

## Legislative Assembly

Thursday, 20 August, 1981

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Petitions—Prison Escapes (Urgency)—Questions without Notice—Governor's Speech: Address in Reply (Fifth Day's Debate)—Printing Committee (First Report)—Adjournment (Menai Housing Development).

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

### PETITIONS

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

#### Moral Standards

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

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

- (1) To give positive support to the Lord Mayor of Sydney and other local government authorities in their attempts to clean up moral pollution in our communities.
- (2) To give local government authorities the power to reject applications from individuals or companies for moral pollution centres which are against the public interest such as so-called sex shops, live sex shows, blue movie cinemas, massage parlours (brothels), escort services (prostitution), et cetera.
- (3) To tighten up the standards used by the New South Wales Indecent Publications Classification Board so as to include the total prohibition of any pornographic publication or film containing child pornography, bestiality, sodomy or violent sex acts against women, such as rape and pack rape, sadism and torture, et cetera.

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

Petitions, lodged by Mr Barraclough and Mr Sheahan, received.

### Homosexual Laws

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

That we support your efforts to strengthen our family and community life. We therefore wish to register our firm opposition to any changes in our State laws which would legalize and or encourage the following activities:

- (1) Adoption of children by homosexual or lesbian partners. Such adoptions would be a denial of the basic human right of the child to have the love of a male father and female mother.
- (2) Acts of sodomy in private or public. (Note: Sodomy is the unnatural anti-Jewish, anti-christian act of anal copulation between male persons often described in the media as homosexual acts and in the law as buggery.) Legalization or decriminalization of these so-called victimless crimes would imply community approval and acceptance of these unnatural acts, and may encourage public solicitation of adults and particularly children in leisure and recreational areas as well as schools and other educational institutions.

We therefore request that the following steps be taken:

- (1) The complete rejection of Mr G. Petersen's moves to legalize sodomy (buggery) after the 1981 New South Wales State Election.
- (2) The establishment of a special department within the New South Wales Health Commission to:
  - (a) Develop humane methods of helping persons to overcome or deal with homosexual tendencies through counselling, psychological and medical assistance and
  - (b) Conduct a vigorous campaign to combat the serious venereal disease epidemic particularly amongst practising male homosexuals (i.e., 73 per cent of all current venereal disease syphilis cases are homosexually transmitted).
- (3) The prohibition of any films, materials, books or homosexual kits in State Schools which undermine the family and marriage by falsely presenting homosexual behaviour as a harmless valid alternative lifestyle.

Your Petitioners therefore humbly pray that your honourable House will take no measures that would legalize sodomy and so undermine marriage, child care or the family, which is the basic unit of our society.

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

Petition, lodged by Mr Ferguson, received.

### Bill of Rights

The humble petition of the undersigned citizens of Australia respectfully sheweth:

That the democratic rights of citizens of New South Wales would be strengthened by the incorporation of an entrenched Bill of Rights in the New South Wales Constitution.

We request your honourable House will, after widespread discussion in the State of New South Wales, enact such a Bill of Rights.

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

Petition, lodged by Mrs Foot, received.

#### Wintergarden Theatre, Rose Bay

The Petition of residents of the Rose Bay area of the electorate of Vaucluse and other concerned citizens living nearby respectfully sheweth:

On 31st October, 1980, the Wintergarden Theatre passed out of the hands of the Lawson family who had owned it since 1928. The Wintergarden then became the property of an undisclosed buyer who is presently unwilling to reveal his plans for its future development pending Woollahra council approval.

Your Petitioners therefore humbly pray that your honourable House do all in its power to ensure that the existing Wintergarden Theatre building be preserved in its entirety. The Wintergarden Theatre is a valuable part of the historic heritage of the Rose Bay community and we press the Government to reject any proposals which would involve demolition of the building or removal or interference with the upstairs foyer in accordance with the order issued by the Heritage Council of New South Wales.

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

Petition, lodged by Mrs Foot, received.

#### Abortion

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

That we support your efforts to strengthen our family and community life.

Your Petitioners therefore humbly pray that your honourable House will:

- (1) encourage the enforcement of the provisions of the Crimes Act against abortion and the terms of the ruling in *Regina v. Wald*, 1972 3 DCR 25;
- (2) enact laws controlling medical procedures outside hospitals for the protection of the unborn;
- (3) encourage the enforcement of the law requiring the registration as a death of the stillbirth of a child of 400 grams in weight, or twenty weeks;
- (4) eliminate subsidies for abortion referral centres;
- (5) introduce travel concessions for pregnant women.

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

Petition, lodged by Mr K. J. Stewart, received.

Shellharbour Sewerage

The Petition of certain citizens of New South Wales sheweth:

The ratepayers of the Shellharbour municipality find the burden of the Shellharbour sewerage scheme unbearable. We have paid for ten solid years, liopefully to reduce the debt which was originally \$4,500,000 and which now stands at \$5,600,000 and will not be resolved for at least 100 years.

Your Petitioners therefore assembled pray that this honourable House will take steps to ensure that:

The Government accept full responsibility of the debt of the Shellharbour sewerage scheme and pay out the \$5,600,000 as it is understood that the Kiama municipality will be financed without cost.

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

Petition, lodged by Mr Dowd, received.

PRISON ESCAPES

Urgency

Mr McDONALD (Kirribilli), Leader of the Opposition [10.34]: I move:

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

That in view of the degree of risk encountered by the average citizen of New South Wales from prisoners escaping from State gaols, this House condemns the failure of the Government to properly administer the penal system, in particular the classification and transfer procedures and calls upon the Premier frankly to acknowledge the failure to effectively contain dangerous criminals.

I move this motion of urgency because once again there is fear and concern in the community about the continuing failure of the Government to contain dangerous criminals in appropriate security. When this House realizes the implications of the sorry chain of events concerning the classification system for prisoners, it will have no hesitation in granting urgency, because decent families are concerned and justifiably emotional about the recent events surrounding the escape this week of Eric James Murray from Kirkconnell afforestation camp.

Before proceeding, Mr Speaker, let me say that I am mindful of your ruling on my Standing Order 49 motion yesterday. However, this urgent matter is only part of a shameful, irresponsible procession of similar events resulting from a lack of leadership, neglect by the Premier and Treasurer, and failure of a whole series of political measures, not the least of which is prisoner classification and transfer. It is urgent because this Government's blind indifference to the safety of the community is jeopardizing public safety. How many times does this saga of irresponsibility have to continue before something is done by the Premier and Treasurer to review the emphasis on prisoner privileges and Labor's policy that criminals' rights are to be respected more than the views and the rights of the community.

It is urgent that the Premier and Treasurer frankly acknowledge his failure to contain dangerous criminals effectively and properly administer the penal system, in particular the classification and transfer procedures. It is imperative that the Premier

and Treasurer assume personal control of this sorry mess, in the same way as he has taken personal responsibility for the failures of the Minister for Industrial Relations and Minister for Energy and the Minister for Health. How many violent criminals must escape before the Minister for Corrective Services is removed? In 1979 there were 156 escapes; in 1980, 214; and until July this year, 104. At present 122 criminals are on the run in New South Wales.

This matter is urgent because in the past week, in addition to the escape of Eric James Murray, there have been others, including that of Colin Vincent Stratton, a prisoner at Goulburn Training Centre, convicted of armed holdup and described as dangerous. He was not due for release until 1995, when he was to be extradited to Victoria to face other charges, including attempted murder. The inadequacy of security policies emanating from the top of the Corrective Services Commission is highlighted by the fact that Stratton organized his escape with another dangerous prisoner, Terry Bennett, though he was detained. Some hours later, after a roll call, it was discovered that another prisoner, serving time for armed robbery, Stephen Lewis, had also escaped.

It is urgent that the Government be aware that Stratton lay in wait at the home of a Goulburn nursing sister from whom he obtained a shotgun and assaulted. She was subsequently abducted and forced to drive to Melbourne. The events surrounding the escape of Eric James Murray, highlighted in the news media, sickened every responsible citizen of New South Wales and increased the urgency of the need for a complete overhaul of present policies. It is essential that the classification and day leave policies be changed immediately to do away with ludicrous situations similar to that when Ross Alan Foster, serving five years for breaking, entering and stealing, was released on day leave into the custody of Miss Tracy Warner, his 15-year-old girlfriend. Foster failed to return at 5 p.m. last Sunday.

The cleaning up of the whole prisons mess is urgent when one considers the case of Francis Joseph Bartholomew, convicted of breaking, entering and stealing. The night that Murray was involved in the sorry deed at Bathurst, Bartholomew was taken to Leichhardt Police-Citizens Boys Club for bodybuilding and weight exercises, where he gave the attendant the slip, climbed out through a window, and walked off. He is still free. How more urgent can it be for this Government to provide proper supervision of the State's prisoners? Perhaps the Premier and Treasurer can explain why a prisoner from Long Bay Gaol was transported all the way to Leichardt for bodybuilding. If these cases are not enough justification for urgency, the *ad hoc* statement made yesterday by the Minister for Corrective Services puts urgency beyond doubt. His decision to forbid direct transfers of maximum security prisoners to low security prisons unless progressively phased through medium security establishments highlights the complete policy failure of the Government and the sensitivity of these matters in the light of the forthcoming election.

It is imperative that the Premier and Treasurer inform the House today of the Government's policy in relation to dangerous criminals placed in low security prisons under this Government's lenient policies over the past five years. It is urgent because the classification system used to determine the placement of prisoners has been such an obvious failure, regardless of whether that failure is through incompetence or neglect. I suspect it is both. That failure is demonstrated by the fact that only days before the escape of Raphael Pimental on 31st December last year a major review of the classification system was carried out. Pimental's escape while on a butterfly expedition highlighted the ludicrous classification system under which a man of such violent tendencies was tagged with a low security "C" classification.

*Mr McDonald]*

As a result of Pimental's escape, the Government publicly announced new rules on day leave and classification which were introduced on 5th January this year, as part of a public relations exercise in toughening up its soft attitude to prison security. In light of that the public are demanding to know whether police records and background information were supplied to the classification committee on Eric James Murray and Colin Vincent Stratton. Why is the central classification system at the Long Bay complex not working? Unless it is completely overhauled, yesterday's announcement by the Minister will be no more than an election gimmick. Until prisoners are properly classified decisions cannot be made on a proper basis.

It is essential that the Government here today state its attitude on gaol security and whether it intends to adopt additional policies. Does the Premier and Treasurer agree with the views of Dr Vinson that the community must tolerate a certain level of escapes if the New South Wales gaol system is to be humanized? There is a community expectation that dangerous criminals be properly contained. Unless this Government changes its policy of dispersing these prisoners from Parramatta and other maximum security gaols to lower security establishments, there will be constant escapes of violent criminals, who threaten at random the safety and security of law-abiding citizens. The matter is urgent because there is a need for the re-opening of Katingal instead of pampering prisoners at the expense of prison officers and the community. It is urgent that the Corrective Services Commission be abolished and a department established under proper ministerial responsibility to provide a career service for prison officers and a proper structure for management and rehabilitation. There is a need to institute programmes in conjunction with prison officers instead of isolating them from the workings of the State's prisons.

Unless action is taken on the many justified industrial relations grievances, once again the prison system will become strife tom. It is urgent that the Government review the parole system to ensure that the non-parole period is at least half of the principal sentence and it is urgent, of course, that there be a shake up of the classification system itself. In 1977, I brought to the attention of this House and to the attention of the Nagle Royal Commission, which followed the matter up with an extension of its findings, the corruption that then existed in the transfer of prisoners. In 1981, the question of classification is still the centre of controversy. The people of New South Wales want to know whether the Corrective Services Commission is now more efficient in keeping track of prisoners. This whole matter of classification is urgent for although the Government appointed Mr John Ducker to pull it out of the political quagmire, the situation has not changed. Will the Premier table the report and inform the House today whether it included a recommendation to change the prisoner classification system?

This matter is urgent because the Government is guilty of gross neglect and a failure to provide properly for the security and safety of New South Wales citizens, while it protects the perks of prisoners, introduces the luxuries in gaol accommodation and allows dangerous criminals to escape. Why is it that a new security unit planned for Long Bay is to be a luxury country club, with a swimming pool, tennis and basketball courts, and an impressive ranch-style building where warders and prisoners will wear casual clothes and officers will not be armed. What priority does the Government give to providing such luxurious treatment for twelve of the most dangerous criminals in New South Wales?

Finally, this matter is urgent because there is no effective management at the top of the Corrective Services Commission. The Government has forced out the Premier and Treasurer's own appointment, Dr Vinson, who is to retire in October. Until a

new appointment is announced, the people of New South Wales will have no idea how the policies of this Government will be overhauled. An overhaul is what the public is demanding and what the Opposition has called for constantly.

Mr WRAN (Bass Hill), Premier and Treasurer [10.44]: No right-thinking citizen could fail to be shocked by the events at Bathurst this week.

Mr Sullivan: They should not have happened.

Mr WRAN: A tragedy of this type should not be made the subject of cheap political capital or interjection.

**[Interruption]**

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

Mr WRAN: I remind honourable members that 99 per cent of convicted criminals ultimately are released into the community. Everyone would be appalled by what occurred at Bathurst, as they are appalled every time a life is lost, or a citizen is wounded or injured because of the criminal activities of another person. Nonetheless, it should be remembered that what occurs in the community has nothing to do with the gaol system. It is perfectly proper for the Leader of the Opposition to raise what I regard as a matter of public importance, but again the double standards of the coalition parties must weigh heavily. On Tuesday of this week in the Address-in-Reply debate the Opposition's spokesman on corrective services, the honourable member for Pittwater, said that the building of Parklea prison and the reconstruction of Bathurst gaol was not the answer. He said that there was a need for more open institutions to which more of the prison population from overcrowded maximum security gaols should be directed. Yet, because of the tragedy at Bathurst, the Opposition has changed its direction for the purpose, I venture to suggest, of seeking to make cheap political capital from the incident.

I should like to speak to the motion moved by the Leader of the Opposition, for like so much that comes from the Opposition, it is too late. Last year, in what I regarded as a ludicrous incident, the Filipino Pimental was let out on an expedition and escaped, but fortunately was recaptured. The Government took prompt action to tighten up the system of classification of prisoners. In January of this year the system was changed to provide tighter criteria for selecting prisoners who could participate in day leave, unescorted education leave and sporting leave.

In addition, the Government introduced tighter classifications for the transfer of prisoners to minimum security institutions. The decision to tighten the classification system was not made without advice. It was the result of the recommendations of a committee that included three senior members of the Department of Corrective Services and three senior officers of the Police Department. The committee was chaired by the deputy chairman of the Corrective Services Commission, Mr Day. Yesterday the Minister for Corrective Services ordered that no prisoner convicted of a violent crime is to be transferred directly to an open prison camp from a maximum security prison. Such inmates will now be directed to variable institutions where their character and conduct will be further assessed before they are sent to open camps in preparation for their release.

