advice and thinks it is fairly safe because of the way the word group is defined. If that is so, the obvious implications of proposed section 59 will not come to fruition". It is not what the Minister thinks; it is not what his legal adviser has told him; and it is not any assurance that he gives to this House that matters. The only thing that matters is how a court of law interprets the effect of the words used in the legislation. What Ministers say and is reported in Hansard carries no weight

in the courts. Judges are not entitled to weigh those words in their considerations. Judges must interpret literally the words of a statute. Anybody looking at proposed section 59 is entitled to say that the scheme is designed deliberately to be discriminatory against the Liberal Party and the Country Party. After all, subsection (2) of that proposed section reads:

A party is eligible to participate in the distribution of the Central Fund for a general election if—

- (a) it is registered as a party in the Register of Parties for the general election as at the polling day of the election;
- (b) it endorses a group for the periodic Council election;

I do not regard paragraph (c) as relevant. However, the most relevant paragraph reads:

- (d) the Authority is satisfied that the members of the group claim to be endorsed by the party and by no other party;

Everyone knows that in conformity with what is their democratic right, the Liberal Party and the Country Party jointly endorse groups for the Legislative Council elections. Where we put forward a team of seven candidates—maybe three from the Liberal Party and four from the Country Party—in a series order, all of them, it can be said, are effectively endorsed not just by one of the Opposition parties but by both of them. If that interpretation is correct, it would mean that under proposed section 59, the two major Opposition parties, the Liberal Party of Australia and the National Country Party, would be disentitled if they wanted—it is fortunate that they do not wish to do so—to take any of the funds provided. I repeat, my party and the Country Party will not register; we will not accept any funds. When we are elected we will repeal the legislation. That is our clear-cut position. We found ourselves on the simple, single word, repeal.

How interesting it is that Government members were not the slightest interested in another word. They did not attach the slightest importance to the word referendum. Government members are happy to have a referendum on a 4-year term of office; and they are happy to have a referendum on that other bizarre, incredible legislation dealing with pecuniary interests. However, there has been absolutely no hint of a referendum on the one issue that the community cries out to have a say on, whether such a scheme should be introduced. There is real terror within the Labor Party—terror of the people's will expressed through referendum ballot boxes. That is the one contingency that the Labor Party is not willing to entertain or to consider, but the Opposition says that it should be considered for decision by voters.

Mr Cavalier: If the honourable member for Northcott were a genuine adherent he would acknowledge his disbelief in referenda and his belief that this sovereign Parliament should decide the issue by the vote of the members.

Mr CAMERON: The honourable member for Fuller is fairly right. I have no great affection for the referendum process. I still say that it is fascinating that this Government that is contemplating two referenda would not consider holding a referendum on the one matter that is controversial.

Mr Cavalier: The honourable member for Northcott has not read Disraeli and he knows that it was not done 50 years ago.

Mr SPEAKER: Order! The honourable member for Fuller has spoken already in the debate. The honourable member is not entitled to a second turn. The honourable member for Northcott has the call.

Mr CAMERON: The other fascinating clause to which Opposition members have drawn attention is clause 117 (4) which reads:

The Minister shall, before a regulation is at any time made under this Act, **certify** to the Governor that the regulation is not unfairly biased against or in favour of any particular **parties**—

It is fascinating that it is all right to be biased against particular political parties so long as one does not commit the heinous crime of being unfairly biased against them. That is another beautiful piece of Wran Labor Government drafting, reflecting again the modelled, intrusive, big government, high taxation type attitudes that permeate the whole of its thinking. **All** of those principles built into this bill are repugnant to the Liberal Party of Australia and to the National Country Party. All of them are repugnant to the community.

Polls such as the **Beacon** research **poll** and other **polls** have shown that wherever one has 23 per cent of support for this kind of scheme, one has 75 per cent of outright opposition to it. Even 64 per cent of Australian Labor Party supporters oppose the principle of the taxpayer funding politicians and political parties. Yet the Wran Labor Government comes forward and says, "We believe in fairness." The reality is that it comes forward as an incumbent of the Treasury benches, dedicated to using this kind of legislation to advance the interests of political incumbents wherever they are, knowing that it can draw the rules as it wants the rules drawn, knowing that it can bring in the regulations that will say that the persons to be excluded from disclosure will be the trade unions, which traditionally spend their \$50,000 and \$100,000, and so on, in favour of the Australian Labor Party. That is the relevance of fairness in the general scheme of things.

Though I deplore the legislation, an inner part of me is happy that it has been introduced because it will put a nail in the coffin of the Wran Labor Government. It will be a great issue at the coming elections, for it is a matter **concerning** which the hackles of the public are raised, the hackles of the intelligent media are likewise raised, and concerning which public resistance is to be plainly seen. The Wran Labor Government has blundered with this bill, and it will have to pay the price for introducing it.

Mr MAHER (Drummoyne) [9.12]: Tonight the House has witnessed quite a tirade of abuse heaped on this important legislation. It has come from several Opposition speakers. We have been asked: "Why is the Government having a referendum on the 4-year term of office? Why is the Government having a referendum on the disclosure of members' pecuniary interests and private financial **dealings**?" Those referenda are required under the Constitution Act, which governs the Parliament and the establishment of the Parliament of New South Wales. The enabling legislation handed down by the British Houses of Parliament to establish this Parliament over 150 years ago gave us the Constitution. That Act states that only by referenda can the Parliament of New South Wales alter its constitution in relation to extending its term of office or requiring members of the Legislative Council to declare their private interests. Those two issues will be put to the populace at the next elections.

Much has been said also about surveys and public opinion polls. But, as the Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport noted, the framing of the question is important. I should imagine that perhaps more than 64 per cent of the population would answer that they do not want taxpayers to fund political parties, but if the question were, "Do you believe that gifts by corporations to political parties should be disclosed?" I am sure 64 per cent of the population would say, yes. If the question were, "Do you believe that only wealthy candidates should be able to stand for Parliament?" the answer would be

overwhelmingly, no. Invariably the framing of questions in public opinion polls can achieve the desired result. That has been the situation with the polls cited in the House this evening.

Much has been said about smaller government and other associated matters. Everyone in the community wants honest government. They want democracy. From time to time members of Parliament are called upon to speak in their electorates to school organizations, Rotary clubs and other groups about the role and duty of members of Parliament and problems facing them and their electorates. One issue in respect of which great interest is shown and sympathy is expressed is the problem of raising funds for elections. I have found that groups I have addressed are appalled to learn the amount of money involved, and the ordeals that candidates and their wives and children have to go through. The cost of running an election campaign in a multicultural society is high. Even the honourable member for The Hills must have heard of the multicultural society in which we live.

The cost of printing pamphlets in Greek, Italian and other languages is an additional cost that must be borne by a candidate. I should think that many pamphlets printed in different languages must be distributed in the electorate of the honourable member for The Hills. Ethnic persons are as entitled as any other elector to receive an election pamphlet written in their own language. This is a comparatively modern cost of conducting election campaigns. Since the end of World War II the community has become multicultural, and this involves an expensive form of campaigning in literature of various languages to get the message across to electors who cannot read English. It is particularly costly if an interpreter has to be engaged to translate properly ethnic election campaign material distributed in an electorate.

The cost of elections is increased by the sales tax taken by the federal Government on printing. The many forms of election printing are subject to 15 per cent sales tax. The cost of reply-paid envelopes to maximize postal voting is high, especially when cards are returned with bogus addresses, and so on. Honourable members would know that in some campaigns there is duplication and waste of money because candidates have insufficient notice of an impending election. There is the attending rush of the short campaign. Some audiences have been quite staggered when I have told them of the amount of money involved in financing an election campaign in the ordinary suburban electorate, leaving aside the notion of television advertising, of full-page advertisements in the tabloids and the cost of a national campaign. People ask, "Where does the money come from? How do you raise it?" Honourable members would recall that the 1977 federal election campaign was running smoothly until a letter sent out by Sir Robert Crichton-Brown, federal president of the Liberal Party, was opened in error by a firm. That letter was found to contain a donation of \$3,000 to the federal Liberal Party from Mauri Bros and Thomson (Australia) Pty Limited. It was revealed in the *Financial Review* that the letter stated that the firm could indicate whether it wanted the donation to the federal Liberal Party campaign receipted and credited to the company, or whether the donation should be dealt with anonymously. Honourable members would recall that Mauri Bros and Thomson (Australia) Pty Limited had ticked the box to indicate it should be an anonymous donation.

Mr J. A. Clough: That was the company's right.

Mr MAHER: That is an appalling situation. The honourable member for Eastwood says that it is the right of any person or firm to make an anonymous donation. In that letter Sir Robert Crichton-Brown, who was at that time a director of the Commercial Banking Company of Sydney Limited and a director of Rothmans of Pall Mall (Australia) Limited, wrote to Mauri Bros and Thomson, which is a firm with many associated company directorates, asking whether the donation should be dealt

with anonymously. It is appalling that that company can make a secret donation of \$3,000 to the Liberal Party and that that donation was never disclosed to the shareholders of the company or disclosed at its annual general meeting.

Mr J. A. Clough: It was disclosed, and that is as it should be.

Mr MAHER: Opposition members say that is a good thing. That demonstrates the standards of Liberal Party members. The Liberal Party endorses that course of action.

Mr Sullivan: What is wrong with it'?

Mr MAHER: That is an appalling situation. Many favours could flow to Mauri Brothers and Thomson (Australia) Pty Limited.

Mr Sullivan: What are the favours to which the honourable member refers?

Mr MAHER: One is not told what other donations were made to the Liberal Party funds for other election campaigns. The public learned of that donation to the Liberal Party's slush fund only because a letter was opened in error. The letter had been sent to the Liberal Party. That information was disclosed following a police inquiry into the incident. According to a report in the *Sydney Morning Herald* on 3rd November, 1977, a notation had been made on the back of the envelope "Opened in error". The letter had been photocopied and the photocopy was made available to the Australian *Financial Review*. That is where the incredible information was disclosed to the populace that the firm of Mauri Brothers and Thomson (Australia) Pty Limited had decided that its donation should be given anonymously to the Liberal Party. The principals of the firm did not have the courage to request that a receipt be forwarded to the company, for it might be seen in the mail room or somewhere else and someone might pass on the information that the firm had donated \$3,000 to the federal Liberal Party's election campaign.

Mr Sullivan: The elections are conducted by secret ballot.

Mr MAHER: That is one of the foundations on which the report of the committee rests. The slush funds of political parties, the private wheelings and dealings over donations and the promises that have been made in the past will be at an end. The big corporations, corrupt dealers and companies will have to disclose where their donations go. They will have to reveal the parties to which donations are made. I am delighted that the Government has introduced the legislation. I pay credit to the members of the Joint Committee upon Public Funding of Campaigns for Elections under the chairmanship of the honourable member for Wentworthville. I was interested to hear the tribute that the honourable member for Wentworthville paid to the honourable member for Fuller who did much work in preparing, drafting and actually writing the report of the committee. Having been involved in a select committee, I know some of the problems in obtaining agreement among the members of a committee—even if some of them ultimately go back on their original agreement—and in preparing a report and having it printed. I am sure the honourable member for Byron is aware also of those problems.

My political involvement extends back to 1953 when my late uncle Mr R. S. Jackson was the member for Drummoyne. He served in the Parliament for one term. He contested two elections, and came out of the Parliament broken financially. At the time of his defeat in the second election campaign he was almost 60 years of age. He had been through two expensive election campaigns and was then unemployed. I have always considered it to be an appalling state of affairs that someone who serves his country and State in the Parliament should end up without a job, with a large

bank overdraft, and debts that have been incurred during an election campaign. I am sure all honourable members have had to raise funds for election campaigns. They would all know the difficulties and problems involved in going round the electorate cap in hand. They know the risk to democracy of corruption and are aware that money is likely to come from persons who want to gain the support of one party or another. All honourable members would know of people who donate funds to political parties to achieve a purpose that will be to their own benefit—to obtain some form of profit or gain.

The House has been presented with a wonderful scheme to establish an election campaign fund **from** an annual levy of **22c** on every elector. The amount involved is the cost of a postage stamp. The total fund will be divided between the parties and the candidates. A wise provision has been included in the measure that no candidate in a constituency can receive more than 50 per cent of the fund for that constituency. The scheme is fair and in accordance with election funding schemes that operate in countries that Australia tends to follow. Since 1919 in Great Britain there has been a provision whereby every candidate in an election campaign is able to send a letter free of charge to each elector. This House follows the British parliamentary system; Australia follows the British way of life and British legislation in many areas. The proposed scheme is similar to the British notion that the levy should be equal to the cost of sending one letter. The only difference is that our scheme will relate to each year of the Parliament. In Great Britain there is a provision whereby public halls are donated free of charge to candidates, who also have broadcasting rights.

In the United States of America forty-nine of the States have some form of public funding. Every province of Canada has public funding of election campaigns. I have been most interested in the system introduced in Italy in 1974. According to a report that I have read, there was evidence of clandestine payments to political parties by some industrialists in the oil and chemical industries. The Italian Government had evidence of secret commissions and payments to political parties. The Italian nation decided that election campaigns should be publicly funded and that there should be two funds: one for electoral expenses and one for the day-to-day running costs of political parties. In my electorate I have the advantage of having a large percentage of constituents who were born in Italy and speak Italian. They understand the merits of public funding. The honourable member for Wagga Wagga is **extremely** vocal, but he has never seen an ethnic person.

Mr Pickard: The honourable member for Wagga Wagga is looking intently at the honourable member for Drummoyne.

Mr MAHER: I regard that as a flattering remark made by the honourable member for Hornsby, even though I saw his picture on the back of a bus recently. The Italian-speaking people in my electorate are delighted about the proposed legislation. They realize that it will put an end to corruption and be a check on the private, secret corrupt funding of the Liberal Party that has occurred in the past. The only persons in my electorate opposed to public funding are members of the Real Estate Institute of New South Wales. In a letter to that august organization I asked what the institute had done about Mr Fraser's campaign to spend \$250,000 on advertising against the campaign of the Labor Council of New South Wales for a 35-hour week. Advertisements have been placed in the *Sydney Morning Herald* that oppose the granting of a 35-hour week to some sections of the community. The Real Estate Institute has done nothing about that. This year the Office of National Pride has a budget of \$15 million of taxpayers' money to spend. What did the Real Estate Institute say about the Office of National Pride? It said absolutely nothing. The institute has not had the courage to reply to my letter. I shall not deal further with this matter, for I wish to refer to

the federal election subsidy that all Opposition members receive at election time. Each member of the Opposition, including the honourable member for Wagga Wagga, receives a subsidy from the Deputy Commissioner of Taxation after each election. These secret funds are not disclosed. I have no knowledge of the amount of the subsidy that Opposition members receive.

Mr Schipp: The honourable member should spell out what he means.

Mr MAHER: The subsidy is given under section 74 of the Income Tax Assessment Act.

Mr J. A. Clough: The honourable member for Drummoyne is speaking about the tax deduction of \$500,

Mr MAHER: It is a long time since the honourable member for Eastwood studied accountancy. Under section 74 of the Income Tax Assessment Act Opposition members are given a deduction without limit. That is the only section of the Income Tax Assessment Act that has no domestic component. If the honourable member for Eastwood were to spend \$50,000 on his election campaign and produced the vouchers and receipts, he would receive a \$25,000 subsidy from the taxpayer. In 1973 I expended \$1,495.52 of my money on my first election campaign. It was approved and allowed as a deduction by the Deputy Commissioner of Taxation. At that time that sum was about 20 per cent of my salary. It did not belong to the local branch of the Labor Party; it was my campaign costs. In 1976 I expended \$2,045 in the election. The Deputy Commissioner of Taxation subsidized \$1,082 of that expenditure. The Parliamentary Library calculated that figure for me tonight. I received from the Deputy Commissioner of Taxation a funding of \$1,082 towards my campaign, which sum came out of the taxpayers' purse.

Every member on the Opposition benches has presented his expenditure to the Deputy Commissioner of Taxation and has been reimbursed. They have all put in their claims after each election, and taken the refund. However, in this debate they speak about the appalling legislation before the House and present a fictitious case against it. The honourable member for The Hills perhaps would have a small deduction. The honourable member for Eastwood in his vicious campaign would have a big subsidy from the Deputy Commissioner of Taxation.

Mr Schipp: The honourable member is grasping at straws.

Mr MAHER: Would the honourable member for Wagga Wagga be willing to produce his income tax return for the benefit of the House? Honourable members on both sides of the House take advantage of section 74 of the Income Tax Assessment Act, which has no domestic component and no limit. The income tax returns of some members of the Opposition would disclose how honest they are and how much they claim, yet they quibble about a constituency fund of a few thousand dollars. Upon submitting receipts all members of the Opposition have received financial reimbursement from the Deputy Commissioner of Taxation after an election campaign. They choose to overlook that. When the cheques come back to them from the commissioner, they race to the bank to cash their refunds. No member of the Opposition can deny that he receives a refund for his election campaign.

Mr Caterson: The honourable member is talking rubbish.

Mr MAHER: It is absolutely true. I challenge the honourable member for The Hills to produce his income tax return after the last election campaign so that the House can see whether he claimed electoral expenses. The sum of \$500 being the

amount to be allowed as a tax deduction without receipts is some sort of ridiculous idea that has been floated by the honourable member for Eastwood. Receipts have to be produced. Today members opposite have said that they do not support public funding; yet every one of them takes advantage of the provisions of the Income Tax Assessment Act. They get in for their share of refunds from the commissioner. It is well known that this provision is in the Income Tax Assessment Act. If the accountants of members opposite do not make them aware of that section, they are guilty of negligence.

Much praise has come from Government supporters for the work of the Joint Committee upon Public Funding of Campaigns for Elections. I consider that the work of the honourable member for Wentworthville, the honourable member for Fuller and other members of the joint committee has opened the door of Parliament to the low-income earner. Many candidates without independent means, or with big families and big mortgages, will now be able to stand for Parliament. How many supporters of the Labor Party—which is the oldest and greatest party in Australia—have known good people in branches and constituencies who, because of family commitments, could not stand for Parliament? These people have not been able to afford to leave their jobs, to forgo their superannuation benefits, and could not afford to stand in marginal seats. Henceforth these people will have the guarantee that whether they win or lose at an election, they will be reimbursed for their funding commitments, which is a drain on a candidate's finances.

Mr Schipp: The bill will not help those people.

Mr MAHER: If the honourable member for Wagga Wagga reads the bill, he will see that a fund is to be established. If he had listened to me, he would understand clearly that this fund will ensure that the low-income earner will be given equality in New South Wales with wealthy persons of unlimited means. This scheme merely follows other schemes round the world, in Italy, the United Kingdom and all of North America. Such schemes ensure honesty in election campaigns and that corruption is removed from Parliament. There are no secret deals, secret funding or secret schemes to raise money, with promises being made in return.

The legislation gives long overdue recognition to political parties. When the results of elections are published, little mention is made anywhere of the party of the candidate. People are frustrated when later they look at election results and try to work out the parties of the various candidates and members. Henceforth parties will be funded. The legislation provides also for absentee voting. Persons voting out of their electorate often cannot ascertain the party to which a candidate belongs. The public funding of political parties will change the whole concept of Parliament towards a political party. Political parties will come of age. It is a great scheme that will help and strengthen political parties in our democracy.

The scheme's only fault is that it gives an advantage to the anti-Labor parties in our society. Already these parties have heavy financial backing and have traditionally held a financial advantage over the Labor Party. Evidence has been brought before the House tonight of the secret donation made to the Liberal Party funds by Mauri Bros and Thomson. This has never been denied. I should like to hear a denial of the allegation that has been made in the *Australian Financial Review* that Mauri Bros and Thomson were encouraged by the federal president of the Liberal Party, Sir Robert Crichton-Brown, to make an anonymous donation. Provision was made in the Liberal Party fund-raising letter for the donation to be made anonymously. This evidence must come to the attention of the community, and the community must be reminded of the way that the Liberal Party was found out in the 1977 election campaign.

The Liberal Party and the other anti-Labor parties always have had a head start on the Labor Party in raising funds. By tradition the Labor Party looks to its private members, the voluntary and dedicated workers, for its pamphleteering, fund raising, and all of its local activities. However, by tradition the Liberal Party has had the advantage of raising large sums of money. The legislation will give the Liberal Party some slight advantage. Nevertheless, the measure makes a start in this matter. The Government has taken a large step for democracy in Parliament by the introduction of the bill.

I am delighted to have had the opportunity to speak on this measure. I urge honourable members to remember the issue I raised tonight: the Liberal Party was found out in the 1977 election campaign. I support the legislation and I look forward to Opposition members taking up my challenge to disclose their income tax returns in relation to claims under section 74 of the Income Tax Assessment Act, to see what secret funding and what funding from the Deputy Commissioner of Taxation they received in respect of the last election campaign.

Mr BOYD (Byron) [9.42]: The Minister for Health told an Irish joke during question time today when he said that an Irish firm had given up making ice blocks because it had lost the recipe. Though I did not appreciate the humour at the time, having listened to the honourable member for Drummoyne, I now appreciate that Irish joke. One would have to be rather naive to suggest that the legislation is being introduced *to* help democracy and the citizens of New South Wales. One has only to ~~look~~ at the record of the Wran Government to appreciate that the Premier and Treasurer did not get the name Shifty Nifty for nothing. Anybody who really believes that the measure is designed to help democracy or the people of New South Wales **would** have *to* be naive. It is designed to do one thing: to help the Labor Party for ever and a day in the election of representatives to this Parliament.

Much has been said about the concept of a democratically elected upper House. I had the privilege of having lunch with a prominent British politician, a member of the Labor Party. He said that one of the great tragedies is that New South Wales now has a democratically elected upper House. It is no longer an independent House of review. He said that he thought that was a great mistake. That politician was attending the meeting of the Commonwealth Parliamentary Association. He was one of the United Kingdom's bright boys and was recognized by the Government as being an important person. He made that extraordinary statement.

Mr Egan: Who was he?

Mr BOYD: I would not embarrass him by saying his name. The honourable member for Cronulla should ask the Ministers, who will doubtless tell him. It is a pity that the honourable member was not there; he may have learnt something about politics. From that great bastion of democracy, operating under the Westminster system, a senior representative said that it was a pity that the upper House was no longer a real House of review and is now subjected to the strains and pressures of party politics. He may have been right.

I return to the basic concept. It is put that the House is breaking new ground, that this is pioneering legislation, that the modern democratic system is getting a new style of parliament. One should have thought that the democratic way would have been to ask the public whether they subscribe to this breaking of new ground. The public could have been told that parliamentarians will take some of their money to fund publicly our inadequacies at election time, that we will raid the public, or private, purse to fund what we cannot fund ourselves. Honourable members know

the reason a referendum is not being conducted. The Government would not win it. There is no way it would win it. That is why the Government is scared. But, the public will register a vote at the next election. Make no mistake about that.

If the Government is not game enough to have a referendum on this issue, the Opposition will make sure that members of the public register their votes at the next election. The Opposition will do that effectively. It will let every person in the electorate know how much the Government was afraid to receive **an** opinion from the public on something that the Government believes is important but on which the public **will** not be allowed direct comment. However, the Opposition will provide them with **an** opportunity to vote. We will tell the people that if they do not favour the measure they can vote against the Government at the ballot box. **I am** sure that the citizens will do that. The honourable member for Drummoyne rather shook me when he spoke about the incredible system by which help will be gained to conduct elections. The figure being looked at is about \$3,000 for each candidate to conduct an election campaign.

Mr Cavalier: It is \$3,500.

Mr BOYD: Let me be conservative and say \$3,000. Judging from the way the honourable member for Drummoyne spoke he will need about \$15,000 or \$20,000. Most Country Party candidates conduct their election campaigns on about \$2,500. They will make money by a bill of this nature. Country Party members do not have to do the things that city candidates have to do to be elected. We work hard all the time. People vote for us, not because we belong to a particular party but because they know us as individuals. I feel sorry for an honourable member who has to spend \$20,000 on an election campaign.

Mr Egan: What about the Liberal Party?