The present system of correction, which has been in force for many years, ensures that inmates are graded through varying degrees of incarceration before rejoining the community. I emphasize with all possible earnestness that it is the courts that pronounce the sentences. If a person is convicted and sentenced to a term of imprisonment, after the legal processes have been completed and the requirements of the court's

sentence have been met, that person is restored to the community. It is the opinion, not of politicians but of **criminologists**, psychiatrists and others involved with the processes of rehabilitation, that the worst possible thing to do is to release persons straight from maximum security prisons into the community without preparing them for a return to the mainstream of community life. I abhor the attempt by the Leader of the Opposition to make political capital of the awesome event at Bathurst.

The number of prisoners in open institutions this year is some 137 fewer than it was last year. That is as a result of the reclassification system introduced earlier this year. The daily average number of prisoners in open institutions last year was 801, compared with 664 this year. May I bring some reality into the assertions about the level of abscondings and escapes from prisons in New South Wales. The reality is that there are fewer escapes now—though it is true they receive much more publicity—than there were in the year 1974–75, the last completed year of the Liberal Party-Country Party Government. In that year there were 198 escapes and abscondings. In the year just completed, 1980–1981, there were 185 abscondings and escapes.

No one defends the fact that these terrible things happen from time to time. It is true that they highlight the inadequacies of a system. But it is not to be thought that any such system should be totally ideal or totally effective, which is borne out by the relative figures to which I have referred. Finally, the Leader of the Opposition referred to the situation at Goulburn. While Labor has been in Government there has been an increase of about 50 per cent in uniformed staff at Goulburn. More than \$2 million has been spent on security there. Generally speaking, the number of prison officers charged with the responsibility of the security of prisons has increased significantly.

Mr SPEAKER: Order! The Premier and Treasurer has exhausted his time.

Question of urgency put.

The House divided.

Ayes, 33

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

Noes, 57

|             |                 |            |
|-------------|-----------------|------------|
| Mr Akister  | Mr Cahill       | Mr Curran  |
| Mr Anderson | Mr Cavalier     | Mr Day     |
| Mr Bannon   | Mr Cleary       | Mr Degen   |
| Mr Barnier  | Mr R. J. Clough | Mr Durick  |
| Mr Booth    | Mr Cox          | Mr Egan    |
| Mr Brereton | Mr Crabtree     | Mr Einfeld |

|              |              |                  |
|--------------|--------------|------------------|
| Mr Face      | Mr McCarthy  | Mr Rogan         |
| Mr Ferguson  | Mr McGowan   | Mr Ryan          |
| Mr Gabb      | Mr McIlwaine | Mr Sheahan       |
| Mr Gordon    | Mr Maher     | Mr A. G. Stewart |
| Mr Haigh     | Mr Mair      | Mr K. J. Stewart |
| Mr Hills     | Mr Mochalski | Mr Walker        |
| Mr Hunter    | Mr Mulock    | Mr Whelan        |
| Mr Jackson   | Mr Neilly    | Mr Wilde         |
| Mr Jensen    | Mr O'Connell | Mr Wran          |
| Mr Johnson   | Mr O'Neill   |                  |
| Mr Johnstone | Mr Paciullo  |                  |
| Mr Jones     | Mr Petersen  | <i>Tellers,</i>  |
| Mr Keane     | Mr Quinn     | Mr Flaherty      |
| Mr Knott     | Mr Ramsay    | Mr Wade          |

Question so resolved in the negative.

Motion of urgency negated.

### QUESTIONS WITHOUT NOTICE

#### FEDERAL GOVERNMENT SALES TAX

Mr AKISTER: My question without notice is addressed to the Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport. Is it a fact that in the federal Budget delivered last Tuesday provision was made for a sales tax of 2½ per cent on building construction materials? What effect will that sales tax have on the construction of homes built in New South Wales and, in particular, on the endeavours of the Housing Commission to provide accommodation for low-income earners in this State?

Mr SHEAHAN: I thank the honourable member for Monaro for his question. As the Premier and Treasurer said yesterday in response to a question from the Leader of the Opposition who had suggested that the federal Budget was a budget for the man in the street, I am afraid that the effect of the federal Budget on housing construction and the programmes of the Housing Commission of New South Wales will be that more men will be on the street than in the past. For the first time building materials and building tools will be subject to a sales tax of 2.5 per cent of their cost. This extraordinary new impost will add at least \$600 to the cost of a new home costing between \$35,000 and \$40,000 and about \$1,000 to a home costing \$60,000.

When one adds this increase to the extra cost of furnishing and carpeting a house, buying essential white goods and even food for the family pet, which is to be the subject of 17.5 per cent sales tax, one can begin to see the magnitude of this impost on the housing sector. The honourable member for Monaro asked what effect the new charges will have on home construction and in particular Housing Commission programmes? It is a fact that the Housing Commission of New South Wales will be occasioned the same difficulty as will ordinary builders and builders of project homes under low income interest schemes and the like. Obviously, there must be some reduction in the Housing Commission's programme as a result of that factor.

The proposed increase in sales tax and in some cases introduction of sales tax, coming so soon after the increase in interest rates, will have a marked effect on the housing market and the availability of finance. The impact of this new sales tax

should not be underestimated. Certainly it will be inflationary. The Rousing Commission programme will be contracted. I am sure the honourable member, and all honourable members on this side of the House, join me in expressing concern and condemnation for the actions of the federal Government in this matter. The new and increased sales tax will have an inflationary effect upon the cost of housing at a time when interest rates are rising and to a large extent contracting the finance market.

#### CAROONA LEVEL CROSSING

Mr WOTTON: My question without notice is directed to the Minister for Transport. Was yet another young man killed a few days at an open level crossing at Caroonna, between Quirindi and Spring Ridge, when his vehicle went straight into a blacked-out coal train? What was the cost to the State Rail Authority to repair all the damage? In view of the recent announcement of increased coal production in the Gunnedah and Mudgee districts, will the Minister advise of any programme for illumination and warning bells at level crossings in those areas? In the meantime will the Minister arrange for reflector signs to be affixed to all freight and coal trains?

Mr COX: I shall certainly give consideration to the serious matters raised by the honourable member for Burrendong. I have called for a report concerning the level crossing fatality to which he referred. Also I have asked the State Rail Authority to consider the use of reflecting material on rail waggons. The matters raised by the honourable member are important, and I shall give them my earnest consideration.

#### BUILDING SOCIETIES

Mr EGAN: My question without notice is directed to the Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport. I ask the Minister if he recalls an undertaking he gave in the House earlier this year to negotiate with building societies for the introduction of more flexible mortgage repayments, such as deferred repayment loans? Will the Minister inform the House of what progress has been made and any steps the Government proposes to take to bring about deferred repayments on building society loans?

Mr SHEAHAN: I thank the honourable member for Cronulla for his continuing interest in mortgage repayment matters and in housing problems generally. It is true that some considerable time ago the honourable member outlined to this Parliament a scheme for deferred repayment loans which he felt would work within the New South Wales and Australian economy. Since then those proposals have been attacked by the Opposition and by spokesmen for the lending institutions as being impracticable. I did undertake to negotiate with lenders in this State and, in particular, with building societies, for the introduction of more flexible mortgage arrangements. Discussions were held by the Premier and Treasurer and myself with members of the Permanent Building Societies Association. Those proposals were among the matters discussed. We were told repeatedly that such schemes were totally impracticable, and could not be encouraged. Yesterday, as is well known to members of this House, the board of the St George Building Society introduced a scheme which will help young home seekers considerably. The impost of increased interest rates will be deferred over the early years of a loan.

The newly increased interest rates forced upon the New South Wales Government and building societies as a result of federal moves at the Loan Council last week, will cut down the borrowing power of the State and will reduce the availability

of finance from building societies and savings banks in New South Wales. The introduction of more flexible mortgages is certainly a desirable way of cushioning the impact of such increases. The St George Building Society scheme, as the honourable member for Cronulla would be aware following the announcement made yesterday, is to defer interest over the early period of a loan. The scheme will apply to loans of not more than \$50,000 on house and land packages worth no more than \$60,000, and will be restricted to new cottage development. Borrowers must be below the age of thirty-five, and must be in a similar financial position to people who meet the income test required by the state supplementary loan scheme announced recently, which will be established from a special account held at the Rural Bank of New South Wales.

I am assured by the St George Building Society representatives that \$20 million will be made available for its scheme within the first twelve months. As a result of the likely impact of that scheme on the availability of first mortgage finance, the Government is hopeful that much more second mortgage finance will be taken up. It is pleasing to learn that a large lending institution is able, capable and courageous enough to implement such a scheme. The Premier and Treasurer and I will today meet with representatives of other major lending institutions in New South Wales. We shall seek to ascertain why the scheme to be introduced by the St George Building Society is impracticable for them, as we were repeatedly told. Obviously the St George Building Society has not found it impracticable. Certainly, the honourable member for Cronulla deserves a tribute from members of the House for his crusade for the introduction of such a scheme. The Government will be anxious to hear from other building societies to see what they will be able to do to cushion the increase of the federally imposed interest rates on borrowers in New South Wales.

#### AID FOR DISABLED PERSONS

Mr SCHIPP: My question is directed to the Minister for Youth and Community Services. Did the Minister's refusal to administer the federally funded aid for disabled persons programme result in the loss of \$240,000 for disabled persons in New South Wales in 1980-81? Will continued refusal to participate in this scheme result in the further loss of more than \$400,000 in 1981-82? Why are the disabled persons of New South Wales being denied the benefit of this special funding? Can members of the Opposition expect the Government to change its attitude, or will compensatory amounts be provided from the State's own resources?

Mr JACKSON: I understand that the federal offer has been made through the federal Minister for Health. As my department is not involved in the scheme, I suggest that the honourable member redirect his question to the Minister for Health.

#### COMPENSATION FOR VICTIMS OF CRIME

Mr R. J. CLOUGH: My question is directed to the Attorney-General and Minister of Justice. In view of the appalling incident at Bathurst earlier this week and the apparent lack of concern of members of the Opposition for the relatives of the deceased, will the Minister make urgent representations to the Premier and Treasurer to ensure that an *ex gratia* payment is made to the widow as quickly as possible? Will the Minister enlist the services of the Minister for Youth and Community Services to ensure that members of the family are cared for?

Mr WALKER: I thank the honourable member for his question. Like all honourable members in this House and every citizen of New South Wales, I was shocked by the appalling incident at Bathurst. Obviously, in the circumstances, the Government will do everything it can to assist the bereaved family. This day I shall write to the Premier and Treasurer seeking a payment under the *ex gratia* criminal injuries compensation scheme and I shall certainly take up with my colleague the Minister for Youth and Community Services the provision of counselling or other assistance, following this terrible tragedy. I wish there were a national compensation scheme for funding adequately the victims of crime. The Government's scheme is a modest one, but I shall certainly recommend that the maximum possible contribution be given to the widow, who is most deserving of support.

#### SCHOOLS FOR HANDICAPPED CHILDREN

Mr J. H. BROWN: I direct my question to the Premier and Treasurer in his capacity as Treasurer. Are a number of schools for intellectually handicapped children in New South Wales completely funded by the Department of Education? Are there other schools for which local committees have to raise considerable funds each year? Are parents of the children attending these schools usually the backbone of the committees and does this place an added burden on parents both financially and emotionally? Will the Premier and Treasurer give an assurance that all of the schools for intellectually handicapped children in this State will be fully funded by the Government?

Mr WRAN: The honourable member for Raleigh is substantially correct in what he states about the funding of schools for intellectually handicapped children. In view of his interest in this field I know he would be the first to acknowledge that the Government has progressively undertaken responsibility for a number of educational and other institutions catering for intellectually handicapped children. The parents of intellectually handicapped children contribute much in money and support for the care and education of these children. I assure the honourable member and the parents concerned that the Government gives high priority to the education and welfare of these children. As far as possible the Government is accelerating its programme for their education.

#### SURRY HILLS TRAFFIC

Mr BARRACLOUGH: I direct my question without notice to the Minister for Transport. Is it a fact that the Surry Hills Society has been instrumental in controlling truck movements in Bourke Street, Crown Street and Fitzroy Street, Surry Hills? Are trucks continuing to use those streets and back streets in the area in proscribed hours, causing road congestion and noise and pollution nuisance to residents? As traffic strangulation in Surry Hills, Darlinghurst, Kings Cross and Woolloomooloo has created many problems for residents and barriers for the handicapped and elderly, will the Minister visit the electorate of Bligh with me—

Mr Walker: On a point of order. I know that the honourable member for Bligh has been fighting for his right to ask questions of this sort. However, this is not a question; it is a small speech. I submit that the question is far too long and should be ruled out of order.

Mr SPEAKER: Order! As the honourable member for Bligh has given sufficient facts to explain his question he might proceed to ask the question.

Mr BARRACLOUGH: That was a pathetic point of order. I shall repeat the last part of my question, Mr Speaker. As traffic strangulation in Surry Hills, Darlinghurst, Kings Cross and Woolloomooloo has created many problems for residents and barriers for the handicapped and elderly, will the Minister visit the electorate of Bligh with me to consider options to overcome these serious traffic problems?

Mr COX: The honourable member has raised a number of matters affecting the constituents of his electorate and that of my colleague the Minister for Industrial Relations and Minister for Energy. I am afraid I shall not be able to visit the electorate of Bligh, for time is running out——

Mr Banaclough: Running out for what?

Mr Walker: Running out for the honourable member for Bligh.

*[Interruption]*

Mr SPEAKER: Order!

Mr COX: I shall make available an officer of the Traffic Authority of New South Wales to examine the problems the honourable member has mentioned. As I said, time is running out and I ~~am~~ heavily committed. However, I guarantee that an officer of the Traffic Authority will visit the honourable member's electorate.

#### SOCIAL WELFARE BENEFITS

Mr RYAN: I ask a question without notice of the Minister for Health. Has the federal Government announced that it will legislate to prevent many pensioners possessing assets from continuing to qualify for a medical entitlement card and fringe benefits? Is federal entitlement to free hospital care conditional on holding a medical entitlement card? Will the Minister further extend the State Government's free hospital scheme to cover pensioners who will be excluded by the federal Government's proposed legislation?

Mr K. J. STEWART: There were indications that the federal Government intended to legislate to cover those pensioners whose investment interest would have debarred them from holding pensioner benefit cards. A number of pensioners who held cards on the means-test borderline and were worried that their incomes would take them over the threshold, thus forfeiting their entitlement to free hospitalization. For that reason the New South Wales Labor Government decided to extend free hospitalization to all social security pensioners, whatever the amount of pension they received. To receive free hospitalization, pensioners in this State do not have to hold a pensioner benefit card. They merely need to show proof of receipt of a social security pension. Therefore, by extending the threshold in respect of free hospitalization, the Labor Government has covered 115 000 pensioners who were ignored by the federal Government.