Mr BOYD: The Liberal Party representatives are competent to speak for themselves. If the honourable member for Drummoyne cannot **run** his campaign and be elected without having to spend **\$20,000**, he does not deserve to be elected.

Mr Egan: What about Nelson Meers' **\$100,000** campaign?

Mr BOYD: I am not worried about Nelson Meers or the honourable member for Cronulla. The honourable member for **Cronulla** would need \$100,000 to be elected next time. The amount of \$3,000 will not be worth anything to him. He is a dead coon. He does not have Buckley's chance. I will not accept public money. I shall not go to people in my electorate and say that I want them to subscribe in an obligatory fashion to my election campaign. I am happy to say to them that if they want to support me they may do so. If they give me \$2,000 to run a campaign I shall do so, and I will win. I do not need \$3,000, \$50,000 or \$100,000; I will **win** with \$2,000. That is a measure of my popular support. I will **win**; do not worry about that. I can **run** an election campaign on a small amount of money. I do not have to raid the public purse. My colleagues do not have to do that. What will be done with the \$3,000 I have just refused? As I do not want the money, I say that it should be given to my electorate. Let it be given to community hall committees whose members work hard endeavouring to keep open **country** halls for public meetings. Or the money **should** be used for another purpose that will benefit citizens in the electorate.

Why does the Government not put a little money into the **North** Coast regional youth ballet? I had the privilege of seeing that group perform a few nights ago. It was a magnificent performance. That **group** **does** not receive one cent from the Government. It has to earn its money the hard way. The Government need not give me \$3,000 to have myself elected. It can give the money to some of the needy

community groups that work hard. I challenge honourable members on the Government side and my opponent to do likewise; to give up their allocations of \$3,000 and stand on their own merit in an open go. Never mind raiding the public purse to have themselves elected. It is contemptible. One of the Government supporters who spoke today was concerned about a list of donors. He suggested that bribery might be afoot somewhere. To him I say that bribery is something that is generated by the attitude of the member. If one goes looking for bribes, I am certain that they will come.

I wish to place on record that in the eight years I have been a member of this Parliament I have never been offered a bribe, except on one occasion by a dear old lady who, after I had done something for her, said, "Please, can I help pay for your telephone call?" It was a local telephone call that cost 20c. That is the only bribe that has been offered to me in eight years. If Government supporters are offered bribes, they should examine themselves. They should not look at members of the Opposition, for that sort of thing does not happen among country people.

The concept of the Wran Government seems to be that it needs to use the public purse. I can understand that, for the Government has an incredible record of using the public purse to buy votes. This has been obvious in every by-election that has taken place during the term of office of this Government. Each time a by-election is held the Premier and Treasurer offers bribes to the tune of \$20 million or \$30 million, and on one occasion the amount of \$100 million from the public purse was offered to win a by-election. He raids the public purse like a man with fourteen arms. He goes in deep. When he wants to win a by-election he will use the public purse to an enormous extent. If he does not win, it is a different ball game.

Mr Maher: A by-election might be held for Byron.

Mr BOYD: We shall not have a by-election in Byron. I remind honourable members of the Budget allocation this year for the head office of the Premier's Department. It is \$35 million, which is not a bad little sum to help the Premier and Treasurer project his image. When the Hon T. L. Lewis was Premier it used to cost about \$4.5 million. The sum has increased from \$4.5 million to \$35 million; quite a raid on the public purse. In the same Budget the Leader of the Opposition and the Leader of the Country Party were allocated \$361,000 for office staff. That is an example of the equality that the House has heard about from Government supporters. That is their idea of a fair go. Then there is the Treasurer's reserve fund. At this stage I think it runs at \$47.5 million. That is the slush fund from which the Premier and Treasurer can draw enormous sums to do anything he wishes, without question. That sum is allocated by this House in the Budget. The Premier and Treasurer has access to it and is privileged to spend that money in any way and at any time he wishes. He can spend it to gain popular support. Of course, all honourable members know he would not do that.

Next I come to lotto and the deal that has gone on in respect of it. Who gets one-third of the proceeds and who gets the other two-thirds? That is not raiding the public purse? That is merely another example of the old Wran technique of a fair go. Honourable members on the other side should think about Lotto and if they think that is a fair go, that is all right with me. I turn my attention now to the people who contest elections. Let me deal with the members who came into this House at the last election. About 85 per cent of the new members on the Government side were previously public servants. What did they do while they were collecting their salaries? They spent about 90 per cent of their time out on the campaign trail.

Mr Egan: That is not true.

Mr BOYD: The honourable member should not deny it. I shall tell him what happened to me.

Mr Egan: That is a deliberate lie.

Mr BOYD: If the honourable member will be quiet, I shall tell him what happened. A sheriff's officer stood against me in my electorate. Halfway through the election campaign the Minister of Justice at that time said: "We have to get rid of **this** man. He is not working. He is not doing his job". I said, "There is no way you can get rid of him. He is my opponent".

Mr Maher: On a point of order. The honourable member for Byron is attacking a person who was a candidate against him. He is talking in the most appalling manner about a person being dismissed from his job. The person can be identified from the records in this Parliament. He is not in the House. I put it to you, Mr Deputy-Speaker, that it is contrary to the standing orders for the honourable member to be allowed to continue to defame a person who cannot reply.

Mr DEPUTY-SPEAKER: Order! The honourable member for Byron must accept responsibility for any remarks he makes in the Chamber. It is not for the Chair to determine that he should not attack a person outside the Chamber. The honourable member for Byron accepts that responsibility.

Mr BOYD: Thank you, Mr Deputy-Speaker. I shall not name this gentleman, for obvious reasons, but I suggest that he is a typical example of what happened.

Mr Egan: On a point of order. The comments of the honourable member for Byron have nothing to do with the bill. It is not relevant to the bill to discuss who was the honourable member's opponent at a previous election, and what happened to him.

Mr DEPUTY-SPEAKER: Order! I was somewhat concerned earlier at the remarks of the honourable member for Byron because I thought he was indulging in a budget speech. I was hoping he would quickly return to the question before the Chair. I assume that he will now return to the bill.

Mr BOYD: I shall conclude what I was saying. This man was not retired forcibly. The present Government retired him after the election, because he was not doing his job. He had been out campaigning. That is the fact. The present Government sacked him. The previous Government did not sack him. Now, I shall deal with some of the regional development boards. These days many government instrumentalities are promoting the image of the Labor Government when they are supposed to be doing something quite different.

Mr Egan: On a point of order. Mr Deputy-Speaker, the honourable member for Byron is clearly ignoring your ruling. What regional development boards have to do with the bill escapes me. The honourable member seems to be talking about every subject under the sun, except the bill.

Mr DEPUTY-SPEAKER: Order! The honourable member for Byron will come back to the question before the Chair, which relates to the Election Funding Bill.

Mr BOYD: During the debate on the bill Government supporters have said that this scheme will cost only \$2 million. The Government is proposing to raid the taxpayers' purse for \$2 million. I shall outline what \$2 million could do for the people of my electorate, for that is the important issue to me. Members of the Opposition get letters from Ministers with monotonous regularity, telling them that the Government cannot do this or that because it has no funds. If funds are not available for worthwhile projects, why has the Government got \$2 million to waste funding

election campaigns that traditionally have been funded by popular support? If members of the Government lack support and cannot get it, they should look inwardly at themselves and not try to find a financial umbrella to put up on a rainy day.

I should like to speak of works in my electorate upon which the \$2 million required for election funds might be spent. The Government could build a primary school at West Tweed Heads—that was supposed to have been built in 1978. It is still not built but could be built for \$2 million. The Government could consolidate the Byron Bay Primary School where there is tremendous overcrowding. The Government ought to be ashamed of the conditions at that school. Although I tried, I could get neither the present nor the former Minister of Education to stir away from Sydney and have a look at this primary school. The present Minister for Education has never been near the place. That school could be consolidated for \$2 million.

The Government could speed up the construction of the bypass at Tweed Heads. Every day 18 000 vehicles use a completely inadequate alternative road. There has been no provision made by the Government to do something about that and it claims it does not have the money. The Government could build a new courthouse at Tweed Heads. The present one is situated on the Pacific Highway. When heavy trucks go past the courthouse, proceedings must stop. They cannot even conduct the court. When solicitors wish to interview their clients they must do so in the public street because there is nowhere else. When the Hon. R. J. Mulock was Minister of Justice he visited that courthouse and promised to do something about it. But nothing has happened. We are told there is no money. The Government could use that \$2 million to seal the Nimbin–Murwillumbah Road. That is a dreadful road. The Government says it cannot do anything about it because it does not have the money. Spending \$2 million on that road would make a beautiful job of it.

The Government could provide a new police station at Tweed Heads. A heavy influx of criminals has taken place in that area. The police are trying to cope with the situation. I would ask Government supporters to spend half a minute in that police station and see the conditions in which the policemen work. The Government should be ashamed of itself.

Mr McIlwaine: Were there no criminals there when the coalition parties were in office?

Mr BOYD: We did not have crime there in our days. It was not until this Government legalized prostitution that we had prostitutes in Tweed Heads. Now we have seventeen brothels. The Government could relocate the Markwell Fishery Co-operative which has a turnover of \$30 million a year. As far as this Government is concerned, though, that industry can go to Queensland. The Government could protect the Byron Bay and New Brighton beaches by spending that \$2 million. It could do a tremendous job there. But between 1976 and 1981, this Government has done nothing but fiddle around. The Government has not been able to come up with a single positive suggestion about doing anything to help the people in these areas. It continually claims there is no money. The Government could protect all the beaches of Byron Bay and New Brighton with the money going to waste on public funding.

The Government could provide every small hall in the electorate with \$10,000 or \$15,000 and so make possible a few necessary improvements. Some of those halls could be painted and made a little more respectable. But the Government would not do that. It would not give the committees that run those halls a brass razzo. The Government simply says it does not have the money. What a joke. What hypocrisy. The Government could provide new education facilities. I visited Dunoon school recently where some children were being taught under the shade of a tree and others in a weathershed as there was no classroom for them. It was a little country school

with four classes but two of them had to be held outside. The Government would not need all of the \$2 million to fix that school up; half a million would be quite enough.

Using that money the Government could purchase land at Lennox Head for the Housing Commission. In answer to a question on notice the other day the Minister said that Housing Commission land could not be provided because the Government does not have the money. What a joke. The Government could provide housing units for the aged at Kingscliff. A beautiful piece of land is available there but we are told that the Government cannot build units for the aged at Kingscliff as it does not have the money. That is the sort of thing we hear every day. Every day, every member of every committee in this State faces the situation of having no money.

Mr Cavalier: On a point of order. It has become increasingly obvious since halfway through the speech of the honourable member for Lane Cove that Opposition members are not speaking to the terms of this bill. The honourable member for Byron has barely touched upon the bill at any stage of his discourse. In his more recent remarks he has only in the most tangential fashion touched upon the burden of this bill. I ask you, Mr Deputy-Speaker, to rule on the relevance of his remarks so that he returns to the terms of the bill before the House and does not proceed in this fashion.

Mr Fischer: On the point of order. From time immemorial it has been competent for members to make contributions to debates on bills and to speak of matters that might have been included in the funding and financing of the bills. At an early stage in the second reading debate, the honourable member for Wentworthville and the Leader of the Country Party established quite clearly what the situation with financing other projects has been. The honourable member for Byron has associated himself with that trend. I submit that his remarks are entirely in order and that he should be allowed to make his contribution to the debate.

Mr Einfeld: On the point of order. It would be quite proper for the honourable member for Byron to make passing reference to some odd things for which it has been said there is no money. But, he is using the whole of his time to talk about projects in his electorate upon which money could be spent. If that precedent were followed, every bill brought before Parliament, dealing with expenditure of moneys, could be used by members to talk about some other way in which the money could be spent. It would be quite proper, in passing, for the honourable member to refer to some items for which he has been told no money is available, but for him to use the whole of his time debating how the money could be spent in his electorate cannot possibly be relevant.

Mr DEPUTY-SPEAKER: Order! I am unable to comment upon the remarks made by the Leader of the Country Party or the honourable member for Wentworthville, as I was not in the chair. The points raised by the Minister for Consumer Affairs and other members are worthy of serious consideration. The critical approach to this point of order revolves around the remarks made by the Minister. He said that though it would be in order to make passing reference to works that might be carried out in lieu of spending money in the way proposed in a bill, it is not in order for any honourable member to continue in a negative fashion to debate matters other than the bill or the question before the chair. The honourable member for Byron has fully canvassed works that alternatively could be carried out and he should now return to debating the bill.

Mr BOYD: What I am saying relates to the people I represent. They feel strongly about it and they have spoken to me. However, I shall not complete the list of things they need. I am sure they are aware of them just as much as I am. The Government ought to be aware of them for I have made many representations. The honourable member for Fuller, when speaking to the bill, gave a rather academic speech. He regards himself as an expert in political science and thinks he knows something about these matters. He rambled on about many aspects. He does not understand the practicalities of it. He went back into historical fact about many things. He mouthed words about democracy but he does not subscribe to the democratic processes. In fairness, he could have brought his arguments to the point where he said that in Russia all the elections are publicly funded. They are indeed. There is no question of financial conscription there as elections are funded solely by the public purse. One should have thought he might have used that comparison as it is more valid than any of the comparisons he used. We all know of his deep interest in socialism and of his great love for communism. Obviously, he is trying to get us to follow that course.

Mr Cavalier: On a point of order, Mr Deputy Speaker. I find the remarks of the honourable member for Byron grossly offensive and I ask the Chair to direct him to withdraw them.

Mr DEPUTY-SPEAKER: As the honourable member for Fuller takes offence at the remarks of the honourable member for Byron, the honourable member will withdraw them.

Mr BOYD: I am wondering which ones, Mr Deputy-Speaker.

Mr Petersen: The remark about **communism**.

Mr Cavalier: Further to the point of order, Mr Deputy-Speaker. Obviously the honourable member for Byron knows **nothing** about Australian politics. For him to say that I am a lover of communism is grossly offensive. He knows nothing of my previous career, and I ask him to withdraw the remark.

Mr DEPUTY-SPEAKER: Order! I ask the honourable member for Byron to withdraw that remark.

Mr BOYD: I am not sure which remark is being referred to.

Mr DEPUTY-SPEAKER: I direct the honourable member for Byron to withdraw his remarks. If he continues to disobey the Chair, he will not be allowed to remain in this Chamber much longer.

Mr BOYD: I withdraw the term communism if it is objectionable to the honourable member for Fuller. Perhaps I can return to the socialist factor because the honourable member does not take exception to **that**—

Mr DEPUTY-SPEAKER: Order! The honourable member has exhausted his time.

Mr PETERSEN (Illawarra) [10.12]: The House has just heard a most despicable contribution. The honourable member for Byron suggested that certain public servants who happened to be Australian Labor Party candidates were contesting election campaigns by illegally using their position to advance their cause. That allegation is completely untrue. I know one of the candidates in question who retired and is now working in another public service position. He was a conscientious man who carried out his duties to the limit of his ability; nobody could possibly accuse that gentleman of being an opportunist after a job. He knew he faced difficulties in Byron, that most conservative of electorates. The electorate of **Byron**, no **matter**

how conservative, does not deserve to be represented by the present incumbent. Somebody who falsifies the truth in such a flagrant way has no right to represent any electorate in this House.

Mr Cavalier: The honourable member for Byron is a true believer in the one party State.

Mr PETERSEN: I agree with my Labor colleague. The honourable member for Byron subscribes to the peculiar concept of a State in which one should do nothing but socialize losses and capitalize profits. The honourable member is a direct descendant of the roads, bridges and railways politicians of the 1890's who were marked by corruption and distinguished by their lack of political principle. The honourable member for Byron demonstrated that fact by suggesting that a sum of \$35 million had been spent by the Premier's Department to assist this Government into office.

Mr Toms: On a point of order. The honourable member for Illawarra is not speaking to the bill but is launching into a character assassination of the honourable member for Byron.

Mr DEPUTY-SPEAKER: Order! No point of order is involved. If the honourable member for Byron wishes to take exception to the remarks of the honourable member for Illawarra, it should be taken immediately. The honourable member for Illawarra is answering matters raised in the debate by the honourable member for Byron.

Mr PETERSEN: The Premier's Department is responsible for the Anti-Discrimination Board. Is the honourable member for Byron suggesting that board is part of the Premier's Labor Party electoral machine? Is the honourable member suggesting that the New South Wales Film Corporation, whose activities we debated a few weeks ago, is part of the Premier's electoral machinery? Does he suggest the Women's Co-ordination Committee, the Ethnic Affairs Commission, or the Cultural Commission are part of that electoral machine? What about the Overseas Trade Mission? The Premier's Department administers the cars used by the Leader of the Opposition, the Deputy Leader of the Opposition, the Leader of the Country Party and their staffs. Does the honourable member for Byron suggest that that, too, is part of the Premier's electoral machinery? What about the Agent General in London? He would find difficulty in campaigning from there as part of the electoral machinery. What about the trade commissioner in Washington? Is the honourable member suggesting that activity is all part of the electoral machinery?

It is stupid to suggest that as a figure of \$35 million is spent by the Premier's Department the department is part of the Labor Party election machine or involved in any subsidy that goes to make sure that Labor gets into office. There is very little to reply to in the remarks of the honourable member for Byron. The honourable member gave an example of blind racial prejudice. He said that certain people would be dead coons if they acted in a certain way. Recently I noticed a numbers of members of the Country Party entertaining representatives from the Papua New Guinea Parliament. On that occasion at least they appeared to have forgotten their racism, but it appears that their racism is very much in evidence in the remarks they make in this House.

Mr Cameron: That is a despicable statement.

Mr PETERSEN: Such an attitude is indelible and cannot be set aside, despite temporary arrangements they make with people who happen to be a different colour from ourselves. I wish to reply to what was said by the honourable member for Northcott. He adopted an extremely conservative attitude, but apparently is not as

racist as the member for Byron. The honourable member for Northcott said that the mass of the people did not want governments to subsidize political parties. What he meant was that the Liberal Party and National Country Party do not want to reveal the sources of their finance. I do not think there is any doubt that those parties are looking at the figure of about \$1 million that would be available to them if they were willing to register either as political parties or individual candidates. The scheme is basically a small scheme to meet the needs of political parties that operate in a relatively small way in a capitalist democracy. The honourable member for Byron made stupid suggestions as to how the sum of \$2 million could be spent a hundred times over in his electorate. He said that his party believed in small government and small government expenditure. Tomorrow the federal Parliament will debate the Jamison report on health services. That report makes it clear that if one can reduce expenditure per bed per day in hospitals to the ratio that applies in Queensland—

Mr Boyd: On a point of order, Mr Deputy-Speaker. Does the Jamison report which is about to be discussed by the federal Parliament have any relevance to this bill?

Mr Petersen: Further to the point of order. I am trying to point out that if funds are to be available at the level suggested by the honourable member for Byron hundreds of millions of dollars would be involved. I was calling in aid the Jamison report to illustrate that point.

Mr DEPUTY-SPEAKER: Order! No point of order is involved.

Mr PETERSEN: The Jamison report said that if the cost of hospitals can be reduced to the bed cost applying in Queensland and the average bed cost in Victoria, the cost of running the hospitals can be reduced from \$2,664 million to \$1,700 million. That would mean the complete destruction of health services in Australia. That is what members opposite mean by small government. The honourable member for Byron cannot get funds for a host of necessary services for his electorate because his colleagues in Canberra have a deliberate policy of cutting back on federal funding of all essential services, particularly education and health.

Parliamentary government in New South Wales is founded on the past. It is based on the Westminster parliamentary system. Early in the medieval period it was an agency of the feudal kings, but the bourgeoisie, particularly the English bourgeoisie, began to use the feudal parliament as their agency. That resulted in the English revolution, sometimes called the English civil war. Parliament was supreme and asserted its supremacy until 1649 when Charles I had his head cut off. The English parliamentary system provided a magnificent method of resolving disputes between classes that existed in a capitalist society without those disputes overflowing into the masses, as they did in the French revolution. I pay particular tribute to the great genius of British capitalism, Sir Robert Walpole, Prime Minister of Britain for the greater part of the second quarter of the 18th century. He put into effect the system of political parties as we know it today.

In that system the three most important persons in Parliament are the Prime Minister, the Leader of the Opposition and the Speaker. The system was transplanted to Australia when Australia was founded as a capitalist settlement in 1758. After a brief period in which the Colony had a military government, it set up the Westminster system. It must be said clearly, bluntly and unequivocally that until the rise of the Australian Labor Party in the 1890's governments in Australia were essentially governments of competing, privileged elites. They were governments which, no

matter what the groupings were in which they fell, resulted in competitions for the lurks and perks of office between two, three or more sets of gangsters. The formation in 1891 of the Australian Labor Party changed that.

Mr Toms: How can the honourable member say that when all that he will be doing under this legislation will be putting his hand in the till?

Mr PETERSEN: I am suggesting that public funding of election campaigns will give the party of the working class a fair go when contesting elections. The Australian Labor Party has not had a fair go up to date. If one reads the history of the Labor Party, particularly of the New South Wales branch, by Peter Loveday in his book *Labor in Politics*, one will find that financing of elections has always been a serious problem to the party. The author points out, for example, the difficulty that the party had in 1902. It was reported that city unions had been asked to contribute to a fund for election purposes in New South Wales. A little more than £10 was donated and another £23 was raised by a fund started by the workers. This paid for a large number of leaflets. In 1905 they tried to appoint an organizer and had difficulty. In 1904 they had an income of £500, of which £150 had been contributed by the tramway union over three years at the rate of 6d per member. The election of 1910 cost the party £2,000, of which £400 was provided by branches and the rest by the unions.

The Australian Labor Party, like any political party that has a contribution to make to the concept of democracy, must raise funds from its members. As one who has been secretary of a Labor Party branch, a campaign director in numerous election campaigns and a candidate in several elections, I endorse the remarks made by the honourable member for Drummoyne about the difficulty of raising election funds. It is a great temptation for me to say what a beautiful system it would be if the present Parliament was like the former Legislative Council that the honourable member for Byron praised so much. The Legislative Council was appointed, not elected. All that had to be done was to appoint members and they voted as they were told.

Mr Einfeld: They had to hold property to qualify for appointment.

Mr PETERSEN: That is so. They had to be respectable conservatives—a house of review to ensure that the democratically elected government did not introduce legislation that might challenge the rights of property. I am proud to be a supporter of the Government that brought forward this legislation. The Government recognizes that New South Wales is moving into the era of the electronic media. The production of printed election material costs a great deal of money. The only way in which that money can be obtained without compromising one's principles or making oneself beholden to vested interests is to have public funding. As the Premier and Treasurer pointed out in his second reading speech, systems for the public funding of election campaigns have been introduced in Canada, the United States of America, West Germany, Austria, Italy, Sweden, Norway, Denmark, Israel and other countries. If those countries can have such systems, why cannot Australia?

Those who oppose public funding of election campaigns have no conception of parliamentary democracy or political democracy as we know it. They do not realize that without public funding, in this modern era when it is necessary to spend millions of dollars on the electronic news media and on expensive printed material, it is inevitable that they become beholden to vested interests. Even Sir Robert Menzies in his own peculiar distorted way recognized that when he founded the Liberal Party. He felt it desirable to ensure that it would not suffer the inconvenience and disrepute suffered by the United Australia Party which was seen to be too closely associated with big business. He took the view that if the party received donations from big business, they must remain anonymous.

That is typical of the hypocrisy with which the political parties that depend on big business, including the Liberal Party and the Country Party, conceal the way in which they operate. They do not believe in open public financing. The reason why they oppose this legislation is that though they need the funds and want them, they do not want to disclose their other sources of income. The Labor Party has no hesitation in revealing the source of its funds. When I was asked to reveal the source of the money that I spent on election campaigns I had not the slightest hesitation in advising the committee of what I spent, how I spent it and the source of the money. I suggest that members of the Liberal Party and the Country Party cannot do the same, for they are too closely linked with big business and vested interests.