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GOVERNOR'S SPEECH: ADDRESS IN REPLY

Fifth Day's Debate

Debate resumed (from 19th August, *vide* page 367) on motion by Mr Brereton:

That the following Address in Reply to the Speech which His Excellency the Governor has addressed to both Houses of Parliament on opening this Session of the Parliament of New South Wales be now adopted by this House:

*To His Excellency Air Marshal Sir JAMES ANTHONY ROWLAND, Knight Commander of the Most Excellent Order of the British Empire, upon whom have been conferred the decorations of the Distinguished Flying Cross and the Air Force Cross, Knight of Grace of the Most Venerable Order of St John of Jerusalem, Governzor of the State of New South Wales in the Commonwealth of Australia.*

May it Please Your Excellency—

We, Her Majesty's loyal and dutiful subjects, the Members of the Legislative Assembly of New South Wales, in Parliament assembled, desire to express our thanks for Your Excellency's Speech, and to affirm our sincere allegiance to Her Most Gracious Majesty.

2. We beg to assure Your Excellency that our earnest consideration will be given to the measures to be submitted to us, that we will faithfully carry out the important duties entrusted to us by the people of New South Wales, and that the necessary provision for the Public Services will be made in due course.

Upon which Mr McDonald had moved:

That the Address be amended by the addition of the following words to stand as paragraph 3:

"We also desire to inform Your Excellency that because of this Government's misdirected priorities and financial mismanagement of the State, and the failure of the Government to ensure that the benefits of a strengthening economy and the developing resources boom result in a higher standard of living, then the Government does not have the confidence of this House."

Mr BOYD (Byron) [11.22]: I join other honourable members who have spoken in this debate in extending congratulations to the new Governor of New South Wales. I, too, wish him a happy and fruitful term of office. Those who wish to understand the serious housing crisis that has developed in this State would be wise to look hard at the facts before attempting to find solutions. Unquestionably there is a housing crisis in New South Wales. The median cost of housing here has reached an all-time record of \$80,000 a unit. It has increased by 113 per cent in the past five years. It rose a staggering 22.5 per cent in 1979–80, and no doubt will climb even higher in 1980–81. A total of 40 000 applicants are now awaiting Housing Commission rental accommodation. That figure has more than doubled in five years. A total of 100 000 people are compelled to live permanently in caravan parks in New South Wales. As the honourable member for Drummoyne will know, those caravan dwellers may soon be required to move on every 265 days. Land values are at an all-time high. There is less vacant land available than ever before. Interest rates also are at an all-time high. Less rental accommodation is available today than ever before, and there is a marked downturn in the number of houses being commenced.

In general terms that is the reality facing many people in New South Wales after five years of Labor Government. That is the challenge facing the New South Wales Government, the Commonwealth Government and the people of New South Wales. I wish to refer to an article that appeared in the *Canberra Times* on 20th July, 1981. It was written by a New South Wales correspondent, who is unnamed, but it could have been written by one of the army of special staff in the Premier's head office, which costs this nation \$35.4 million a year to run. The article makes clear that local housing costs in Newcastle increased last year by 62 per cent to a mean of \$64,000 a home. Even in Wollongong they increased by 31 per cent to an unspecified figure. The article emphasizes my point that there is an undoubted crisis in housing.

The article deals in detail with the ill-conceived proposal of the Sheahan-Wran Heath **Robinson** attempts to deal with the crisis. It is a crisis of **Labor's** own making. The Labor Government has never sat down and planned and worked through a reasonably comprehensive housing programme. Labor's programme was designed by an amateur car builder, who has ended up with a product having only two-and-a-half wheels. Such an approach will not work and is not working. **Labor's** housing policy is a farce. It is a dismal failure. The Government should sit down, rethink its policy and take some action before the situation gets even worse. The article to which I drew attention mentions the State Government's housing schemes and comments:

**All** the schemes combined are unlikely to have any real impact on housing prices in New South Wales unless inflation is brought under control.

Nobody will deny that inflation is a continuing problem and that every effort must be made to check it. That was the general thrust of yesterday's federal Budget, even though Government supporters in this House have been decrying it. They have suggested that it is wrong for the federal Government to try to contain inflation and have charged that the nation is being subjected to great injustice. Yet the article to which I have referred points to the need to control inflation. Anybody with half an ounce of intelligence would understand the thrust of that argument.

In summary, I believe that the housing crisis in New South Wales must be tackled urgently and sympathetically by a competent administration. The matter must be taken out of the Government's bottom drawer and dealt with as a top priority. The first essential is to find a competent housing Minister. The Labor Government has had four housing Ministers in five years. The incumbent, if one may judge by his results, is surely the greatest disaster one has seen in that portfolio. His performance and achievements are nil, his policies a mess. The Minister's effort today at question time to prop up his image was a stupid, cosmetic exercise. Anybody who compares the policy documents written by the two opposing parties will soon understand that the new housing Minister should come from the coalition parties. The **Labor Party** policy document on housing adopts a piecemeal approach. The housing document issued by the coalition parties is a complete package, and the proposals it contains are an amalgam of contributions by all members of the Opposition. That document is in sharp contrast with the Government's policies and it will have a great impact on the housing crisis.

Three basic problems need to be tackled. More money must be spent on housing, particularly welfare accommodation. Lower interest rates are required. Certainly the total cost structure needs to be attacked so that the price of land and housing is brought back to a reasonable level. Nobody denies that interest rates are too high. Federal and State governments must also take their fair share of the blame.

Let me try to put forward some ways in which the States can assist in solving the housing problem. They can begin by introducing the interest subsidy scheme proposed by the coalition. That is not a new concept; it has been in the political arena for many years. The interest subsidy would apply to first home buyers and would be 4 per cent in the first year, reducing to 1 per cent over a period of four years. The average saving would be \$95 a month, which is a little more realistic than the figure the Minister gave earlier this morning.

Another form of subsidy is taxation rebate on mortgage payments, which requires a Commonwealth initiative. I was disappointed to see that it was not included in the recent Commonwealth Budget. I shall continue my best endeavours to convince my federal colleagues to provide for such assistance in the Commonwealth's housing policy. Investment in housing should be encouraged by waiving some of the penalty interest rates on large loans. In that way investors would be encouraged to put money into housing organizations, which would assist housing generally. Building societies could be deregulated and given trustee status. Funds held by Government instrumentalities could be redirected to home loan organizations. Interest subsidies could be granted to relieve the burden on those organizations. Stamp duty could be eliminated on the purchase of a first home of a value up to \$80,000. Money flow would be increased by those means.

The 1980 report of the Housing Commission of New South Wales disclosed that in that year the commission's borrowings from the federal Government were \$1,043 million. Borrowings from the State Government were \$179 million, and from the private sector, \$16 million. That was against an asset backing of 90 000 properties, which on commission estimates were valued at \$3,392 million. The borrowings were small against such a large asset. The Commonwealth has provided borrowings of about a third of the total value of the properties. Increased contributions should be made by the State Government and the private building sector. This must be viewed within the restraints placed upon private borrowing by the Housing Commission of New South Wales. Those restraints should be reviewed to achieve a greater money flow.

I was pleased to read in the Commonwealth Budget that the Commonwealth will provide an extra \$62 million for housing throughout Australia. That will be in addition to the base guarantee of \$200 million promised to all States. The federal Minister for Housing made it clear that other funds would be made available, but he could not state the exact amount. He said it would be as much as the Commonwealth could afford. Of the \$262 million going to all States in the Commonwealth, \$116 million will be by way of grants. In the past five years New South Wales has received \$111 million in grants. The State does not pay interest on Commonwealth grants and the money does not have to be paid back. It is a gift. That is not a bad walk-up start. Government supporters complain continually about loan funds being cut back, but they are careful not to mention that the State is receiving substantial grants from the Commonwealth.

This year the Commonwealth will advance \$146 million to the States by way of loan at 4.5 per cent interest, which is an attractive rate of interest, and 0.5 per cent lower than the previous year. When New South Wales receives these low interest loans the moneys are reinvested. It is on record that in the past five years from the investment of these loan funds cash surpluses of \$90.4 million have been generated. That information was supplied in answer to a question I asked on notice. I assume that it is accurate. That is not enough; New South Wales needs other allocations from the Commonwealth. I shall press for them. However, the States have their responsibilities too. They cannot rely on Commonwealth funds alone.

**Mr Mulock:** The Commonwealth will opt out.

Mr BOYD: The Minister for Mineral Resources and Minister for Technology says that the Commonwealth will opt out. There is a guarantee that the federal Government will remain in the scheme for five years. The Minister should face reality.

Mr Mulock: A guarantee was not given prior to this year.

Mr BOYD: If the Minister wishes to contribute to the debate, he should seek the call. Money could be obtained from many other sources. The political machine in the Premier's Department could be pruned. It used to cost \$4.6 million to run the Premier's Department, but the cost is now up to \$35.4 million. I am sure that the Government could filch a few million from there. Through that machine the Government is turning out political propaganda. It has political commissars all over the State and it relies on them to make news releases that should be made through the appropriate member. They duplicate the work done by the local member. The Government could cut that back considerably and put the money into housing.

This year it is expected that the Government will receive \$55 million from Lotto. The figures available to me do not reveal how much will be paid to the other people in partnership with the Government in Lotto, but one would assume that their share would be about the same. I suggest that instead of buying goodwill through the services of leading newspapers, the Government should look after the people it was elected to serve and divert the money for use in home construction.

Revenue from poker machine taxation is increasing at the rate of some \$15 million a year. There might be an opportunity to have a bit of a dip into that. The Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport was completely unaware that some of the money used for housing in New South Wales comes from poker machine taxation. That is a clear indication of his incompetence as a Minister. I remind the House that the State's income has increased from \$2,638 million in 1975-76 to \$4,630 million in 1980-81, which is an increase of \$2,000 million in a period of five years. Notwithstanding this huge increase in State income, the Government has not met its responsibilities in providing sufficient housing but has suggested the Commonwealth should bear this responsibility. The way in which the Government is spending money reminds one of the Whitlam era. The Government is having no difficulty in spending money on non-essential projects to the detriment of essential programmes. One instance is the proposed expenditure of \$2 million on the forthcoming election. Depending on how much the Government can get away with, the cost to the public of funding elections could in future years be as high as \$5 million, \$6 million or \$10 million. The Government having got its foot in the door will, on its record, plunder the public purse as much as it can for its own political purposes. The Government has other sources of funds, including the Builders Licensing Board long service leave fund. Those funds could be directed to meeting the needs of the community.

I remind the House of the infamous \$125 million housing scheme. It will not benefit low-income earners. The Government's proposal was referred to in an article in the *Sun-Herald* newspaper of 9th August, which stated that the scheme would assist only those who can afford to pay \$570 a month extra by way of mortgage payments. That will be the extent of the assistance that the Government will provide; it will not benefit the genuine low-income earner. The scheme has attracted but thirty applications for loans, of which eighteen were approved. The Premier and Treasurer was upset with this result. He, the Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport, and the honourable member for Peats had a disagreement at a caucus meeting, which was anything but a friendly

tea party. The incident received considerable publicity in the newspapers. It demonstrated the great difference of opinion within the Labor Party about this stupid proposal.

The high cost of land and building in New South Wales has many causes. High interest rates are one cause. One must remember that the same interest rates apply in other States. Building costs in the other States of Australia are about half those in New South Wales. The differential in prices is attracting thousands of people to the other States from New South Wales. Some sixty high-rise buildings—and I refer to buildings up to twenty-five storeys high—are under construction on the Gold Coast of Queensland to accommodate the exodus from New South Wales. I acknowledge that the abolition of probate has been an attraction. That State abolished probate some years ago but New South Wales is still floundering about with abolishing it. Last year the population in Queensland increased by 17.3 per cent; New South Wales lost about 3 per cent of its population. The slogan for Queensland is most appropriate: The going's great in the Queensland Skate. There is nothing synthetic about the slogan of that State, which is attracting people from other States.

People are moving to Queensland, which has a better government and better conditions as well as cheaper and improved housing. It is well known that one can sell an old home in Sydney and purchase a new home in Queensland for half the proceeds of the sale. On every occasion that one visits the Gold Coast one meets former residents of New South Wales who would not consider retiring to any other place as it has cheap land and buildings and a wonderful climate. It is well known also that many country policemen who are directed to transfer to the metropolitan areas of New South Wales prefer to resign from the police force as they cannot afford to buy a home in Sydney. Some of the factors adding to the high costs in New South Wales are excessive controls, bureaucratic bungling, maladministration and strikes—you name it, New South Wales has got it. No one has endeavoured to ascertain the cost to the State of strikes and their impact on it. Strikes must increase the cost of home building. When will the Government realize the enormous cost of consumer protection? One can provide for all the consumer protection one wants, provided one is willing to pay for it. The Government must be more realistic when seeking to protect consumers.

One clear objective of a Liberal Party-Country Party government in New South Wales is to increase Housing Commission construction from the present 3 000 homes a year to 6 000. This would be a continuing commitment. A further objective is the release of Crown land on conditional purchase. This would enable young people to concentrate their financial resources on building their first home rather than purchasing land and then building a home. A further objective is to provide more funds for co-operative housing societies by way of an interest subsidy. Further, a Liberal Party-Country Party government would streamline administration, reduce the lead time on development applications, and re-organize the Builders Licensing Board so as to eliminate the duplication of protection and thus make the board work for the building industry rather than against it. The Builders Licensing Board would be a source of funds to assist those people saving to buy a home. Rental bond money would be used to assist tenants to acquire their own home. In short, a Liberal Party-Country Party government would have a complete housing programme. I remind honourable members of the many broken promises made by the Labor Government about housing. In his policy speech in 1976, the Premier and Treasurer said, "Let us get land and housing costs down." It is a matter of record that New South Wales has the most shocking housing problem ever known in its history. It is much more critical than it is in the other States of the Commonwealth. On that issue alone the Government should be removed from office. Housing is too critical and important a matter for the Government to play around with it any longer.

A flock of Ministers have recently discovered the Byron electorate, some making their first visit. They are not visiting the electorate on official business but to try to prop up the Labor Party's second-rate candidate at the forthcoming elections. When a Minister is to visit my electorate I assure him that I shall co-operate with him. When I suggest that I show him certain things in the electorate he will say: "I am not interested in seeing you. We will take our expenses, our ministerial allowances, but really we are visiting the electorate for political reasons and not on official business." They cannot be honest even about that matter. When the Minister for Corrective Services came to my electorate I suggested that he might wish to talk to the people who live alongside the fifteen brothels in Tweed Heads and learn firsthand of their concern about them becoming a haven for escaped prisoners. The Minister said that he was not interested in the brothels, that local government was responsible for them. He said also that those prisoners who escaped were pretty harmless anyway. In view of the events over the past twenty-four hours involving an escaped prisoner one can judge that the Minister is not fair dinkum.

The Minister for Transport was requested to inspect the railway station at Murwillumbah. I remind the House that in 1978 the Minister said that a new railway station would be built. Three contracts for that work were cancelled. Another contract was issued. A month ago the Minister stated that work would commence on the Monday. No work has been started. The electors of Byron and I wish that work to commence before the forthcoming elections. As the Minister has cancelled three contracts they are afraid that he will cancel the fourth.

Beach erosion is a matter of concern to the Byron electorate. The Labor Party candidate for Byron in the forthcoming election proposed that a wall should be built from the tip of Cape Byron to Julian Rocks. He said that would be one way to help the people of Byron Bay. That project would cost \$200 million. It would take thirty years for the sand to build up at the back of the wall. By then there would be no beaches between Byron Bay and the Queensland border; the beaches would not be replenished. Half-baked proposals like that have been made because Ministers have not carried out their jobs and visited the district. The only time they come to Byron Bay is when an election is pending—and then they have a quick look and away they go. A new Tweed Heads bypass road is needed urgently. A new court house and a new police station should be built at Tweed Heads. Markwell's fisheries, which has experienced great problems, operates the biggest single industry in the Byron district. That organization employs about 300 persons and has an annual turnover of \$30 million. For many years Markwell's has requested Ministers to investigate its problems, but those requests have been ignored. Before long this industry will go to Queensland, where the fishermen will be able to get ready access to Mr Bjelke-Petersen and Mr Hinze.

The Government should introduce a scheme to give pensioners a rebate on motor vehicle registration fees. I understand that the Premier and Treasurer is to visit the Byron electorate on 5th September. He should announce then that the Government will give pensioners the 50 per cent rebate on car registration fees that applies in Queensland. Many people in my area register their cars in Queensland, if they get the opportunity to do so. The Government should carry out a \$10 million school building programme in my electorate. Recently when the Minister for Education came to the Byron electorate for the first time he was so busy flying round in a helicopter on a public relations exercise that he did not have time to talk to me, to visit schools in the area or to speak to the people. That is the sort of cosmetic treatment the Government gives to my electorate.

The Housing Commission should purchase land for the construction of homes in the Byron electorate. If the Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport visits my electorate, I shall take him by the hand and show him round so that he does not become confused. A freight terminal should be built at Murwillumbah. Byron Bay needs a new hospital, and the Tweed Heads District Hospital should be extended. The Nimbin road needs to be sealed and tarred. All of those things could be done properly through me—the local member. Instead, Government supporters try to play politics. The Government has been playing politics for too long, and the people of the Byron electorate want some action. If the Government cannot perform, it should move over and allow someone else to do the job.

Mr WILDE (Parramatta) [11.52]: If the contribution to the debate made by the honourable member for Byron is any guide, the Labor candidate for that electorate, Mr Tom Hogan, need have no fears. I congratulate the mover and seconder of the motion, the honourable member for Heffron and the honourable member for Cessnock. The honourable member for Heffron made his customary well-reasoned contribution to the debate. The honourable member for Cessnock made the type of speech that honourable members have come to expect from him in the short time that he has been a member of the House. The honourable member will soon become a seasoned and proficient contributor to the debates in this House. I congratulate His Excellency the Governor for the way in which the Government's sterling performance was highlighted in his Speech. The Government's promises and legislative programme were also set out in His Excellency's Speech. It is appropriate that the Minister for Transport is in the Chamber at this time. Much of the Governor's Speech referred to achievements made by the Government under the guidance of that Minister.

Many of the matters to which I shall refer relate to roadworks—especially those in the Parramatta district—commenced since the Minister for Transport has been responsible for the administration of the transport portfolio. I invite the attention of honourable members to the enormous improvements made to the roads in and near Parramatta during this Government's term of office. Since the Government came to office a little more than five years ago, more than twice the number of roads in the Parramatta area have been improved than received the attention of the former Liberal Party—Country Party Government during its eleven years in office. It is extremely difficult to recall anything the former Government did to improve roads in the area. I recall the bridge over the Parramatta River in Aston Street being completed by the former coalition Government.

Mr Fischer: The former coalition Government carried out that work.

Mr WILDE: I think that bridge was commenced before that Government came to office. That bridge was opened by the Minister for Industrial Relations and Minister for Energy. Work stopped after a small section of that work had been completed. After this Government came to office, the Minister for Transport took up the challenge and had the road extended to the railway crossing at Berry Street. Recently, a new level crossing has been completed to enable that road to be linked with the western distributor at Clyde showground. At the other end Aston Road was extended to Pennant Hills Road and later linked to Windsor Road. Work designed to continue that thoroughfare as far as the Old Windsor Road is progressing satisfactorily. When completed, that road will be of tremendous benefit to the people of Parramatta and residents of The Hills electorate.

Mr Caterson: What will happen then?

Mr WILDE: The honourable member for The Hills knows that if it had not been for the actions of this Labor Government, that work would never have reached its present stage. When the Government came to office no plans had been prepared for the extension of any roads in the Parramatta district. The Department of Main Roads commenced work without having plans for the extension of Aston Road and Rydalmere Avenue. The honourable member for The Hills knows that progress would not have been made in this area without the initiative of the Government. The honourable member is an honest person, and he should be the first to acknowledge the efforts of the Government to improve roads in the Parramatta district. The improvements to Windsor Road have done a good deal to overcome bottlenecks that have occurred each morning. Now traffic can join the bypass road much more quickly, and that has partially solved the problem, which will be completely overcome when the bypass road is extended to Old Windsor Road.

The other part of the link with the western distributor is the section of the highway from Church Street to Mays Hill. Work on that section will be completed soon, at a cost of about \$10 million. Last week I inspected the work on the bridge over Pitt Street, Merrylands, which has been almost completed. The cost of that section of the improvements—and a fine job has been done there—will be more than \$500,000. It is expected that this work will be completed early next year. That will relieve substantially traffic congestion at the intersection of Church Street and the Great Western Highway. Work is continuing on the Silverwater Road extension through to Kissing Point Road.

The Stewart Street section between Kissing Point Road and Marsden Road has been completed. That work was not even considered by the former coalition Government. Next year the link through to Silverwater Road will be finished. That new link road will ease traffic congestion and the problems caused by traffic flowing through residential streets in that area. The restoration and upgrading of Pennant Hills Road is continuing. I congratulate the Minister for Transport and the Minister for Local Government and Minister for Roads on ensuring that funds were made available for road development in the Parramatta electorate and in other parts of the western metropolitan area. Obviously there is a great backlog of roadwork in the western part of the metropolitan area. Several roads must be extended to join up with the western distributor. Links are necessary to the north and south to enable a better movement of cross-traffic and to ensure that unnecessary traffic does not travel through the centre of Parramatta. The Government is meeting the challenge and providing the necessary funds for those roadworks.

I congratulate the Minister for Transport on the tremendous improvement in the standard of the State's railways in the time he has held his portfolio. One does not need to reiterate that the New South Wales rail system was in a dilapidated state when Labor came to office. The system had been allowed to run down through lack of maintenance and a shortage of efficient rolling stock. In addition, the railway work force had been depleted, particularly in the maintenance section, which is responsible for the permanent way and rolling stock. Upon the Government coming to office, the Minister for Transport set out to rectify that situation. About \$200 million a year has been allocated for capital improvements to the State's railways.

The benefits of the Government's policies soon became evident, particularly within my electorate, where work is progressing satisfactorily on the quadruplication of the western line between Westmead and Granville. Many excavations have been made through the Parramatta Park area, where widening is taking place. Moreover, embankments are being constructed between Harris Park and Parramatta railway stations. Plans for the rebuilding of Parramatta railway station are being prepared in

consultation with the Parramatta city council and the Parramatta Chamber of Commerce. Some differences of opinion have been expressed about the form of that work. As usual, the present Parramatta Chamber of Commerce wants the world and does not want to do anything about it. That body put forward a scheme to develop Parramatta railway station. I suggested to that organization that, as a champion of private enterprise, it should come forward with a private developer who would be willing to develop the airspace over the railway station and to provide all the amenities it seeks, including a bus-rail interchange. I am willing to introduce members of that chamber to the Minister, who would consider carefully any suggestion put to him. However, the chamber of commerce went for cover as soon as I made that worthwhile suggestion.

Mr Cox: A similar development has been proposed for Hornsby.

Mr WILDE: I thank the Minister for reminding me of that, for it shows that such developments are feasible. The airspace over the Parramatta railway station and the area under the embankment are potentially valuable if they are developed. The State Rail Authority should not be expected to carry out all the development of that unused space. One only has to look at the way in which Wynyard, Town Hall and other city stations have been developed. The development at Hurstville railway station is not a good example of the planning I envisage, but the principle behind it is sound. The honourable member for Hurstville made successful representations to have escalators installed at that station, which certainly improved that area. However, that development consisted merely of building on top of the old railway station—a haphazard and unsatisfactory plan. I hasten to point out that the Minister for Transport was not responsible for the construction of that monstrosity. There is no reason why my proposal should not be successful in the Parramatta area, where the value of real estate is equal to if not greater than it is in the Hurstville area. Eventually, a new railway station will be built at Parramatta. The two new island platforms that will be built at Harris Park will improve greatly the services provided by the rail authority at that centre. Many thousands of people use the train service to Harris Park, which is now a medium density flat development area.

New rolling stock has been purchased by the Government. Contracts have been let for another 100 double-deck carriages. The Minister for Transport has assured me that a substantial number of those carriages will be allocated to the western metropolitan services. I am pleased to have that assurance, as it is only reasonable that people in the western suburbs, who have long distances to travel, should be allocated an equitable share of any new rolling stock.

I shall deal now with work carried out by the State Rail Authority in conjunction with the Parramatta council. A new overbridge, which is being built over the railway line between Rosehill and Camellia, will link Grand Avenue and Aston Street. That overbridge will be of great benefit to the Camellia industrial area. While I was an alderman of the Parramatta city council I sought to get the former Liberal Party-Country Party Government to agree to carry out that work. Of course, that Government would not come to the party. I am pleased that the Minister for Transport soon agreed to co-operate with the council and that the Government agreed to share the cost of constructing the overbridge.

A similar situation occurred in respect of the overbridge at Leamington Street, Dundas. The old bridge was quite hazardous. The Minister agreed with my proposal that the council and the Government share the cost of rebuilding a wider bridge on a better alignment. He agreed also that the old wooden bridge should have been condemned. The new overbridge, which will cost about \$1 million, will soon be open

for traffic. A new railway bridge, which is soon to be constructed over Kissing Point Road at Dundas, will give greater clearance than the present bridge. The roadway is to be lowered two metres. At present that road cannot be used by motor vehicles. The Minister for Transport has given his support in respect of the construction of three bridges, one of which is a completely new structure. I thank the Minister for the consideration he has given to the people of my electorate.

The community has no need to be concerned about the supply of power to the railway system. The Minister for Industrial Relations and Minister for Energy—unlike Ministers in the former Government—has carried out forward planning to ensure an adequate supply of power. Though some concern was expressed about the recent one-day power supply failure, the Minister explained more than adequately the reasons why that occurred. I believe the real reason was the lack of forward planning by the former Government, which did not commence the construction of one new power station in its eleven years in office; it merely completed power stations commenced by a former Labor government. The former Government knew that it takes about five or six years to complete a new power station. Fortunately, immediately this Government came to office, it instructed the Minister for Industrial Relations and Minister for Energy to build the Eraring power station, which will be in service early next year. That power station has four 660 megawatt generators. The Bayswater power station, which will be completed soon after the Eraring power station, will have a similar capacity. By 1984 the Mount Piper power station, which will have two generators of 660 megawatt capacity, will be completed. That means that in the next four years the power generating capacity of New South Wales will be doubled. In about five years—about half the time the former Government was in office—this Government will have doubled the electricity generating capacity of New South Wales. The inaction of the former Government on this matter during its eleven years of office is an indictment of its administration.

The Minister for Transport has been responsible for other improvements in public transport in the Parramatta area. I congratulate him on the way in which he has varied some bus routes. In particular, I refer to bus route 509, which goes through the Dundas Valley. The Minister extended that route through that important residential area and on to Carlingford Court. Moreover, he has encouraged private bus operators to introduce cross-country services. I mention in particular the Red Arrow bus service. I have had many complimentary reports from constituents expressing appreciation of the initiative that the Minister has taken in this regard. I am sure that he will continue his good work of improving bus and rail transport for the people of my area.

In this, the International Year of Disabled Persons, the Government has been active in encouraging the formation of local committees. I am pleased that committees have been formed at Telopea and Parramatta, in my electorate. Those committees are working actively to improve access to buildings and to see that disabled persons are assisted as much as possible. I am appreciative of the interest of the Government in ethnic communities. By introducing Carnivale, the Government recognized that New South Wales is a multiracial society. This year, for the first time, the Parramatta city council is involved in Carnivale in a big way. A family picnic is to be held on 20th September in Parramatta Park. I have the honour of being appointed chairman of the committee organizing that day's activities. I invite people from the surrounding area to Parramatta Park on that day. The committee expects 10 000 persons to be in attendance. Advice has been received that about 4 000 people from the Chilean community will be in attendance and that the Lebanese community expects 5 000 to attend. I extend an invitation to the honourable member for The Hills and the honourable member for Hawkesbury to attend on that day.

*Mr Wilde*]

I congratulate the Pasramatta city council for its co-operation in organizing Carnivale. The Mayor of Parramatta, Alderman Stan Dixon, has always shown willingness to co-operate with the Government in its projects. The council has also been active with the group apprenticeship training scheme. It has employed apprentices and sent them to industries in the district to gain experience. That scheme is an important initiative by the Government. I thank the council for its co-operation.

I express concern at the action that has been forced upon the Government in regard to Parramatta Hospital. I share the concern of many residents about the action that the Government has found it necessary to take in altering the role of that institution primarily from a general hospital to a rehabilitation unit. Limitation of funds from the federal Government was responsible for the change in the first instance. A savage reduction by the federal Government of more than \$170 million in the health allocation has meant that many areas of health care have had to be curtailed. I have been assured that additional hospital beds will be made available at the Westmead Centre. Any suggestion that the level of health care available to the people of Parramatta will be reduced is not correct.