Queensland has an institutionalized system of funding. That State has a Premier's fund to which one may contribute. In fact a large contributor may have dinner with the Premier of that State. I have no doubt that those who have dinner privately with the Premier take up with him their need for access to coal, port facilities or to any of the natural resources that can be given to those who support the old capitalist concept of obtaining the maximum for the minimum investment. The legislation embodies the concept that political parties have a right to put forward their points of view and not to be hampered by the fact that they may represent people on the bottom rung of the socioeconomic ladder. Because many of those people support members of the Labor Party, those members have greater difficulty than honourable members opposite in raising funds. The Labor Party believes in looking after the interests of the people and giving them security.

Mr Sullivan: The Government has the numbers.

Mr PETERSEN: The Government has the numbers because it has the support of the people. When we conduct election campaigns we have the right to ask that we receive public funding commensurate with our support. Opposition members will have the same right. At the same time honourable members opposite will need to have the guts to say from where their funds come. They are bitter about the proposed legislation as they will be required to make that disclosure whether they like it or not. There is nothing altruistic in their opposition to the Government's proposal. That opposition is based on their unprincipled selfishness in protecting the sources of their funds. They do not want revealed the identity of contributors to those funds. The Liberal Party is not a true liberal party; it is a conservative party of big business. The Country Party is not a true country party; it represents the multinational mining companies. This is confirmed by the way in which the Deputy Prime Minister, Mr Anthony, behaves in the federal Parliament. From time to time the Liberal Party and the Country Party indulge in certain demagoguery to demonstrate that they support the democratic process, but when the crunch really comes they reveal that they stand for naked, unashamed reaction. This is the basic reason why honourable members opposite appear to be altruistic in refusing \$3,500 towards their election expenses.

Mr Cavalier: One should get that in writing.

Mr PETERSEN: I agree that one should obtain their intention in writing. Obviously if honourable members opposite intend to refuse the \$3,500 by way of election contributions from the public purse, they are receiving a great deal more money from sources that they do not wish to reveal. The bill is one of the most important measures to come before a State parliament. It affords an opportunity for honourable members to stand up and be counted. It is an opportunity for them to assert whom they represent. I suggest that they will demonstrate that they represent naked reaction and vested interests. Government supporters know that the commitment of Opposition members to the democratic process is small indeed. That was demonstrated by the

way Malcolm Fraser, Sir Garfield Barwick and Sir John Ken conspired in 1975 to throw out of office the people's Government. It was the same action as the generals took about Allende in Chile. Although the people to whom I have referred achieved their aim without guns I am sure they would have used them if required to do so.

Mr Cavalier: They would have done the same thing to Jack Lang. The Country Party was organizing an insurrection in 1931.

Mr PETERSEN: On 13th May, 1932, Sir Phillip Game anticipated what the Country Party was going to do. One would think that at a time of economic crisis, when contributions to political parties would be in a continual state of decline, all sides of politics would welcome the legislation. The fact that the Opposition parties do not welcome the legislation is the clearest indication that they are not parties of democracy but of vested interests and that they support a system of exploitation. It is high time that the Opposition parties were recognized as completely anachronistic. There is no clearer evidence of that than their contribution to the debate on the bill.

Mr J. A. CLOUGH (Eastwood) [10.37]: The House has not been disappointed by the contribution of the honourable member for Illawarra. He made his usual left-wing socialistic type of speech to which the House has become accustomed. At least the honourable member provided the House with more information than some other Government supporters who have contributed to the debate. I am totally and unequivocally opposed to this disgraceful piece of legislation. The honourable member for Drummoyne, for whom I have a most warm personal regard, was on the wrong track in his contribution to the debate. I could not follow the logic behind his argument. For example, the honourable member stated that referenda were necessary in the case of legislation to compel the disclosure of pecuniary interests and for the implementation of a 4-year term of Parliament but a referendum was not necessary to implement public funding of election campaigns. The Opposition asserts that although it may not have been necessary strictly to hold a referendum on public funding, the people should have been afforded an opportunity to express their view by way of a referendum on whether they should be levied to pay for elections to elect candidates to Parliament. In Australia anybody can aspire to be elected to Parliament. Nomination fees have always been reasonable. In one way or another candidates have been able to raise funds to support their cause, and other persons have been able to support the cause of a candidate for election to the Parliament. I see no reason why the Government should introduce legislation to change that system.

The honourable member for Drummoyne spoke about a donation by Mauri Bros and Thomson. I find nothing objectionable in that. If that company or any corporation, firm or person wishes to make a donation, it is their business whether they wish it to be divulged or to remain anonymous. Honourable members opposite spoke a lot of rubbish about the subject of non-disclosure to shareholders. As one who has audited many books I know that disclosures are ascertainable by those who understand accounts. The honourable member for Drummoyne referred to the fact that no receipt was issued. Today nobody receives a receipt if paying by cheque unless one is requested. I query the reason for raising that matter. Reference was made to the fact that the honourable member for Fuller, who was a member of the joint committee—as I was for a time—wrote the report. That does not surprise me. The report is of the kind that one would expect from the honourable member for Fuller. The honourable member is a self-confessed left-wing socialist; he denied tonight that he is a communist, but he has never denied he is a socialist. I find it difficult to know where the line of demarcation is, especially with this Government in office.

Mr Whelan: We know you are a failed accountant and politician.

Mr J. A. CLOUGH: I know that I am speaking about a socialist government, whose supporters are now attempting to interject. I have been in this House a long time and no member, particularly one with the upbringing of the honourable member for Ashfield, should speak to me in that way. The honourable member for Ashfield knows that I am not a failed accountant and not a failed politician. The honourable member should state the truth. The honourable member for Drummoyne referred to section 74 of the Income Tax Act. All honourable members know that \$500 can be claimed without vouching for the payment, and that more can be claimed if one is willing to so vouch. The honourable member for Drummoyne said that the Opposition is willing to take a subsidy from the federal Government but it will not take assistance from the State Government. There is no analogy. Under the Income Tax Act one can decide whether or not to claim. One is not compelled to make a claim for payment. Under this measure, whether one registers or not, one will still have to disclose the facts. That is the difference. Under section 74 of the Income Tax Act, if one does not want to make a claim for payment, one does not have to do so, although one may claim \$500 without vouching, or claim more if one is willing to vouch.

This legislation is a typical socialist measure; it is autocratic and oppressive. The Government has continually charged the Opposition with objecting to the disclosure provisions, and that is so, but for reasons different from those asserted by the Government. The Opposition is not in fear or trembling, as the Government claims. The Opposition objects to disclosure on principle.

Mr Whelan: The honourable member for Eastwood should speak the truth.

Mr J. A. CLOUGH: I am telling the truth. I do not care who gives the money or who receives it, whether it is the Liberal Party, the Labor Party, or any other party. I am honest about it. The Labor Party has been getting the money, just the same as the Liberal Party, but it gets round with its mealy-mouthed dishonest approach and says that the Liberal Party is the only party receiving such money. The honourable member for Ashfield knows perfectly well that the Labor Party has been taking money, just as the Liberal Party has done—and often it has been from the same people. The honourable member for Ashfield would be dishonest if he denied that for he knows that it is correct. The trouble with Government supporters is they put the Labor Party first and God second. Government members should tell the truth.

Mr Whelan: I know the priorities of the honourable member for Eastwood.

Mr J. A. CLOUGH: I know my priorities and they are just as good as those of the honourable member for Ashfield.

Mr Whelan: With one big exception.

Mr J. A. CLOUGH: There is no exception. I wonder whether the honourable member for Ashfield read the Catholic *Weekly* the other day. I am not ashamed of my beliefs. I am just as good as the honourable member for Ashfield. If the honourable member is challenging me about my faith or anything else, I am willing to take up the challenge.

[Interruption]

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

Mr J. A. CLOUGH: The honourable member for Ashfield is challenging me on my faith. Doubtless he kneels at the altar rails every Sunday. Then he comes here and calumniate me with the kind of statements that he is making in this House tonight.

Mr SPEAKER: Order! I ask the honourable member for Eastwood to return to the leave of the bill.

Mr J. A. CLOUGH: The bill is an invasion of democratic rights. It is an attempt to frighten off Opposition candidates of calibre who would not want to give up the security and freedom they enjoy for the regimentation and loss of freedom imposed under this measure. After the passage of this bill many able men and women will not seek election to this House; they will not leave their secure positions to be regimented and required to disclose what they have received to assist them in their election campaign.

Mr Maher: That is nothing to be ashamed of.

Mr J. A. CLOUGH: It is an infringement of their democratic rights. Some of my colleagues have said a great majority of persons do not wish to pay a compulsory levy for election campaigns. They say: "If we want to get a person into Parliament, that is our business and we ought to pay for it. We should raise the money the best way we can. We do not expect the taxpayers to be levied." Some people who support the Government would not want to pay a cent to elect me to Parliament and vice versa.

Mr Maher: We are broadminded; we do not mind who is elected to Parliament.

Mr J. A. CLOUGH: The honourable member for Drummoyne is broad-minded to the point that he wants to be elected. In bringing forward this bill the Government ignores the corporate laws of this State. The honourable member for Earlwood, the honourable member for Drummoyne, the honourable member for Ashfield and the honourable member for Bankstown, who are sitting opposite, are all lawyers and they know that a company is a separate legal entity and can sue and be sued according to law. Proposed section 87 (6) states:

Corporations that are deemed to be related to each other for the purposes of the Companies Act, 1961, shall be regarded as a single corporation for the purposes of the section.

This measure seeks to put the legislation above the corporate laws of this State. Many companies have subsidiary companies, which are in law separate entities. Often they have separate directors. Those companies operate separately and in law they can do what they like under the terms and objects of their memoranda and articles of association. Recently legislation was introduced into this House to improve the corporate laws of this State and to bring about uniformity. The Government intends to levy the people of this State and to deny separate companies the opportunity to exercise their rights under corporate law. I do not propose to spend any time referring to the proposed new sections because I am opposed to them. Nor do I intend to refer to the matters that should be changed in the bill because I am totally opposed to it.

Mr Mochalski: Why does the honourable member for Eastwood not resign from the Parliament?

Mr J. A. CLOUGH: And leave members like the honourable member for Bankstown here unchallenged? That would be the last thing I should wish to do. It is bad enough to have the honourable member for Bankstown in the House in the first place. The reference to the levy of 22c being the value of a postage stamp is an insulting gimmick. Why could the sum not be rounded off to 20c, 25c or 30c? It is a gimmick, so that the Government will be able to say to the people, "The sum involved is no more than the cost of a postage stamp". That is the sort of roguery and trickery that comes from members on the Government benches. Persons and organizations should be able to donate to political parties whatever and whenever they wish.

This measure is a further step in the Labor Party's attempt to make New South Wales a socialistic, one-party State. Previously, legislation was introduced in the House to introduce a system of one vote one value and optional preference voting. That legislation also was designed to bring about a socialistic, one-party State. Another **bill** to come before the House—that is, the proposed legislation dealing with pecuniary interests of members—is a further step in that direction. That measure will make another incursion into the rights of the people and their privacy. I repeat, I am totally opposed to this **unsavoury** and unwarranted encroachment on the rights and privileges of individuals in a free and democratic society.

I was a member of the Joint Committee upon the Public Funding of Election Campaigns. Members of that committee know that I left them in no doubt about where I stood on the provisions of this bill. I have been opposed to the proposal from the beginning. The bill represents another indication of the Government's intention, hope and aspiration that there will be only one party in New South Wales, and that is the Australian Labor Party.

Mr **MOCHALSKI** (Bankstown) [10.52]: I support the Election Funding **bill** and the comments made by my colleagues on the Government benches. The bill is reasonable and comprehensive in its terms. That may be established by perusing it and considering it, which is something that the Opposition parties have obviously not done. That is apparent from an analysis of the Opposition's contributions to the debate. The legislation enshrines political parties in our political system. It is of critical significance to a democratic State. One has only to consider the achievements of some great Labor leaders of the past—for example, the Hon. J. T. Lang, the Rt Hon. Sir William McKell, the Hon. P. M. McGirr, The Hon. J. J. Cahill, the Hon. R. J. Heffon and the Hon. J. B. Renshaw—to see how working people, through the Labor Party, have contributed to the well-being of all persons in our society.

I have perused the report of the Joint Committee Upon Public Funding of Election Campaigns. I was most impressed by the manner and fashion in which it explored the issues and matters upon which the bill is based. What more thorough approach to this question could the Government have taken? What more could the Government have done to explore and canvass the principles and issues involved? There is no doubt that reason and commonsense stand firmly on the side of the Government. The rationale behind this legislation is, first, that it is critical that all political parties are **afforded** a fair opportunity to put their cases, irrespective of the wealth **and** generosity of their supporters. Second, public funding will help remove the cost of special vested interest **groups** or large private donors who, cloaked in anonymity, try to buy influence or peddle it at the expense of the public interest.

Further, political parties and candidates for political **office** should be willing to have their accounts and sources of their funds open to public scrutiny. In addition, public funding will help to eliminate or at least remove the prospect of corruption. Will it not be for the best if the public is assured that the Liberal Party and the Country Party are free of the prospect of being bought or tainted by their rich benefactors? The Premier and Treasurer has said that the legislation is a pioneering measure in Australia. The main object of the bill is to constitute an election funding authority, to make provision for the public funding of parliamentary election campaigns and to require the disclosure of certain political contributions and electoral expenditures. Who could object to those measures?

Mr Brewer: Every member of this House should object to them.

Mr **MOCHALSKI**: The election funding authority will consist of a chairman, who is an electoral commissioner, and two part-time members, one of whom is to be nominated by **the** Premier and the other to be nominated by the Leader of the

Opposition. Two alternate members will be appointed in the same way. Further, the authority will administer the scheme, keep registers, assess entitlement to funds, determine the validity of claims, disburse funds and receive declarations of incomes and expenditure from parties and candidates. The authority will prepare and issue guidelines and undertake research. What can be fairer than that? Who can object to that? On what basis can they object? The comments of members of the Opposition are interesting. I and other Government supporters have listened to their contributions. It is interesting that the whole approach by the Opposition to the bill has been, "One could drive a truck through it." Is that not an interesting approach by the shadow attorney-general, who analysed the legislation from the point of view of how it may be breached or overcome? What an interesting contribution to such a significant piece of legislation.

Mr Cameron: The honourable member for Bankstown does not expect the legislation to be obeyed, does he?

Mr MOCHALSKI: I hope that the legislation will be obeyed. It behoves every member of this House to obey it and follow the principles that it enshrines.

Mr Cameron: Government supporters will not obey it.

Mr MOCHALSKI: There is no doubt that Government supporters will obey the legislation. Opposition members have indicated already they will not obey the legislation; they will try again to frustrate legislation brought before the House for the benefit of all. That admission is made time and time again by Opposition members. What an indictment of the Opposition. It illustrates simply that this type of legislation should have been introduced sooner to prevent the corruption and buying and selling of influence that was rife during the Askin Government's term of office. No one could deny that some persons in the community with strong connections with the Liberal Party and the Country Party wield influence on coalition governments so that they can bring pressure to bear on those governments at will. If those influential people do not get what they want, they cut off funding for those parties. From whom do those parties get their funds? For the first time, they will have to disclose the source of those funds. That will hurt them, because the Labor Party will find out who supports the coalition parties.

Mr Arblaster: And blackmail them.

Mr MOCHALSKI: It will be interesting to see whether those persons will continue to support the Opposition parties when their political affiliations have to be disclosed.

Mr Arblaster: The Labor Party will blackmail them, which is exactly what it wants.

Mr SPEAKER: Order! The honourable member for Sturt and the honourable member for Northcott have contributed to the debate. If the honourable member for Mosman wishes to contribute, I ask him to rise to seek the call.

Mr MOCHALSKI: The proposed legislation will bring the State into line with what I might call more enlightened thinking about how political parties should behave and will put a complete exposure of campaign funds before people in the community so that they can judge the influences that are being exerted on major political parties and candidates for various electorates who stand for political office. The only persons who could object to that are those who have the most to hide. The vehement opposition by members of the Liberal Party and Country Party to the measure demonstrates that they have something to hide. They should come clean and tell the House what they seek to hide.

Mr Arblaster: The Labor Party has \$1 million start.

Mr MOCHALSKI: The honourable member for Mosman said something about \$1 million. Undoubtedly Opposition members are accustomed to speaking in those terms—\$1 million for this and \$1 million for that.

Mr Cameron: The Labour Party is twice as wealthy as the Liberal Party. Its funds come from the trade unions, but the Government is seeking to deprive the Opposition parties of the support they get.

Mr Caterson: The Labor Party will get more funds from the persons who attend the dinner that will cost \$100 a plate. The honourable member should tell us who they are.

Mr SPEAKER: Order! As the honourable member for The Hills intends to speak in this debate, I ask him to wait until he is given the call.

Mr MOCHALSKI: Government supporters will be anxious to learn what original comment the honourable member for The Hills can make about the measure. One common characteristic of Opposition members is that they are bereft of ideas; all they do is rehash each other's comments. The hollowness of those comments is apparent to all and sundry. They will pay the price for their lack of work, dedication and application. The honourable member for The Hills chuckles.

Mr Arblaster: Of course he does.

Mr MOCHALSKI: A general election will be held in the next few months and we will see how the honourable member for The Hills performs then.

Mr Brewer: As the honourable member for Goulburn, I can chuckle.

Mr Gabb: It will be your last chuckle.

Mr Arblaster: The honourable member for Goulburn will be chuckling long after the honourable member for Earlwood has gone.

Mr MOCHALSKI: All Government supporters will be here for a long time after the honourable member for Goulburn has gone from this House, and that is probably just as well. The proposed legislation will bring the standing of the House into higher repute in the eyes of the public whom we represent. Members of Parliament will have a lot more respect than they command now. The community has a great deal of cynicism about political parties and politicians. One can understand that cynicism when one considers the history of the Parliament and of political institutions throughout the world. Far too often it appears that one set of rules applies to the community and another set of rules applies to politicians and those who purport to have influence. I support wholeheartedly any legislation that will bring public scrutiny to bear on political parties and politicians. The majority of people would follow and accept that ideal, if the matter were presented to them fairly and impartially. The honourable member for Drummoyne said that any desired response can be obtained from the conduct of opinion polls simply by the way that one structures the question. No one would disagree with that. Opposition members remain silent, so I assume that they accept that comment.

Mr Brewer: We are speechless.

Mr MOCHALSKI: I wish Opposition members were speechless. In some quarters their silence would earn them greater appreciation and respect. Silence is a far more effective contribution than some of the remarks that have been made in this debate. The comments of Opposition members have been neither original and

witty, nor constructive. The measure is long overdue. The Labor Party is proud of initiating the proposed legislation and introducing it in the House. Public funding of election campaigns has been part of Labor Party policy for many years. It was part of Labor's platform before 1978. Unlike the Opposition parties, the Labor Party declares its policies and the people know where it stands.

Mr Cameron: That is not so. The Government has no mandate for this legislation.

Mr MOCHALSKI: The people know the Government's policies, because it discloses what it intends to do. The Labor Party is always willing to disclose the source of its funding. The proposed legislation will apply equally to Government supporters as it will to Opposition members. Government supporters have no objection to the measure. What are the Opposition members trying to hide?

Mr Cameron: The Government's funding comes from the unions.

Mr MOCHALSKI: The honourable member for The Hills cannot explain what it is that Opposition members want to hide.

Mr Caterson: The honourable member for Bankstown should tell the House about the \$100 a plate dinner.

Mr MOCHALSKI: The honourable member for The Hills is going red in the face with embarrassment.

Mr Caterson: I am not going red. I want the honourable member to answer my question.

Mr MOCHALSKI: I prefer to commend the proposed legislation and trust that the Opposition will not indulge in its usual tactics of fruitless obstruction by digging up non-existent political issues, but will allow the measure to be enacted so that it can prove its value. The Opposition has demonstrated its political meanness.

Mr BREWER (Goulburn) [11.8]: I have never heard such garbage as that from the honourable member for Bankstown tonight. Obviously he does not understand how political parties are financed. I should refer to the Government's attitude of seeking to maintain power at all costs. I shall start my contribution by referring to the Goulburn electorate. Before the last election every endeavour was made to buy me off by offering me a position with the Meat Industry Authority. I am independent; I do not belong to the sort of socialist dictatorial party to which the honourable member for Bankstown belongs. At the last elections the Country Party spent a darn sight less on the campaign at Goulburn than was spent there by the Labor Party. Let us be fair dinkum about this matter. An attempt was made to buy me off so that I would not stand as a candidate for the electorate. It was suggested that I should become chairman of the Meat Industry Authority. That offer might have been attractive, if those who offered it had been fair dinkum.

Let us consider what happened in the election campaign, apart from the enormous amount of money that was spent by the Labor Party. I note that it has been reported that the State Labor Party is in debt to the tune of about \$1.5 million from the last elections. The promises that were made during that campaign were dishonest from the beginning. Promises made to the electors of Bathurst and Goulburn by the Labor Party will never be fulfilled.

The Government has spent more money on election campaigns and has promised that it will use money in the coffers of this State—which should be used for good government—on trying to win seats that the Labor Party could otherwise never win. The Government has been approaching cartels and making financial deals to try to

win and maintain office. Look what happened about lotto. The honourable member for Bankstown is laughing. He will be laughing on the other side of his face when the people of New South Wales realize what the big corporations have gained through being granted lotto rights, and the advantages that the Labor Party and the Wran Government is obtaining in New South Wales from lotto. Honourable members should bear in mind the Government's actions on Parramatta Park. A hidden amount of \$20 million is involved in that issue. Honourable members should not forget the installation of high intensity lights at the Sydney Cricket Ground.

Mr Mochalski: What has that to do with the bill?

Mr BREWER: I am not directing my remarks to the honourable member for Bankstown. He backed out on the trotting industry. He did not say one word about the amending bill applying to that industry, so he had better shut up. Honourable members should consider what political parties ought to be about. Let me examine the beginnings of the Westminster bi-party system. Political parties should be a support to the people but financed from their own resources. Honourable members opposite have referred to the conservative parties. If large sums of money are poured into a political party that has little numerical strength, when it comes to a vote, it **really** does not **win** anyone.

Mr Mochalski: Wait until the next elections.

Mr BREWER: I wish the honourable member for Bankstown would keep quiet. He is like the cocky on a biscuit tin; he is on the outside. I wish to speak about the type of person who funds my election campaign. I would not have to disclose any of the funds I receive during my campaign because few contributions exceed \$50. **The** requirement for disclosure is either \$100 or \$200.

Mr Mochalski: The honourable member has not even read the bill.

Mr BREWER: I would not have to disclose anything. Therefore, I am staying with the decision that has been made by the Liberal Party and the Country Party. I will not register as a political candidate to make a grab on the public funding set aside for a political campaign. Most of the contributions to my campaign come from people who give \$5 or \$10. These people work for the candidate of their choice and make small donations. That type of donation will be ample for my next election campaign. Why is the Labor Party so interested in the public funding of elections? It is because it is financially broke and cannot get the contribution of the ordinary person, in particular, from the citizen in **the** country. The Labor Party cannot get the \$5 to \$58 contributions, which provide ample wherewithal for the Opposition to fight its campaign at the next elections.

The Opposition **will** be able to say that the people who believe in **it** have paid to support it. Why should not I as the member for Goulburn be responsible to the great number of people who have each been willing to fund my campaign to the extent of \$5 or \$10? I assure honourable members that this legislation will result in more donations of \$5 and \$10 being given to the Opposition **than** have ever before been received from the community in country New South Wales. The Country Party has said it will oppose the legislation in principle. It will oppose it also by not registering and by its members not putting their fingers in the till. Honourable members should examine the facts of political power. I am fearless of the press **in** what I shall say. The things done by the Wran Government to achieve **political** power have been a travesty. Two of the biggest press magnates in this country support the Wran Government financially and politically in every **respect because** the Government has given into these people.

Mr Mochalski: How has it done that?

Mr BREWER: The Government has given into them on every issue. Parramatta Park is an instance of that and lotto is another. The Opposition will fight this legislation on the rights of the ordinary person to fund and support a political party of his or her choice.