I have received an assurance from the Minister for Health that every endeavour will be made to keep open the accident and emergency unit at Parramatta Hospital. I am confident that when the Minister for Health goes into this matter further and studies the submission I made about the capacity of the Westmead Centre to handle the additional load that will be placed on it, a favourable decision will be made and the accident and emergency centre at Parramatta Hospital will be maintained. **The** rehabilitation role of that institution will be developed successfully, and the hospital will continue to play an important part in providing health care for the people of the Parramatta area.

I congratulate the Government on the western Sydney region organization of councils being funded to the extent of \$1 million over the past three years. I trust **that** funding will be continued, despite the sour grapes attitude **displayed** by the Leader of the Country Party who yesterday said, in effect, that if similar funding is not available to a variety of other places, it should be withdrawn from the western metropolitan area. It is common knowledge that the rate of unemployment in the western metropolitan area is still higher than it is in any other part of the State. I urge the Government to continue funding the special schemes that have been initiated in the western metropolitan area.

The Government is to be commended for the building of the State office block in Parramatta. The project is not mentioned specifically in the Governor's Speech as the Government does not have to provide funds for it. That office block will be built by the Government Insurance Office of New South Wales, without cost to the Government, although it will be occupied by State public servants. The Opposition would not even consider that type of approach. The Opposition is centralist in attitude and makes no effort to provide services where they are required. In the same way, the Commonwealth Government pigeonholed the plan of the former Whitlam Government to build a Commonwealth centre at Parramatta. After many years, that land is still lying idle. It is pleasing to see that site has been cleared for the State office block at Parramatta. I understand that shortly contracts will be called for the construction of that office block, which will be of benefit to the people of Parramatta.

I am pleased that the Government passed the legislation necessary to allow Parramatta stadium to be rebuilt. Though some criticism of the proposal emanated from a minority group, the Government was not deterred by raucous protests. **It** examined the matter carefully, and eventually approval was given for the development.

I understand that the development application is progressing satisfactorily through the Parramatta city council. I hope that the match the Parramatta rugby league team plays the week after next—when it will thrash the Manly team—will be the last game that team plays on Cumberland Oval. It should not be thought that the Government does not have regard for our heritage. Elizabeth Farm has been acquired. The former Government ignored that part of the State's heritage. The Government has set aside \$650,000 for the restoration of that cottage, which is the oldest, continually-occupied residence in Australia.

I congratulate the Government on its housing initiatives and the making available of 26 000 building blocks by the Land Commission of New South Wales over the next three years. That will have an effect on holding down land prices. The Government should be commended also for its initiative in encouraging councils to approve the building of granny flats. That will go a long way towards providing housing for people who need it. The supplementary finance scheme that the Premier and Treasurer announced some time ago will be of great benefit to those who are experiencing increasing difficulties in obtaining finance for home purchases. Little can be done to solve the problem, for the federal Government pays no regard to the needs of those who seek to buy or build homes. Interest rates have been allowed to soar without any consideration for homebuyers—a scandalous situation. The latest impost is the federal Government's sales tax on building materials. Even members of the coalition parties cannot endorse that action.

Mr Egan: Opposition supporters in this House endorse it.

Mr WILDE: That may be so, but it looks as though there will be a revolt over the issue in the federal Parliament. The new sales tax of 2½ per cent will result in \$142 million being raised but that is just the thin edge of the wedge. When the federal Government decides to extend that tax into other areas, increased costs will result. The hypocrisy of the federal Government about housing cannot be illustrated better than by reference to Bettington Road, Dundas, where land was first offered to the Housing Commission, which accepted the offer. The machinations of the federal member for Dundas resulted in the land being withdrawn from the Housing Commission and offered to the State Government for open space purposes. Now the federal member says that the Government refused to accept the offer of the land for open space purposes, and that may be so. However, the same price was asked of the Government as was asked of the Housing Commission of New South Wales, that is, \$327,000 for a 5-acre block. At the same time, and in the same discussions, open space land round the foreshores of Sydney Harbour was offered at \$2,000 a hectare. That action shows the hypocrisy of Government supporters and the lack of care for people in urgent need of housing.

I extend congratulations to the Minister for Consumer Affairs and to the Minister for Local Government and Minister for Roads, both of whom will be retiring at the next election. The Minister for Consumer Affairs has given great service to the Government and the people of New South Wales. No Minister has performed more ably or shown such concern and care for the underprivileged sections of the community. He carries with him the best wishes of members on this side of the House for a long and happy retirement. No doubt members on the opposite side of the House will be happy to see him retire, as he has never failed to take the opportunity to expose the depredations of many of their friends and colleagues.

The Minister for Local Government and Minister for Roads also has had a long and distinguished career, first in local government as the Lord Mayor of Sydney and later as a member of this Government. He has made a great contribution to the local government portfolio, in particular the amalgamations of councils. A great furore took place when the amalgamations were first mooted, but the amalgamated

councils are now obviously aware of the benefits of the Minister's actions. Earlier in my address I referred to his work in connection with roads. I thank him for his real contribution, in particular to my electorate. I extend congratulations to both Ministers for their fine work for the Government and the Australian Labor Party during their long terms of office. I extend my commiserations to members opposite. I am aware of the terror and concern they feel about the forthcoming elections. However, they have brought that upon themselves through the selection of their new Leader of the Opposition. They thought they were to get a Bic Mac but they ended up with a cheeseburger.

Mr ROZZOLI (Hawkesbury) [12.22]: One cannot help but be amused by the bleatings about the imposition of a sales tax by the federal Government. I do not intend to comment on that action in itself. However, an examination of the levels of indirect taxation that the New South Wales Government has fraudulently inflicted upon the people of this State should make Government supporters wary of criticizing another government for imposing a tax. At least the federal Government has put its name to the sales tax. It has put it on the line and told everyone what it has done. The State Government introduced taxes but in its election campaign has said that it has never raised taxes. That is absolutely iniquitous. The State Government has increased corporate charges, licence fees, registration fees and electricity charges. In many insidious ways the New South Wales Government has collected thousands of dollars in extra taxation. It has used inflationary levels to raise land tax and payroll tax, but has ignored indexation as a guide to the real level taxes should be levied. Though in specific terms the Government may not call it an increase in taxation that would normally be included in a budget paper, taxation has been increased to a high level in New South Wales. It behoves the Government supporters to be more cautious when speaking about indirect taxation.

I should like to make a brief comment about the contribution that the Minister for Consumer Affairs has made to the community of New South Wales in administering his portfolio. I have the privilege of being the shadow minister for consumer affairs. I shall not go so far as to say that his administration is without criticism. However he has sincerely endeavoured to tackle many consumer problems. His contribution has been significant. I am certain he will go down on record as one of the better consumer affairs Ministers in New South Wales. The next ten years will reveal whether his initiatives stand the test of time. I wish him a long and happy retirement. Society as we know it is moving into a completely new type of consumerism. The embattled consumer should be given every consideration.

I invite the attention of honourable members to an article entitled "Who Guards the Guardians?", which appeared in the **Bulletin** last year. It was written by David Armstrong, a journalist. In that article Mr Armstrong outlined his examination of the role of ombudsmen in New South Wales and the Commonwealth. He asked the question, "When the Ombudsman does not do his job properly, who does the public then turn to?" That question could be applied to many other organizations that undertake a guardian's role on behalf of the public

During 1979–80 the Builders Licensing Board received about two hundred complaints. However it would appear that the number of new homes requiring rectification orders runs into many thousands. The record of that board in protecting the homeowner is a sad and sorry one. Recently I asked the Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport a question about the disclaimer clause, which is in the pre-purchase inspection application for intending home buyers. His answer was platitudinous and insensitive. No matter what fee the board charges the consumer, the consumer has the right to a report of substance and

credibility. If honourable members care to examine the disclaimer—and I do not think the Minister has, though he said he had—no one could agree that it gives credibility to that inspection certificate.

The Department of Consumer Affairs has no shortage of complaints being registered with it. The legitimacy of those complaints and action taken by the Consumers Tribunal to resolve disputations is of considerable concern. Everyone is a consumer for certain purposes at certain times in certain places, but is there an argument for saying that protection should exist for a consumer when he purchases goods or services in one capacity but not when he carries out the same act in a different capacity? Should we not be discussing the honest and equitable delivery of goods and services by all suppliers to all consumers. Mr Average consumes goods and services provided by a wide range of suppliers. Are not governments major suppliers of services and should not they be accountable beyond the extremely rough and ready medium of the ballot box? It is all very well for honourable members to say that the credibility of a government department or a Minister is subject to scrutiny at the ballot box, but one of the problems of single issue politics is that such issues have a remarkable habit of cancelling each other out. It is not always within the capacity of the community to register protests in such matters.

I invite the attention of the House to the specific problem of the delivery of services by a government department to the community, which must be regarded as consumers of government services. A specific example to which I shall refer is long and complex. I do not intend to weary the House with minute details; they are on record. The man who made the allegations is Mr A. K. Payne, of Royal Mail Box 79, Windsor Road, Baulkham Hills, New South Wales. He has detailed a complaint precisely. It is one of the most excellently documented complaints I have seen. The manner in which he has done this renders the subsequent action even more questionable.

The complaint made by Mr Payne goes back to 1977 and concerns the activities of Blacktown municipal council, as it then was. Frustrated by lack of information about the cost of the car park in Blacktown, he approached me and I took the matter up with the Minister for Local Government. Blacktown council was building a car park in Colo Lane, Blacktown. As it was to provide parking, in part, for the Blacktown Workers Club, council deemed that additional development at that club would require a contribution from the club to be made available for the parking area. That practice is perfectly normal, and applies to businesses and clubs. The level of contribution based on a per-car basis was \$363,000. However, for no reason known to any sane or sensible man, the council reduced that amount to \$320,000. In other words the ratepayers of Blacktown paid \$43,000 to the club for no specific reason. I do not criticize the club for getting the best deal it could out of the Blacktown council but I certainly question the propriety of that council in taking the action it did.

When I raised the matter with the Minister for Local Government and Minister for Roads I received a long reply. It was suggested that the facts were not quite as I had presented them and that the quotes the council had obtained showed they would be able to do the work considerably cheaper than originally thought. In fact, the council had accepted a tender of \$289,500 from Robert W. Timms Pty Limited for the construction of the car park. Irrespective of the manner in which the council arrived at the reduction from \$363,000 to \$320,000 as a required contribution from the club, it was found that the \$320,000 would cover the cost of the car park and leave a profit for the council of some \$30,000. That would have finished the matter if it had been correct, but it was not. The costs were shown in the council's contract register. Viewed together with the council's minutes concerning acceptance of the

*Mr Rozzoli*]

tender, it was shown that the contractor was paid \$300,000; the cost of alterations to the public utilities required as part of the job were \$5,000; cost of supervision of the contract was \$5,000, and \$10,000 was a contingency sum. The upshot was that **all** these figures totalled \$320,000. By some strange coincidence that was exactly the contribution made by the club.

Anyone trained in major construction works of that nature would realize the amounts allowed for supervision of the contract and the contingency sum were hopelessly impractical. A contingency sum of less than 10 per cent of the tender price is a reckless provision. In this case that was borne out by subsequent events, for the total cost of the job was considerably higher than had been envisaged originally in the letter from the Minister for Local Government. In addition to the \$43,000 windfall which the ratepayers of Blacktown gave to the Blacktown Workers Club, the ratepayers also subsidized the construction of the parking area. They were well and truly out of pocket. That account does not accord with the image portrayed by that local government body, that to all intents and purposes it had been acting satisfactorily.

The incumbent member in the Blacktown electorate is Mr Gordon Barnier. It is no comfort to members of this House to know that the endorsed Labor candidate for that electorate in the next elections is someone who has covered up the details of council's action and has misled the Ombudsman in his investigation. It is a serious allegation to make, but this is an extremely serious matter. Though it can be viewed as a misdirection of public moneys rather than a misappropriation, misdirection of public moneys is always a serious matter, no matter who it concerns or where it takes place. In this case an explanation was called for and the complaint was laid before the Ombudsman. His investigations, although extensive, were extremely unsatisfactory as far as Mr Payne and I were concerned. The analysis of the matter given to the Ombudsman by Mr Payne was carefully presented. The Ombudsman was derelict in his duty.

In speaking of the Ombudsman I use the word broadly to include the office, for I do not know who actually handled the case. Correspondence above the name of Mr Smithers would suggest he was the Ombudsman involved. Evidence discloses that the Ombudsman was extremely derelict in his duty. Action should have been taken by him, but he saw fit to brush it aside and accept council reports that I believe were quite unsatisfactory. When Mr Smithers retired as Ombudsman and Mr Masterman took over that role, Mr Payne considered whether there might be a change of attitude. But a reply from Mr Masterman to his inquiry appeared to endorse the previous investigation. It seems that the extremely unsatisfactory situation will continue. This is the sort of thing to which Mr Armstrong drew attention in his article in the Bulletin last year. Though I have spoken of a specific case, there is everything to suggest that such cases are far from uncommon.

I call upon the Government to investigate the matters I have raised and ensure that Mr Payne receives a satisfactory explanation. The community should know if the rather curious circumstances of the case can be logically explained. Mr Payne and I would be the first to accept a reasonable explanation but we were not willing to accept the explanation we received; an explanation that reflected no credit on either the department of the Ombudsman or the Minister for Local Government. The Minister is fully aware of the facts and has allowed himself to be duped by taking wrong action despite the warnings I gave him. Although I have great respect and admiration for the Minister for Local Government as an individual and wish him well in his retirement, I must point out that this matter is one in which, unfortunately, he has erred drastically. The matter reflects no credit upon the Labor

candidate in the Blacktown electorate. It is to be hoped that when he enters Parliament, as he surely will, for Blacktown is a safe Labor seat, he will apply himself more assiduously to the protection of his constituents than he did in that matter of the required contribution from the Blacktown Workers Club for the construction of the car park.

Another example can be given of matters reflecting upon the quality of work performed by the office of the Ombudsman. The Minister for Industrial Relations and Minister for Energy, in his latter capacity, is involved. The matter of concern relates to a transmission line which is to be erected to carry power from Eraring to the Kemps Creek distribution point. The inquiry that was held was a farce in the eyes of most of the people who attended. I attended as the local member representing much of the area through which the transmission line was to pass. Though the inquiry was conducted in a fine fashion and there was open consultation, it was made clear to all those who attended and made submissions that before the inquiry was held the Government had made up its mind about what was to be the path of the transmission line and nothing that eventuated at the inquiry had any bearing upon the ultimate decision.

Over the years I have received numerous complaints from people who have been prejudiced by the placing of that line. One that I remember particularly well was from a Mrs M. Weaver of 130 Sackville Road, Maroota. She, like Mr Payne, is an extremely tenacious person who keeps copious records and has examined the various contradictory statements made by the Government in this matter. She too, in frustration, eventually placed the matter before the Ombudsman, who proceeded to examine the matter in exactly the same fashion. The first approach was to examine the replies from the Minister. The replies from the Ombudsman—who must have had access to what the Minister has said and what the department has said—reveal many inconsistencies, inaccuracies and untrue statements.

Whatever may be the final report of a thorough and objective investigation of the complaint that Mrs Weaver put before the Ombudsman, certainly the reply dated 26th June, 1981, which she received from him over the signature of Mr Masterman, the new Ombudsman, did nothing to create in her mind any impression that a proper investigation had been made of the matters which she brought to attention. This matter, like the other one, is complicated. It is not my place to detail minutely the aspects of the particular cases, which are well documented. Again I challenge the Government to instruct the Ombudsman to examine these cases with the integrity that his position demands.

A summary of all this is perhaps to ask, why does the Ombudsman fail to investigate matters thoroughly? I find that curious for I have the highest regard for the people who make up the Ombudsman's office. I have no reason to suspect that they are incompetent or that they have any desire other than to do their job properly. Obviously one must look behind the apparent facts and seek a reason for the motivation. I am certain I am right in concluding that the motivation behind the failure of the Ombudsman is the direct intervention of this Government in a political fashion to restrict the investigations of the Ombudsman by issuing instructions that anything that is embarrassing in any way to the Government must be suppressed at all costs. We now have clear evidence of the politicization of government departments by this Government in a disgraceful way—a way that I am sure any individual Minister, if he were confronted with the position, would wish to resile from, but which is collectively the attitude of the Government.

*[Mr Speaker left the chair at 12.45 p.m. The House resumed at 2.15 p.m.]*

Mr ROZZOLI: Recently the number of instances, some of them made public, of political influence by Ministers has been increasing. The judgment of Mr Justice Woodward on the Prices Commission inquiry into the bread manufacturing industry contains some disturbing facts. I shall not canvass them, for the matter is before the High Court. Everyone will be most interested in the judgment that will be handed down by that court. I invite the attention of the House to a disturbing trend that has come to my attention as a member of Parliament. I refer to the increasing number of departmental officers who refuse to discuss matters with members of the Opposition because they fear reprisals by the Government. I shall give honourable members an instance of that, though for obvious reasons I cannot divulge the name of the officer concerned or his department. A senior officer in an important government department agreed to see me on a certain matter. A few days later I received a message from him that because of illness he was not able to see me on the appointed day. Later he telephoned and apologized. He said he was not willing to talk to me in public but that if I cared to go to his home he would be happy to discuss the matters that concerned me because they were of some significance. That is a worrying state of affairs.

Mr Crabtree: It worries me also.

Mr ROZZOLI: It should worry the Minister. That sort of thing has happened in many government departments. I am certain that other honourable members could relate such experiences. Political interference has taken place in the activities of the Ombudsman. There can be no other explanations for his obvious lack of attention to matters that have been referred to him. He has refused to give logical explanations to people who have lodged complaints with him. It is little wonder that one of the major broken promises of this Government was the undertaking given by the Premier and Treasurer to appoint an administrative appeals tribunal. It does not take much imagination to realize why the Government failed to appoint such a tribunal. There would be so many instances of persons going before the tribunal for failing to do their duty that the Government would be embarrassed.

The Government is manipulating the system by a series of activities designed to entrench the Labor Party in power forever in New South Wales. Sometimes that sort of action can operate to a government's detriment. The Electoral Act has been manipulated. Public money has been diverted to political parties through the legislation for the public funding of election campaigns. Press releases that should have been made by members of Parliament have been made by Labor candidates. The Government has subverted many aspects of public administration. It is a sorry state of affairs when honourable members are obliged to bring these matters to the attention of Parliament. The Minister for Police and Minister for Services, who is attempting to interject, missed the first part of my contribution to this debate when I mentioned two specific complaints. I am willing to retract some of the accusations I have just made if I am given a reasonable explanation of the two matters I raised. They related to two matters referred to the Ombudsman for investigation—

Mr Crabtree: What matters?

Mr ROZZOLI: The Minister can read in Hansard what I said. I do not intend to traverse that ground again. If a logical explanation for the activities that took place can be given to me, or if action can be taken to rectify the problems that I mentioned, I should be willing to admit that the system is working reasonably well. However, if it is necessary to take the action that I have had to take to get such a result, it does not speak too highly for the Government.

The consumers of New South Wales are getting a raw deal in the delivery of government services. If one tested the attitudes of the Government by the standards that are applied to private enterprise in the Consumer Protection Act and other consumer legislation, the Government would be obliged to appear before its own tribunals. A couple of weeks ago in the Sunday newspapers the Land Commission used a scandalous form of advertising to advertise land. It used terms that would not be allowed in an advertisement by a real estate agent in private enterprise. Terms such as "a sample value" to indicate the price of blocks of land in a subdivision give no guide to the purchaser.

That type of advertising can be regarded as nothing other than misleading. Heavy penalties can be imposed on persons who mislead the public by false advertisements. The advertising brochure was nothing more than an electioneering stunt by the Government. It referred to land becoming available on terms that could not be honoured in the time frame mentioned by the Government. If the promise is to be honoured, the number of blocks to be released in two years would leave a great deal of land to be released in the third year. There is no physical way in which services could be provided to allow the release of the balance of the land in the third year.

The Government has broken promises and misrepresented the facts. Honourable members have seen advertising by the Government promoting public transport in which totally erroneous information is given. After five years of a so-called major programme to upgrade services in many areas, it now takes one longer to arrive at one's destination. There have been some improvements, but the sweeping claims made by the Government are dishonest. The forthcoming election will reflect signs of the public turning against a government that is built largely on public relations. The Government spends more than any other government in Australia on public relations, and probably spends more on it than all governments of Australia put together. The Wran Government has just mounted the greatest propaganda exercise ever seen for the sole purpose of its own perpetuation. The people of New South Wales will see through the facade.

Mr EGAN (Cronulla) [2.22]: I am grateful for the opportunity to speak on the motion for the adoption of the Address in Reply to the Speech of His Excellency the Governor. [*Quorum formed.*] I thank the honourable member for Murray for providing me with an audience, however briefly. The honourable member for Murray realized that I was about to explain to the House the atrocious financial treatment meted out to New South Wales by his colleagues in the federal Government. Since the Fraser Government came to office at the end of 1975, the States have been denuded of finance for essential works. In 1975–76 the total Commonwealth payments to New South Wales, including specific purpose grants and general revenue assistance, totalled \$2,767 million. In 1976–77, to keep pace with inflation, the amount that should have been received by New South Wales from the Commonwealth Government was \$3,107 million. In that year New South Wales received from the Commonwealth Government by way of tax reimbursement and specific purpose grants only \$2,940 million.

In the first year for which the Fraser Government was responsible, the taxpayers and the residents of New South Wales were fleeced of \$167 million. In 1976–77 the position was worse. To keep pace with the amount received in the previous year, New South Wales should have received \$3,525 million. Instead \$3,288 million was allocated. In that year New South Wales was fleeced of \$237 million. The next year the situation became even worse. If the real value of the payments received by New South Wales in the previous year were to be maintained, \$3,803 million should have been received. Instead \$3,483 million was received, representing a loss to New South Wales of \$320 million.

In 1979–80 New South Wales should have received grants totalling \$4,140 million; instead it received only \$3,706 million, a loss in that year of \$434 million. In 1980–81 this State should have received \$4,579 million, and instead was granted \$4,073 million, a loss of \$506 million. This year the position is even worse. If the real value of the 1975–76 payments had been maintained, New South Wales should have received \$4,953 million, but received only \$4,414 million, a loss to New South Wales taxpayers of \$539 million. When one adds the losses over the 6-year period, one finds that New South Wales has been cheated of \$2,203 million by the federal Government. A similar financial situation applies to other State governments. That has been brought about by the financial parsimony of the federal Liberal Party-Country Party Government.

One could understand the federal cutback in funds for the States if the Commonwealth Government itself exercised some restraint. In the same period in which payments to the States have increased by only 61 per cent, inflation has increased by 79 per cent. The increase in payments to New South Wales has been far below that. Significantly, in the same period, the federal Government's revenue has increased by a staggering 119 per cent. That is the revenue increase from the tax-take of a government that has spread the myth far and wide in Australia.

During his recent visit to the United States of America the Prime Minister boasted to the President of that country and to the Prime Minister of Britain that the federal Government had reduced taxes. Nothing could be further from the truth. In its six years in office the federal Government's tax-take has increased by 119 per cent, far outstripping the 79 per cent inflation in that same period. Indeed, the federal Government's expenditure has increased by 85 per cent, which is greater than the inflation rate, though only marginally so, I must admit. The federal Government has made sure that it has kept pace with inflation in its outlays, but has fleeced from the Australian taxpayers an amount that far exceeds inflation in the period to which I have referred.

In the six years in which the federal Government has been telling the taxpayers of Australia, wrongly, that taxation has been reduced, that government has been fleecing the States of much needed finance for the essential services and facilities that the States provide. It should be borne in mind that the States provide most of the services that are essential for maintaining the living standards of Australians. The States provide schools, hospitals, ports, and the power stations to generate electricity for domestic consumers and industrial purposes. The States must finance the police forces and fire brigades and provide all the essential services for modern communities. Yet year after year the financial treatment of the States by the federal Government becomes worse. It is time that fact was brought home to the people of New South Wales and of other States.

Given that history of Commonwealth Government parsimony, one could understand if the New South Wales Government had increased taxes substantially. The Wran Government has been in office for five years. In that time there has been no increase in the incidence of State taxes. Though the total taxation revenue of the State has increased, that has been due to increased turnover in various areas of State revenue, and the increased economic activity in New South Wales. Some interesting comparisons can be made. For example, in the five years that the Wran Government has been in office the total receipts of the Consolidated Revenue Fund, less the payments to New South Wales by the Commonwealth, have increased by about 60 per cent. Between the June quarter of 1975 and the June quarter of 1980 inflation has been 65 per cent.

From those figures one sees that the receipts of the New South Wales Government have been lower than the rate of inflation. In real terms there has been a decline in the burden that the State Government has placed on New South Wales taxpayers. Often in this House Opposition members berate the Government for that 60 per cent increase in total receipts during its term of office. They forget to mention that in that time inflation has been 65 per cent. They omit also to tell the House about the former coalition Government's taxation record. In 1970–71 the total receipts, less payments to the State by the Commonwealth, into the Consolidated Revenue Fund were \$436 million. In the last Budget brought down by the Liberal Party–Country Party Government, in 1975–76, receipts had increased by \$1,306 million to a total of \$1,742 million, or 299 per cent. Opposition members should not tell the House day after day that ours is a high tax government. The facts speak for themselves.

In real terms the total revenue take of the State Government has declined compared with an increase of 299 per cent in the last five years of the former Liberal Party–Country Party Government—almost five times greater than the inflation rate. When Opposition members speak about taxation records they should have regard to the facts and figures. They should remember also the atrocious record of their federal colleagues in Canberra. Only two days ago the federal Government increased its income tax revenue for one year by a massive 19 per cent. It has imposed also a host of new indirect sales taxes that will cost the average family in New South Wales \$6 a week. That is a terrible record that will impose a backbreaking financial burden on most families in this State. Not only has the federal Government been guilty of an income tax rip-off and imposed a new sales tax, but also the inexcusable hike in interest rates last week was a result of the federal Government's mismanagement. Furthermore, on 1st September new health care charges will be introduced.

Honourable members should not forget also the crude oil levy that has more than trebled the price that people must pay for petrol. All of those things will make it virtually impossible for the average family to survive. I shall address my remarks now to one of the most important subjects dealt with in the Governor's Speech. I refer to housing. There can be no discussion about housing without reference to the difficulties caused by high interest rates. On 27th November, 1977, only a few days before a federal election, the Prime Minister made the following statement:

I am confident with my Government's policies continuing that falls in important interest rates could add up to a total of 2 per cent within twelve months.

That was an indication to the people of Australia from the Prime Minister who was facing an election within a few days, that interest rates would fall by 2 per cent. Interest rates have not fallen at all. They are now 3 per cent higher than when the Prime Minister gave that solemn commitment. The federal Government seeks to rationalize the higher interest rates by arguing that to hold the rates down artificially would mean a tighter squeeze on housing loans funds. That ignores what has happened to homebuyers and the enormous financial squeeze being applied to ordinary families. It ignores the fact that the recent 1 per cent increase will put the average \$30,000 loan out of the financial reach of four out of five wage earners.

What the federal Government must do to bring interest rates under control is curb immediately the flood of foreign money coming into Australia. A lot of that money is purely speculative, in anticipation of further revaluation of the Australian dollar. The Fraser Government allows this hot money to flood into the country.

To make room for these foreign funds the Government clamps restrictions on money elsewhere in the economy. This, in turn, creates a leapfrogging of interest rates which again adds to the attractiveness of further speculative inflows of foreign capital. It is a vicious circle which is being paid for by the average Australian family, even though they cannot afford it. Funds from overseas must be more carefully screened. The flood of foreign money must be stopped. The Fraser Government must introduce a variable deposit ratio or at least impose a total embargo on short-term capital movements.

The record high interest rates being charged to homebuyers have resulted in an alarming drop in the proportion of home loans going to average income homeseekers. That is confirmed by figures that were published recently by the St George Permanent Building Society, the largest building society in Australia. Those figures showed that the proportion of loans going to families whose main breadwinner earns the average weekly earnings or less had dropped from 44 per cent in 1977—and I point out that that is not a pleasing figure because even in 1977 more than 60 per cent of income earners earned less than average weekly earnings—to 23 per cent now. At the other end of the scale, 15 per cent of the total loans are going to the half per cent of families in Australia whose main breadwinner earns more than \$600 a week. The figures of the St George Permanent Building Society do not contain a break-up for single income and double-income families. Had separate figures been taken out I am sure that they would point to an almost impossible plight for single income families. That position has come about for two reasons; first, because of the record interest rates, and second, because of the refusal of lending institutions to introduce more flexible repayment arrangements. The normal repayment arrangement under credit foncier loans provides for uniform repayments throughout the period of the loan. That might have been repayment element, The concept of deferred repayment loans had another break-inflation. Homebuyers face their heaviest burdens in the earliest years of their mortgage. As time goes by the income of the borrower increases and the real burden of making repayments declines.