Mr Mochalski: The Opposition will lose.

Mr BREWER: The honourable member for Bankstown should watch his step. It is vitally important that the New South Wales community realizes what the Wran Government is doing to this State by its political and financial manipulations to maintain power. The Labor Party is \$1.5 million in debt from various election campaigns and is trying to reduce that debt. It is trying to dry up the Opposition's sources of funding support for political campaigns. This will be the beginning of the Government's death knell. It cannot buy power, and power is all important to it.

Mr Mochalski: Is not the Opposition interested in gaining office?

Mr BREWER: Why does not the honourable member for Bankstown shut up? Mr Speaker, as the honourable member has interjected, I shall go into the history of his representations on behalf of the trotting industry. The trotting industry held a large meeting at Bankstown to discuss proposed amendments to the trotting legislation. The honourable member for Bankstown attended that meeting, but not the follow-up meeting. He did not even debate the trotting industry amending legislation when recently it was introduced in this House.

Mr Mochalski: I represent the trotting people.

Mr SPEAKER: Order! I ask the honourable member for Bankstown to desist from interjecting. I ask the honourable member for Goulburn to return to the matter before the Chair.

Mr BREWER: I accept your ruling, Mr Speaker, but when an honourable member interjects and there is no direction from the Chair, I take it——

Mr SPEAKER: Order! I ask the honourable member for Goulburn not to reflect upon the Chair and to come back to the matter before the House.

Mr BREWER: I am not reflecting on you, Mr Speaker——

Mr SPEAKER: Order! The honourable member for Goulburn made the remark **that** the interjections are not being taken up by the Chair. That is a reflection on the Chair. The honourable member for Goulburn will leave the conduct and order of the House to the Speaker and return to the matter before the House.

Mr BREWER: Mr Speaker, I shall abide by your ruling.

Mr Gordon: The honourable member has no option.

Mr BREWER: I take it that normally if an honourable member interjects and the interjector is not brought to order, the honourable member addressing the House may reply. That was all I was doing. The only time when public funding of election campaigns has ever been necessary in world politics has been when a dictatorial government has brought the country in question to its knees. The Premier and Treasurer said that the legislation is a political advance for New South Wales. It is **not** an advance, it is a retrograde move.

If the Government had put the proposition about the public funding of election campaigns to the citizens of New South Wales, the proposal would have been rejected outright. The joint committee was set up not to study whether public funding is necessary but to inquire into ways and means of introducing the public funding of election campaigns. The terms of reference of that committee were entirely wrong. I am so confident that the people in the electorate of Goulburn would be against the public funding of election campaigns that I shall raise my own funds from the contributions of \$5 and \$10 made by people who believe in private enterprise. Nobody buys me. In all the time I have been a member of the House nobody has ever bought me. The ordinary citizen is willing to work for an honourable member in whom he believes. He will do it because he believes in the member's policy and party and is willing to put his few dollars behind that belief. Such a citizen is entitled to support in Parliament. I have supported the ordinary citizen on every occasion.

The measure is not innovative. It will drag political parties and the funding of political campaigns to the level of the banana States of South America. It is important that the funding of campaigns by political parties be completely independent of government resources. Over the past three or four years, since the Government has held office, I have listened to Ministers at question time. Every time a Minister rises he castigates the Commonwealth Government because it has not provided sufficient funds for education, health, agriculture, drought relief and every possible purpose for which funds are required in New South Wales. I want to know, as do the people of Goulburn, where the funds will come from to provide money for political campaigns in New South Wales. The Government cannot afford to provide extra funds for hospitals, community halls, child welfare and education but it can afford to try to make up the \$1.5 million which those who support the Labor Party were not willing to pay.

Honourable members should not try to tell me that there is any greater influence of a political party from the outside than from the trade unions. Not only are financial resources received from trade unions but also the numerical strength of the unions must be borne in mind. The Liberal Party and the Country Party cannot be accused of receiving financial support with regard to the structure of electoral campaigns. The Premier and Treasurer has done some hefty campaigns financed from various dinners that have been held at \$100 a plate. One was cancelled tonight because of this measure. Why has the legislation become urgent? Wrangling is going on in the federal political field and this matter will not be on the front page of the newspapers or receive any notoriety in the press. That is why the matter was brought on urgently this afternoon and why the debate is continuing. For the same reason the House dealt this afternoon with legislation affecting parliamentary superannuation.

Mr Quinn: When did we do that?

Mr BREWER: This afternoon. It was because wrangling in the federal sphere has driven it off the front page of the newspaper.

Mr Mochalski: Whose fault is that?

Mr BREWER: The honourable member for Bankstown is the most knowledgeable member in the Parliament. He should talk to his trotting friends.

Mr Mochalski: I have more friends in trotting than has the honourable member for Goulburn.

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

Mr BREWER: The honourable member for Bankstown is a joke. There is only one reason the measure has been brought in: the Labor Party cannot finance in **any** other way its grandiose publicity schemes in election campaigns. The Opposition has always been able to pay for its election campaigns. Its campaigns have been paid for by John Citizen with \$5 or \$10 contributions to Opposition party funds. I venture **to** say that the enactment of the measure will bring many more \$5 and \$10 contributions to both Liberal Party and Country Party funds for future election campaigns. Why should not people who believe in something support it not only physically but **also** financially? An old Australian saying is: pay up or shut up. That is what the measure is all about.

Government supporters should not try to tell me that the Labor Party has not been conscripting union organizations to make contributions to the political campaigns of the Labor Party. How will the people who have been supporting the Labor Party physically and financially, through the union organization, feel when they have to contribute **66c**. The cost will be **66c** plus administrative costs, not **22c**, as the Premier and Treasurer dishonestly stated. Administration and accounting and all the **paraphernalia** that goes with the legislation will cost the States much more than the contribution made to political parties to finance their campaigns. In any event, that amount will not finance the campaign.

The only reason this legislation is before the Parliament is that the Labor **Party** has not been able to organize financial support to cover its extravagant spending on recent election campaigns. We must go to the people of this State at an election some time this year. The Government would not allow a referendum **to** be held to enable the people to say whether they wanted the public funding of election campaigns. The reason was that the Government knew its proposal would be defeated. At the forthcoming election the Liberal Party and the Country Party will go to the people on the whole philosophy of this concept. Our campaign for the election will be paid for by ourselves, or rather by John Citizen. It will **not** be paid for by multinational companies, as Government supporters suggest. Members of the Country Party in rural areas of the State do not depend on multinationals for support. We depend on the people in our communities to contribute \$5, \$10 or \$50, which under this legislation will not have to be accounted for. The decision of the people will be made at an election, not at a referendum. The Government will suffer as a result of that decision. The campaign of the coalition parties will not be extravagant and our financial needs will be met. Also we will get support for our principle, which is important to the survival of democracy in Australia.

Debate adjourned on motion by Mr Rozzoli.

ALLOCATION OF TIME FOR DISCUSSION

Mr WALKER: On behalf of the Premier and Treasurer I give notice of business to be dealt with under Standing Order **175B**: Wednesday, 29th April, 1981, Election Funding Bill, all remaining stages by 4 p.m.

BILLS RETURNED

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

Luna Park Site Bill

Medical Practitioners (Amendment) Bill

ADJOURNMENT

Campbelltown Electorate Parks

Mr WALKER (Georges River), Attorney-General and Minister of Justice [11.33]: I move:

That this House do now adjourn.

Mr MALLAM (Campbelltown) [11.33]: I wish to speak about the lack of parks adjacent to railway stations in the Campbelltown electorate. There **has** been a **good** planning authority in the area for a considerable time, under the direction of the Minister for Planning and Environment. I **am** seeking declaration **of the parks** that have been allocated adjacent to railway stations in the electorate. **About** thirty-five families a day are settling in the **electorate**. For some reason, no **parks** have been established adjacent to railway stations and citizens wishing to meet relatives arriving by train have to wait **at** the stations and use public conveniences provided at the stations. In an area that has been **as** well planned as Campbelltown it is reasonable that sites for parks be made available as soon **as** possible for the benefit of **local** residents. At **Ingleburn** the only toilets available for **some** time were at the railway station. The **old** pan system was in use until **the fettlers** went on strike, when a septic tank was installed, but the department forgot to **connect** the ladies' toilet to the septic tank.

Since the previous Minister for Planning and Environment was in office I have been asking for parks to be established adjacent to railway stations at Glenfield, Macquarie Fields, Ingleburn, Minto and **Leumeah**. A site is required at Campbelltown as a park for recreation. Many of the suburbs of Campbelltown are some distance from the main centre. We have only one real public reserve. I compliment the Minister who has recently made available as a reserve a 14-acre site which was the old hospital site in Broughton and Macquarie Streets. Land along the Georges River near Campbelltown is open space.

Before the last election the Premier and Treasurer announced that the Government would allocate 40 000 acres south of Campbelltown as a national park. I should like the Minister to reconsider the proposal to see whether it can link up with the open area at Georges River. Although this land is available for a park, it has no rangers and no park trust. The land has been vandalized by motor bike riders and other people. I should like it to be declared a national park as soon as possible, so that a **trust** can be set up to protect the park from vandals. Proper trails in sections of the park could be opened. The people of Campbelltown are aware of the assistance given by the Premier and Treasurer and the Minister in providing this land. Some of it was owned by the water board and that will be made available.

This land is among the most beautiful in the whole of the metropolitan area. It can be preserved if proper facilities are made for people to visit it. As it is, the wildlife is being destroyed because there is no protection. It has become a dump for motor cars. Perhaps the Minister will speak to the Premier and Treasurer and later make a statement. Some time ago the Minister for Lands allocated 1 000 acres in the Wedderburn area, linking up with the Georges River open space. That would be one huge reserve south of Liverpool. Campbelltown would be one of the most fortunate areas in the State in having such a huge reserve so close. We are **looking** forward to seeing a trust set up similar to that which controls the Royal National Park so that the area can be linked up with the water board's area. The whole of the area south of Campbelltown could become a park, to link with the edge of the electorate of Mr Speaker, the Blue Mountains National Park to the back of Lithgow, and up to the ranges near Cessnock.

We are preparing for a population of 500 000. Because of the actions by the present Government, it will reach that figure quickly. Decisions have been made by the Labor Government and I am pleased to see present in the House the Premier and Treasurer. Although he may be criticized from time to time, he certainly is not afraid of making decisions. I have been in Parliament a long time and I know that some people in politics tend to put matters aside and not arrive at decisions. However, the decision has been made in this instance and we shall soon see the fulfilment of the national parks. A previous Minister decided that a site would be allocated adjacent to every railway station in the area. I would be most grateful if that eventuated. I appreciate that I have sprung this matter on the Minister for Planning and Environment, but I hope that he will consider what I have said and give me a satisfactory reply. The people of Campbelltown would appreciate efforts aimed at preserving an area allocated by the Premier and Treasurer some time ago. The area has been vandalized by the dumping of car bodies and has not been looked after. Most people in the area believe that this section of Sydney may be destroyed if action is not taken quickly.

Mr BEDFORD (Fairfield), Minister for Planning and Environment [11.421: I have listened with care to the comments of the honourable member for Campbelltown; I am aware of his deep interest in the Campbelltown region. Since he has been the member for that area he has witnessed what is probably one of the most exciting growth centres adjacent to a city in the whole of Australia. The Macarthur area was well planned and worked from the beginning on the basis of using the best planning concepts. The honourable member has continued his intimate interest in the area. I remember when I was Minister for Education efforts made by the honourable member to ensure that one oval was turfed with the aid of borrowings, so to speak, from the Department of Technical and Further Education. The honourable member was willing to roll up his sleeves to ensure that something was done.

The honourable member mentioned two matters, one concerning national parks and the other the provision of open space adjacent to railway stations in the Macarthur development area. Any fairminded person in New South Wales must agree that the present Government has done more than any other government in establishing national parks. Recently I had the benefit of visiting the new Wollemi National Park, which begins in the Hunter region and sweeps well down to the west of Sydney. The concept of the national parks in relation to Sydney, Wollongong and Newcastle embraces an arc of parks spreading from the Hunter Valley through Wollemi National Park, into the Blue Mountains National Park, the Royal National Park and the area referred to by the honourable member for Campbelltown as the crescent of parks surrounding the conurbation of the east coast of New South Wales. This concept has provided for millions of people who live in those three huge cities close access to wilderness areas and areas with easy trails and good facilities such as no other country in the world can boast to the same extent. The Government is continuing its programme of developing plans and seeking to ensure increased leisure activities to the people of New South Wales as shorter working hours allow a safety valve by enabling people to enjoy the beauty of nature with its varied flora and fauna.

The second point mentioned by the honourable member for Campbelltown related to parks close to railway stations. He referred to the undertaking by my predecessor that such parks would be developed as a planning concept for the Macarthur area. The honourable member can be assured that the planning concept that has been a feature of the Macarthur development since its inception will be followed through to finality. Then the people of New South Wales, particularly the honourable member for Campbelltown, will be able to stand back and look at it and say, "There is

an ideal piece of landscape that takes into account the needs of the people **and** provides an excellent amenity and environment for those who live in the area." **The** honourable member asked me to examine these two issues and give him up-to-date information on them. Within a few days I shall have much pleasure in providing him with **the** present position and the projections for the future. Before he leaves this Parliament he will be able to see the plan for Macarthur either reach finality or be very close to it. In his retirement he will be able to say, "I saw that area grow".

Mr Wran: It is a disgrace that not one member of the Opposition is in the **House** to support the honourable member for Campbelltown in his endeavours to improve the **amenities** of this State.

Mr **BEDFORD**: I agree entirely. If all honourable members took the interest that the honourable member for Campbelltown takes in these matters, we would have **a** much better environment and amenity for the people of New South Wales.

Motion agreed to.

House adjourned at 11.47 p.m.

QUESTIONS WON NOTICE

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

HELICOPTER AMBULANCE SERVICES

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

- (1) Is any funding provided through the Central Office of the Health Commission for helicopter ambulance services and emergency medical **helicopter** services in New South Wales?
- (2) If not, is any payment made by the Government for such services?
- (3) If so, (a) of what amount and (b) through what source?

Answer—

(1), (2) and (3) The Central District Ambulance Service and the **Regional** Offices of the Health Commission of New South Wales have not incurred **any** expense in the use of helicopter ambulance services

MALARIA

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

- (1) Are statistical records kept on reported malaria cases in New South Wales?
- (2) As malaria cases in Victoria have jumped from 46 in 1978 to 88 cases to the end of October, 1980, has there been a corresponding increase in this disease in New South Wales?

(3) Is this disease associated **with** travel to South-east Asia, Papua New Guinea and other tropical areas?

(4) Is he taking steps to alert the public to the dangers of malaria?

Answer—

(1) Statistics are kept on malaria cases as reported in New South Wales.

Malaria is a notifiable disease under the Public Health Act, **1902**, as amended, Regulation 5, Schedule 1.

For the past years the number of cases reported in New South Wales were:

1978—77.

1979—72.

1980—107 (to date).

(2) There has from these figures also been an increase corresponding with that experienced in the State of Victoria.

(3) The disease is most frequently associated with travel to Papua New Guinea, South-East Asia and other malaria endemic areas.

(4) The Health Commission of New South Wales has taken steps to alert the public to the dangers of malaria. The Health Commission's Adviser on Communicable Diseases has made statements to the newspaper and radio media. A newsletter was sent to every registered medical practitioner in the State of New South Wales, advising them of the dangers associated with travelling to malaria endemic countries and listing recommended schedules of prophylactic drugs.

REGISTRATION OF DIETITIANS

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

Will he ensure that the "Grandfather" clause **in** his proposed legislation to register dietitians in New South Wales is sufficiently wide to cover people whose professional qualifications have been recognized, in the past, for employment at New South Wales public hospitals?

Answer—

It is anticipated that the proposed legislation will contain provisions which **will** ensure that those persons presently practising as dietitians in a public hospital are not disadvantaged.

SMALL BUSINESS AGENCY

Mr ROBB asked the Minister for Industrial Development and Minister for **Decentralisation—**

(1) Will continuing information be provided to chambers of commerce and **small manufacturing** businesses on opportunities offered by the Government regarding tenders, special grants and small business loan assistance schemes?

(2) Will he monitor the **effects** on small businesses of the policies and Government instrumentalities, by providing advisory and counselling services?

Answer—

This question highlights one of the disadvantages, inherent in smaller businesses, of not having the specialist infrastructure present in large enterprises **which** generally have the expertise and the time to investigate the opportunities and assistance which is available from government. It was this realization that led to the establishment in **1976** of the New South Wales Government Small Business Agency, a unit of **my** Department, which is now responsible for promoting the well-being, growth and development of **this** increasingly important small business sector.

The provision of information to small manufacturing and other businesses is the **most** important programme of the Agency. A telephone advisory service is **run** from the Agency's office in Sydney, manned by experienced small business counsellors, to provide information and advice. This is complemented by the availability of confidential face-to-face counselling where a person's small business requisites can be worked through in detail with an Agency counsellor. Counselling is available at the Agency's office at **139 Macquarie** Street, Sydney, and at my Department's Western Metropolitan office at Blacktown. Counsellors also travel to most country centres on a regular circuit basis.

Advice and assistance is given not only on the opportunities and services available from government departments and agencies but on any general or specific manufacturing, retail, wholesale or service industry management or business problem. In **1980** more than **23 000** people contacted the Agency for advice and assistance.

Should the circumstances clearly warrant specialist or long term attention, clients may be referred to a professional consultant registered with the Agency. Subject to qualification, the New South Wales Government will subsidize the fees and expenses of these approved consulting assignments, usually on a dollar for dollar basis.

One of the most common problems facing small businesses is raising the necessary finance for expansion and development because they are unable to provide adequate security for the finance they seek. To overcome this problem, the Government offers, through the Small Business Agency, a Small Businesses' Loans Guarantee Scheme where it may offer a government guarantee **as** security to support a loan not otherwise available because of the applicant's insufficient primary and/or collateral security.

The Agency also stocks a wide range of specialist small business publications, assists training institutions and trade associations in designing training programmes oriented specifically to small business, produces a successful country radio series "The SBA Report" on topics of practical help to small business people and **co-operates** with professional bodies, trade associations and service clubs in running seminars and promotional talks.

With regard to monitoring the effect of Government policies and regulations on small businesses, the Agency seeks information and advice from all sources and reviews all relevant government regulations and legislation with a view to providing me with recommendations where the Government might assist in alleviating any disadvantages faced by small business.

The services of the Small Business Agency are free of charge and completely confidential. Many members have already referred their constituents to **the** Small Business Agency and I **commend** this service to the attention of Honourable Members.

On the matter of provision of information regarding tenders, the Honourable Member would be aware that, except where otherwise authorized, it is a requirement of the Government that tenders be called for the supply of all goods and services involving an expenditure exceeding \$500 in respect of any one item. It is furthermore standard procedure in all instances where public tenders are called, for the calling of such tenders to be publicized in the *Government Gazette* and in selected newspapers and journals. There are, in addition, several commercially available publications which specialize in the listing of details of tenders being called both by Government authorities and private companies which are readily available at moderate cost to Chambers of Commerce as well as to the individual small business proprietor. Further, an organization can write to the Manager, Government Stores Department, requesting to be placed on a mailing list for tenders relating to goods and services for which they may be interested in tendering. There is, therefore, really a wealth of information already regularly and readily available to small business regarding tenders.

However, where an individual small business or Chamber of Commerce may be experiencing any particular difficulty in identifying such sources of information, then counselling assistance is, as previously indicated, readily available from the Small Business Agency.

AIR AMBULANCE SERVICE

Mr MASON asked the Minister for Health—

- (1) Is the **Air** Ambulance Service to be withdrawn from its Dubbo location?
- (2) Does this service at Dubbo cost \$600,000?
- (3) Why is the Dubbo service not on a 24-hour basis?

Answer—

- (1) The Air Ambulance Service is not being withdrawn from the Dubbo base.
- (2) The service at Dubbo does not cost \$600,000. However, the basing of **an Air** Ambulance at Dubbo has necessitated the employment of additional crews at a present cost of \$168,000 per annum.
- (3) The Dubbo based service is crewed on a 24-hour basis on Monday, Wednesday and Friday and an 18-hour basis on Tuesday, Thursday, Saturday **and** Sunday of each week. The Dubbo based service does not operate alone but operates in conjunction with the Sydney base from which is provided all crew relief.

DANVILLE FABRICATORS LIMITED

Mr MAHER asked the Attorney-General and Minister of Justice—

- (1) What is the value of assets missing in connection with the property of Danville Fabricators Pty Ltd?
- (2) Will the Commissioner for Corporate **Affairs** conduct an investigation into the financial affairs of this company?

Answer—

(1) The records of the Corporate Affairs Commission show that **Danville Fabricators Pty Ltd** was incorporated on 15 July, 1954. The directors of the company are **William Knight, Robert Peterson and Judith Holmes**.

On 16 December, 1980, the Australian and New Zealand Banking Group Limited appointed Messrs **Bruce Henry Smith and Kevin Richard Shirlaw**, of **B. O. Smith and Son, Chartered Accountants, 68 Pitt Street, Sydney**, as Receivers and Managers of the property of the company under the powers contained in a mortgage debenture dated 12 June, 1980.

On 23 February, 1981, the Receivers and Managers forwarded to the Commission a Statement of Affairs of the company as at 16 December, 1980. This statement discloses that the company has estimated total realizable assets of \$123,868 and total liabilities of \$310,690, resulting in an estimated deficiency of \$186,822.

In their comments in relation to the company's Statement of Affairs the Receivers have estimated that the company's assets would realize only \$46,000, resulting in an estimated deficiency of \$264,690.

(2) The Receivers and Managers have advised the Corporate Affairs Commission that they are still in the process of investigating the affairs of the company, and that they **will** report to the Commission on completion of their inquiries.

However, the Deputy Chairman of the Corporate Affairs Commission has directed that preliminary inquiries be made immediately and that **I will** be advised of further developments as they occur.

CANCER RESEARCH

Mr MOORE asked the Minister for Health—

(1) Will he ensure that all funds granted to the State Cancer Council for research are expended in the year of availability?

(2) If so, will he increase grants to the Cancer Council to compensate for continuing **inflation**?

Answer—

(1) and (2) The Health Commission makes a financial contribution towards cancer education and research, including grants to Universities for research. This assistance, which is paid to the State Cancer Council, is determined having regard to the level of funds held by the Council at the end of each financial year plus the estimated expenditure during the ensuing financial year, including the cost of inflation.

It is not appropriate for the Health Commission to ensure that all funds granted to the Council for research are expended in the year of availability. However, it will be noted that the method adopted in determining the level of assistance in any one year seeks to provide for the Council's net requirements and allows for adjustments where actual expenditure does not equal estimated expenditure for any particular year.

URINE SCREENING TEST

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

- (1) Is the Health Commission intending to terminate its **amino** acid metabolism derangement screening tests undertaken on the urine of newborn babies at the Oliver **Latham** Laboratory at North Ryde?
- (2) Is this test relatively inexpensive?
- (3) Is the test especially important to affected babies?
- (4) Do **affected** undiagnosed children usually suffer gross mental retardation?
- (5) If so, will he direct the Health Commission to reconsider its decision to close this testing facility?

Answer—

(1) Yes. The urine screening test was carried out on urine specimens collected from babies at 3 months of age by Baby Wealth Centres. These tests were carried out on a voluntary basis and only reached 80 per cent of babies. This urine testing has been replaced by a blood test, the Guthrie Test, which is carried out on every new-born child. At present the blood is used for the detection of **phenylketonuria** and hypothyroidism and in the near future will be used for cystic fibrosis.

(2) No. The urine test has been replaced by the blood test which can be used to detect more than the one condition. The urine testing, particularly **considering** the lack of additional benefits, was found to be not cost effective.

(3) It is important to know whether or not babies are affected, and this can be found out by the Guthrie Test on every new-born baby at an earlier age than with the urine test.

(4) Yes. However, it is unlikely that new-born babies **will** remain undiagnosed under the new procedure.

(5) No. A more effective screening procedure has been implemented.