Honourable members will doubtless remember that last year I proposed to the Parliament the concept of deferred repayment loans. I am pleased to say that a breakthrough has occurred in the acceptance of that concept. The breakthrough came first with the undertaking by the Government about two months ago in relation to the supplementary home finance scheme which provides second mortgage loans of \$15,000 at first mortgage rates of interest and with a deferred repayment element. The concept of deferred repayment loans had another breakthrough yesterday when the St George Permanent Building Society announced that it would be introducing loans of that type. Under the scheme announced by the St George Permanent Building Society the initial repayments for the average homebuyer will be between \$100 and \$150 a month less than repayments under conventional loans. Homeseekers who earn about \$340 a week will now be able to borrow up to \$40,000 and will at least be in the market to buy a home of their own. The scheme will provide access to home ownership for many families who would otherwise have had no chance of getting a home of their own. This is the best news that homeseekers have had for many years. I congratulate the Government on the introduction of the supplementary housing finance scheme and the St George Permanent Building Society on its action yesterday. I urge all other lending institutions in New South Wales—not just the building societies, but also the banks—to follow the lead that has been set by the Government and by the St George Permanent Building Society.

Mr PARK (Tamworth) [2.48]: I welcome the opportunity to make a contribution to the debate on the motion for the adoption of the Address in Reply to the Governor's Speech at the opening of the Parliament. On behalf of the people of the

electorate of Tamworth and my wife and family I express loyalty to His Excellency. I wish him and Lady Rowland well during the term of their office. As yet His Excellency has not been to Tamworth as Governor, though he has been to the area on several occasions when he was Chief of Air Staff.

The honourable member for Cronulla spent considerable time complaining about the funds made available to the State by the Commonwealth Government. He followed a course which honourable members have come to expect from Government supporters in recent times. The honourable member for Cronulla complained bitterly about increases in taxation. The State Government cannot have it both ways: the Commonwealth Government has had to raise necessary income by taxation and excise charges to go as far as possible to satisfy the needs of the States and also to make a responsible attack on the huge deficit inherited from the former Commonwealth Labor Party Government.

I shall not give a detailed analysis of the figures quoted by the honourable member, save to say that I have added them and the conclusion I have reached is that this Government is better off than was the previous Liberal Party-Country Party Government in 1975-76. And it has fared better than that Government did for federal funds and budget money in the years preceding 1975-76. Early this week it was announced that in 1980-81 Australia recorded a slight trading deficit of \$257 million, largely because of the serious drought experienced in eastern Australia. The drought was referred to in His Excellency's Speech. Members on this side of the House have often said that it will be many months before primary producers will begin to recover from the effects of the drought, and I agree. Costs incurred by primary producers, and losses sustained by them during the drought, will mean that many months will pass before they are once more trading properly. It might even be longer.

Many primary producers from my electorate have applied for drought carry-on loans. Some were successful and others were not. Those who were unsuccessful complained to me. My inquiries suggest that they should not have been refused those carry-on loans. I do not agree with the guidelines that had to be met before an application could be successful. Those guidelines should be reviewed and liberalized. The need for carry-on loans will continue for some time, as the Premier and Treasurer is aware. And for some time yet there will be a demand for re-stocking loans. I have already mentioned the slight trading deficit Australia experienced during 1980-81. For the month of July 1981 the national trading deficit was a record \$420 million, almost totally due to the importation of aircraft and ships. Part of that month's deficit was caused by a reduction in wheat exports, perhaps a direct result of the drought, and also the reduced export of coal.

Though the Governor in his Speech said that New South Wales had led Australia along the path to economic recovery, it is my opinion that New South Wales has not been pulling its weight within the national economic scene either in exports or in industry, and it is not taking steps to ensure it pulls its weight in the future. The two industries in which it is lagging are coalmining and mineral sands. In the Governor's Speech references were made to the coal industry, which is the largest single enterprise in the State. In 1979-80, 21.87 million tonnes of coal were exported, worth almost \$700 million. Consumption of coal within this State was not far behind. Figures from the Joint Coal Board show that saleable black coal production in New South Wales in 1979-80 totalled 41.2 million tonnes.

It is well known, and I have often said it in the House, that the coal industry in New South Wales has the potential to be five times as big as it was in 1979-80. But events that have taken place have affected our reliability as a major coal exporter.

*Mr Park*

Those circumstances include shipping delays over the past three or four years. They have been evidenced by a weekly average of more than thirty ships standing off the ports of Newcastle, Balmain and Port Kembla. It must be borne in mind that each ship incurs a demurrage cost of at least \$10,000 a day. If one takes the time to add the total cost over twelve months I do not know how many coal loaders, railway lines and rolling stock units could have been purchased with the money that has been lost. In some cases countries like Japan, which buy our coal, are prepared to pay that demurrage. They are in a great hurry. But, in the ultimate it is industry which bears the cost. On the question of industrial stoppages, Keith Martin wrote an article published in the *Sydney Morning Herald* this week. Reference was made to the Australian coal industry's strike record. The article suggests that the last financial year was the worst on record. The loss of time in the industry was twenty-three and one-half days for every person employed. The strike situation was not confined to the coal industry. It was evident in the transport system generally, particularly the rail system, as well as in other areas directly or indirectly affecting the coal industry.

There is a short fall in this State's capacity to load coal on to ships compared with its capacity to deliver coal from the mines to the ports. The amount of coal that can be exported each year is limited by the capacity of the ports to load ships. Recently the coal industry estimated that this short fall is approximately 7.5 million tonnes a year. I have mentioned already that each day for the past few years more than thirty ships have been standing off our ports. Because of the time and cost involved many ships do not wait in the queue. Japan and other customers are seeking other sources of supply and are looking to Queensland and other countries. New South Wales does not have the divine right to supply a large section of the world with coal. Other countries such as China have vast proven coal reserves. Those countries will benefit by securing the markets that New South Wales ought to be securing now.

If one assumes a price of about \$50 a tonne, the loss to the coal industry in one year would be approximately \$375 million. The Government's share of that sum would be between a quarter and a third—at least \$100 million. I do not say that we were unaware of that short fall several years ago, but because of the delay that I shall speak about shortly, in three years at the most that loss will be felt financially. As well as being felt financially, the short fall will result in a loss of up to 5 000 jobs. With unemployment at its present high level the Government should pay particular attention to these matters. The coalmining industry employs a large number of people. There is a difference between the number of persons employed in surface mining and in underground mining, for underground mining is more labour intensive. But it is indisputable that the coalmining industry is a big employer and a loss of production of one million tonnes a year would result in the loss of 500 to 700 jobs.

The industry estimates that demand for New South Wales coal will continue to keep ahead of the capacity to mine it. The coal companies will be able to continue to develop their operation. The root of the problem of the export trade lies at the ports. About 18 or 20 months ago the industry warned the Government that it was imperative, if this State was not to lose markets, for the first stage of the third coal loader at Newcastle to be fully operative by December 1983. At that time industry was ready, willing and able to proceed with the final plan for the construction of that facility, at no cost to the Government. The most recent estimate of costs that I saw several months ago was \$290 million for the first stage, including \$30 million pre-production interest payments. The major cause of the delay of 18 months was the Government's insistence on having a share in the enterprise.

On 29th April in this House I said that after the decision had been made the coal industry was ready to play its part in the Government's plan though I pointed out the need for the Government to complete its plan and commence construction of this vital facility. Up to this date there is no sign that construction of the third coal loader has started. Industry is concerned that further delays might occur in the future. On present indications the major contracts for the construction of the third coal loader at Kooragang Island probably cannot be let before mid-October and possibly later. I assume from that that the first stage of the loader is not likely to be fully operative before mid-1985, 18 months behind the original deadline estimate. As I have already pointed out, in 18 months that delay will cost the coal industry in New South Wales \$560 million and it will cost the Government at least \$100 million, and perhaps more than \$150 million.

Recent industry surveys reveal that the total loading capacity of the Maritime Services Board loader at Newcastle, the Port Waratah Coal Services loader and the first stage of the third loader at Newcastle will fall short of the supply of overseas demand for our coal. If that is the situation, unless we upgrade our development plans we shall never catch up. The only way we might catch up is to bring forward the second stage and the third stage of the third loader at Newcastle. I have recommended to the Government that the second stage should be built concurrently with the first stage instead of in the mid-1980's as planned, and that the third stage should follow immediately upon completion of the first and second stages instead of being undertaken towards the end of this decade.

The Maritime Services Board coal loader at Newcastle is important to the industry. It handles the smaller ships going to that port. When the channel deepening programme, for which the industry is paying, is completed, the Port Waratah Coal Services coal loader in the channel will be able to handle ships up to 120 000 tonnes. The Balmain coal loader can handle ships of about 40 000 tonnes. When the improvement programme is completed at Port Kembla that port will be able to handle ships of about 110 000 tonnes.

Towards the end of last year Japanese coal industry representatives came to New South Wales to discuss the future of their ships that come to Australia, apart from other things. They advised that they are developing a prototype coal carrier capable of carrying 170 000 tonnes. In future the Japanese will want to bring ships of that size to Australia to load coal. It has been estimated that to develop the channel at Newcastle to cater for ships up to a quarter of a million tonnes would cost \$400 million. Costs of that magnitude could not be justified when a beautiful natural harbour at Botany Bay is available. The Government should give consideration to the development of a coal loader at Botany Bay. It would be environmentally acceptable, and could handle ships of 170 000 tonnes and up to 250 000 tonnes.

Mr Crabtree: The honourable member for Tamworth would not know where Botany Bay is.

Mr PARK: It is 6 kilometres from Tempe. Unless that is done, ships of the size I have mentioned that come from Japan will not be able to enter the ports of New South Wales to load coal. The development of a new coal loader at Port Kembla is on target. The industry is now questioning the ability of the State's railway system and roadways to cope with the coal traffic that will be needed to keep the coal loaders working at full capacity. In the past few days suggestions have been made about the development of another railway line. That should be considered by the Government as a matter of urgency. It is useless spending a lot of money on a new coal loader if the coal cannot be kept up to it. At Newcastle the upgraded capacity of the

Basin and channel loader will be about 25 million tonnes a year. The first stage of the Kooragang Island development will have a capacity of 15 million tonnes, and the second and third stages will provide for another 35 million tonnes a year. The capacity of the Port Kembla coal loader is being increased from 6.5 million tonnes a year to 15 million tonnes a year. The capacity of the Balmain loader is being upgraded from 2.5 million tonnes a year to 4.5 million tonnes a year. Those capacities total 94.5 million tonnes, which is still short of the estimate of 100 million export tonnes a year by the end of this century. I am informed that last Friday the Balmain coal loader broke down. I do not know what the Government is doing about it, but the loader should be repaired quickly. I should like to know what is being done and when it will be working again. The work of upgrading the coal loading facilities at Balmain is behind schedule.

I refer now to the mineral sands industry. There are six companies mining mineral sands on the east coast of Australia, three in this State. One is in the process of moving its activities to Western Australia and another in the process of moving its operations to Queensland, where it operates also. The policy of this Government is to create national parks, or to extend them, in areas where mineral sands are found, and then not to allow mining in such parks. The companies concerned have been told that leases will run out at the end of 1982. As the Leader of the Country Party said yesterday, that will mark the demise in this State of an important industry. Two or three years ago the mineral sands industry employed 1 300 people. The number employed now is less than 1 000. The loss of this industry would represent a drop in annual production of hundreds of millions of dollars. I support the amendment moved by the Leader of the Opposition.

Mr CAVALIER (Fuller) [3.18]: Of the many speeches in the electoral-parliamentary cycle, there are three that are of most significance—the **policy** speech, the Governor's Speech to Parliament and the annual Budget Speech delivered by the Treasurer. In the coming months the people of New South Wales will hear and read reports of all three and will have the opportunity to consider the merits of **all** those who put forward their arguments in those three debates. It is worth examining the significance of each of those events in our parliamentary democracy.

It has been said often that the campaign speeches of political parties are little more than Dutch auctions: which party can outbid the other to purchase the vote of the swinging voter? Though there is much truth in that comment, one significant fact must not be overlooked and that is that for one political party—the one that is elected to government—there comes a time when it has to account for its promises and pay for any recklessness that it might have caused by engendered false confidence. **In this** regard, the **Wran** Government has every reason to be proud of its record **when** it accounts to the voters of New South Wales.

The Wran Government knows that modern economic management is about the allocation of scarce resources. Hard political decisions depend on priorities, and the priorities reflect the values of political leaders. The Government knows that the money it uses has come from somewhere. Certainly there are specific promises of the 1976 and 1978 campaigns that remain, as yet, unfulfilled and some of which have been only partly implemented, but the Government's total record of implementation of undertakings, of matching the promise and the performance, is outstanding and **second** to none of any government in the Commonwealth.

If anyone wants objective and independent confirmation of that claim, I refer them to the two detailed articles of 10th and 11th August, written by Catherine Harper, the former State political roundswoman for the *Sydney Morning Herald*. I cannot recall any occasion when a government has had its performance scrutinized in as much detail as was done in those two articles. Certainly that newspaper has not subjected the record of the Fraser Government to a similar sort of scrutiny. Undoubtedly that is fortunate for Prime Minister Fraser, and probably is the reason the *Sydney Morning Herald* has not done so. In its 150 years of proud achievement the *Sydney Morning Herald* has never been known as a supporter of the Australian Labor Party, the Australian Labor movement, or the aspirations of the working people of New South Wales.

Anyone who bothered to read the two articles by Catherine Harper from beginning to end could not fail to be impressed by the diligence and determination with which the Wran Government has pursued its electoral obligations and commitments. Electoral commitments are a measure of the confidence of a political party in its electoral chances. The more likely the chances of a party winning the polls, the more financially responsible are its election commitments. It is therefore a measure of the desperation of the present Opposition that over the past two months the new Leader of the Opposition has given a rash of undertakings. At the last count the annual cost of implementing the promises made by the Leader of the Opposition was \$300 million. That figure does not include the specific undertakings—some of which are ludicrous—that he and candidates for the Liberal Party and the Country Party have made in various marginal electorates.

How does the Leader of the Opposition propose to pay for those promises? So far he has promised to sack several thousand Government employees, whose salaries are not funded from consolidated revenue. That will hardly provide him with funds to implement his promises. He has promised also to eliminate unnecessary capital expenditure. In this debate already the honourable member for Heffron has demolished the myth that the Leader of the Opposition has attempted to create about unnecessary government spending. Unless the Leader of the Opposition is willing to specify the particular functions of government that he will abolish, one is entitled to claim that if elected to government the Leader of the Opposition will increase state taxes and charges substantially. Unless the Leader of the Opposition is willing to nominate where the major cuts in the public service will take place, one is entitled to suggest that there will be a second income tax in New South Wales if the Liberal Party and Country Party are elected to office.

The second address, in the cycle to which I referred, having major parliamentary significance is His Excellency the Governor's Speech to the Parliament. This is the opportunity for the Government to specify in some detail and with some pride the programme of legislation in each forthcoming session of the Parliament. It is a more specific version of the policy speech, written in such a fashion as to be appropriate to the forms of the Parliament, concentrating on the Government's legislative programme. It provides an opportunity for honourable members to debate aspects of the Government's programme. Honourable members on both sides of the House have taken that opportunity.

The Speech by His Excellency the Governor is a good catalogue of the priorities, commitments and emphases of the Wran Government. It is not my wish or intention to go through His Excellency's Speech item by item. I took particular pride in noting

the Government's commitments to fulfilling its undertaking when it came to office to place greater emphasis on the arts and culture in New South Wales. Honourable members now would be aware that the Sydney Entertainment Centre will be completed late next year, notwithstanding many problems. They know also of the debate that took place in the House when the enabling legislation passed through this Chamber. Opposition members nit-picked on many minor details, trying to deny the enabling legislation that would have established an entertainment centre to fulfil the needs of the people of Sydney in particular. It should not be forgotten that the reason why the Government decided to proceed with the entertainment centre, was that it was sick and tired of young people of Sydney having to tread through mud and slush at open-air concerts at places like the Sydney Showground. I am sure the honourable member for Northcott would agree that as one of the foremost cities of the Commonwealth, Sydney deserves an entertainment centre capable of staging indoor concerts and other attractions for tens of thousands of people.

Closer to Parliament House, the Government has proceeded apace with the restoration of the Mint Building and the Hyde Park Barracks, both of which will provide museums for the social and cultural history of New South Wales. Within the Botanic Gardens the national herbarium is approaching completion. In the near future a second and third pyramid will be constructed for the preservation of botanical specimens that require a tropical climate. Perhaps the most outstanding contribution of the Government to the arts and culture is the new Museum of Applied Arts and Sciences in the old Ultimo Power House that will be completed and opened later this year. All of those projects have been undertaken preparatory to the celebration within the next seven years of the bi-centennial of white settlement in New South Wales.

In the Governor's Speech the Government celebrated with some pride and justice the reconstruction of the electoral landscape so as to bring about fair political contests in New South Wales by amendments to the electoral laws and to the Constitution Act. By the support of the people of New South Wales in one referendum so far, and two that will occur at the time of the general election, the Government has shown consistently that it is determined to bring about the most equitable and democratic electoral and constitutional system in the Commonwealth. This State now has a democratic election for the Upper House. It now has a system of one man, one vote, one value, so that the people of Pennant Hills, for instance, have the same voting strength as the people of Temora, and the people of Gladesville and North Ryde have the same voting strength as the people of Narrandera and Narromine. Those matters that were the subject of some violent opposition during their passage through the House have now settled and the essential justice and equity of the Government's actions are accepted by honourable members on both sides.

By some minor modifications the Government will simplify the wording of the ballot papers for referendums. People will not have to indicate their preferences in every square of the ballot paper. Preferential voting will be optional. The Government will clean up election campaigning at the roots by exposing the sources of funds for political parties and candidates and bringing about a minimum level of subsidies for political parties and candidates. That change will bring New South Wales into line with all of the great western democracies with the exception of the United Kingdom.

Mr Cameron: Like Puerto Rico.

Mr CAVALIER: The exposure of sources of funding of political parties will bring electoral funding into line with the great western democracies such as the United States of America, Canada, France, Sweden, Norway, Finland, Denmark and Italy. It will bring campaigning into line with forty-three of the fifty States of the United States of America, five of the eight Canadian provinces, all of the States of the Federal Republic of Germany, and the 856 municipalities of Norway. One would have thought that such a reform was long overdue. Undoubtedly New South Wales will blaze the trail for similar reforms by the other five States and by the Commonwealth. In this decade public funding of election campaigns and the disclosure of contributions to political parties and candidates will become accepted on a bipartisan basis in all parts of Australia.

The third and probably the most important parliamentary speech is the Budget Speech. In the Budget Speech all of the commitments of a Government are placed in their proper perspective. The Budget establishes the Government's priorities among so many competing planes. As Professor Peter Wilenski stated in his interim report on Government operations.

Budgets are the concrete expression, and some would say the only true indication, of Government priorities.

Since I was elected by this House in October 1978 to be its representative on the Senate of the University of Sydney I have had the pleasure of sitting with Professor Wilenski and have been able to appreciate the acuteness of his mind and the extraordinary range of creativity of his thought. The Government and the State are indebted that someone of his capacity has placed his abilities at their disposal.

In a climate of federal financial stringency, given the Government's proper determination not to inflict additional taxation burdens on the citizens of New South Wales, the task of allocating priorities has not been easy. As a result of the Commonwealth Government's unilateral action in altering the tax-sharing arrangements this financial year New South Wales will be cheated out of \$143 million. That is the amount that the State would have received had the federal Government not abandoned the tax-sharing formula which it trumpeted in 1975. It is little wonder that Sir Charles Court of Western Australia following that action stated, "We've been conned". He was referring to non-Labor Party Premiers.

In addition to abandoning the tax-sharing formula the federal Government has ignored the findings of the independent Grants Commission report which concluded that the State should receive an additional \$117 million of income tax collection in 1981–82 in order to provide services to the people of the State comparable with those of other States which have been heavily subsidized by New South Wales and Victoria over the years. We have come a long way since Federation in 1901 and since the Braddon Blot of 1910. There are no longer mendicant States. The people of New South Wales should not have to bear a disproportionate amount of the burden. Instead of adopting that report the federal Government threw to New South Wales a paltry \$25 million and ordered a further report. The Commonwealth Government's abandoning of the traditional hospital cost-sharing arrangements is expected to cost New South Wales an additional \$100 million this year.

That is the financial climate in which the Government will be framing this year's Budget. It will not be an easy task. It will not be easy to try to turn back the significant assault on the living standards of the ordinary people of New South Wales. The Commonwealth Government's budget attack on the States with the final destruction

of Medibank, the reintroduction of charges for hospitals and the ever-spiralling interest rates mean that people are actually poorer than they were when they woke up on 11th November, 1975, in real money terms. The Government must take every resource that is available to it to try to restore some of the opportunities for fulfilment and economic well-being to the people of New South Wales.

Nowhere are the difficulties more pronounced than in education. During the year I have made many representations to the Minister for Education about almost every school in my electorate. To me, the essence of education is the teacher in front of the class. Quality of education depends upon the teacher's ability to transmit his knowledge to an optimum sized audience of pupils in an environment that is conducive to learning. Poor lighting, inadequate acoustics or an anachronistic curriculum—but most of all too many pupils—can diminish the quality of education.

At the beginning of the 1981 school year the enrolments in New South Wales schools suffered a considerable decline. On the one hand the school system was choked with what might be called cream in capital funds but insufficient funds were available for staff. North Ryde High School was provided with \$23,000 in order to build a number of fume cupboards for teaching science but did not have adequate funding to provide the school with a physics teacher. The drop in enrolments was the fault of no one but parents were, quite properly, upset and concerned about pupils not receiving a proper start. The staff-student formula was worked out a generation ago to tie the allocation of staff to student enrolments. During the 1960's and into the early 1970's that meant that at places like North Ryde where the population was increasing, new high schools were built and additional staff were appointed to new and existing high schools. The same formula meant that when the school age population began to decline the number of staff allocated to each school was reduced.

North Ryde is an ageing community, as are the other parts of Ryde, where more and more of the housing stock is lived in by couples without children of school age. There are virtually no large high schools left in the Sydney metropolitan area. One has to go as far west as Penrith or to the growth areas of the Central Coast to find large high schools. There can be no doubt about where the blame rests for the present funding crisis in education. The contribution by the Fraser Government in 1980–81 was \$118 million. That is \$16.1 million less than the peak Commonwealth Government contribution to education in the last year of the Whitlam Government. It is \$16.1 million less than a period of five years ago in actual monetary terms, which when translated into real monetary terms against a period of increasing inflation, reveals the most savage assault on public education imaginable.

The drop in school age population occurred at the worst possible moment for teachers and pupils alike because of the political outlook of the Fraser administration. That Government came to power committed to a reduction in the size of the public sector and to rein in the Budget deficit. That could be done only through massive reductions in expenditure in three basic areas—health, education and welfare. The most exciting time for education nationally began in the early 1970's under Prime Minister Gorton and reached its zenith in the thrust for equality that Prime Minister Whitlam's political commitments involved. Under the Labor Minister for Education, Kim Beazley, the Commonwealth Government created the Schools Commission and reached out to solve the problems of need right across the nation. The good days ended on 11th November, 1975.

Australians are now witnessing all of the consequences of the reduction in the public sector. When people refer to what happens in other nations they should remember that what happens in the ghettos of Great Britain and other countries

is a deliberate consequence of the political stance of the Thatchers, Reagans and Frasers. Though some people point to that as a symptom of renewal, I regard it as a symptom of declining concern. Monetarism is an assault on the idea that mankind has a responsibility for those who are not capable of performing at the level of the most fit.

Whenever anyone postures about the level of personal income taxation in Australia, which is ludicrously low by world standards, he should remember that it is a double-edged sword and further reductions will be achieved only by more reductions in the quality of education and similar areas. The amount that the New South Wales Government spends on education is 36.5 per cent of the total annual appropriation for all expenditure in the 1980–81 Budget. That means that more than \$1 in every \$3 is spent on education. That represents, by contrast with the last Liberal Party and Country Party Budget of 1975–76, a growth in real terms of 3.5 per cent. Translated into money terms, real spending on education has increased by \$249 million since the last year of the coalition Government. A constant increase has occurred in each Budget of the Wran Government. That increase has taken place in the face of less and less funds being made available to the State for expenditure on education by the Commonwealth Government.

The Wran Government has deliberately set about distorting priorities and overstretching its resources to ensure that the shortfall in Commonwealth funds will not lead to a devastating social crisis in public education. Whatever shortcomings parents might perceive they should pause for a moment to consider what the present state of the schools would be if a New South Wales government was in power with the same ideological disposition as the fund-cutters in Canberra, London or Washington. One sentence sums it up: the Wran Government has increased expenditure on education as a proportion of the total State Budget from 33 per cent to 36.5 per cent since it came to office; the Fraser Government has slashed spending on education in its total Budget expenditure from 11.5 per cent when it came to power to 9.2 per cent.

The Address-in-Reply debate has been a first-class example of the differing priorities and commitments of members who support the Wran Government and those who oppose it. Within the next few weeks those values will be judged by the people of New South Wales. The motion for the adoption of the Address in Reply, so ably moved and seconded by two members with a promising future in this Parliament, the honourable member for Heffron and the honourable member for Cessnock, has set out clearly the priorities and values of this Government. Within the next few weeks the Government will go before the people. The leader of the Australian Labor Party will place the Government's values squarely before the voters. The electorate will judge the Government on its record, on what it has done within Parliament and without. Those of us on this side of the House have no doubt about the outcome.

Mr CAMERON: Mr Speaker —

Mr FLAHERTY (Granville), Government Whip [3.41]: I move:

That the question be now put.

The House divided.

Ayes, 58

Mr Akister  
Mr Anderson  
Mr Bannon

Mr Barnier  
Mr Bedford  
Mr Brereton

Mr Britt  
Mr Cahill  
Mr Cavalier

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|-----------------|--------------|------------------|
| Mr Cleary       | Mr Jensen    | Mr Petersen      |
| Mr R. J. Clough | Mr Johnson   | Mr Quinn         |
| Mr Cox          | Mr Johnstone | Mr Ramsay        |
| Mr Crabtree     | Mr Jones     | Mr Robb          |
| Mr Curran       | Mr Keane     | Mr Rogan         |
| Mr Degen        | Mr Knott     | Mr Ryan          |
| Mr Durick       | Mr McCarthy  | Mr Sheahan       |
| Mr Egan         | Mr McGowan   | Mr A. G. Stewart |
| Mr Einfeld      | Mr McIlwaine | Mr K. J. Stewart |
| Mr Face         | Mr Maher     | Mr Walker        |
| Mr Ferguson     | Mr Mair      | Mr Whelan        |
| Mr Gabb         | Mr Mochalski | Mr Wilde         |
| Mr Gordon       | Mr Mulock    | Mr Wran          |
| Mr Haigh        | Mr Neilly    |                  |
| Mr Hills        | Mr O'Connell | <i>Tellers,</i>  |
| Mr Hunter       | Mr O'Neill   | Mr Flaherty      |
| Mr Jackson      | Mr Paciullo  | Mr Wade          |

Noes, **29**

|                 |             |                 |
|-----------------|-------------|-----------------|
| Mr Arblaster    | Mrs Foot    | Mr Rozzoli      |
| Mr Boyd         | Mr Greiner  | Mr Schipp       |
| Mr Brewer       | Mr King     | Mr Singleton    |
| Mr J. H. Brown  | Mr McDonald | Mr Smith        |
| Mr Cameron      | Mr Mason    | Mr Sullivan     |
| Mr J. A. Clough | Mr Moore    | Mr West         |
| Mr Dowd         | Mr Murray   | Mr Wotton       |
| Mr Duncan       | Mr Osborne  | <i>Tellers,</i> |
| Mr Fischer      | Mr Park     | Mr Caterson     |
| Mr Fisher       | Mr Punch    | Mr Taylor       |

Resolved in the affirmative.

Question—That the words be added—put.

The House divided.

Ayes, **29**

|                 |             |                 |
|-----------------|-------------|-----------------|
| Mr Arblaster    | Mrs Foot    | Mr Rozzoli      |
| Mr Boyd         | Mr Greiner  | Mr Schipp       |
| Mr Brewer       | Mr King     | Mr Singleton    |
| Mr J. H. Brown  | Mr McDonald | Mr Smith        |
| Mr Cameron      | Mr Mason    | Mr Sullivan     |
| Mr J. A. Clough | Mr Moore    | Mr West         |
| Mr Dowd         | Mr Murray   | Mr Wotton       |
| Mr Duncan       | Mr Osborne  | <i>Tellers,</i> |
| Mr Fischer      | Mr Park     | Mr Caterson     |
| Mr Fisher       | Mr Punch    | Mr Taylor       |

Noes, **57**

|             |             |             |
|-------------|-------------|-------------|
| Mr Akister  | Mr Barnier  | Mr Britt    |
| Mr Anderson | Mr Bedford  | Mr Cahill   |
| Mr Bannon   | Mr Brereton | Mr Cavalier |

|                 |                  |                  |
|-----------------|------------------|------------------|
| Mr Cleary       | Mr Jensen        | Mr Petersen      |
| Mr R. J. Clough | Mr Johnson       | Mr Quinn         |
| Mr Cox          | Mr Johnstone     | Mr Ramsay        |
| Mr Crabtree     | Mr Jones         | Mr Robb          |
| Mr Curran       | Mr Keane         | Mr Rogan         |
| Mr Degen        | Mr Knott         | Mr Ryan          |
| Mr Durick       | Mr McCarthy      | Mr Sheahan       |
| Mr Egan         | Mr McGowan       | Mr A. G. Stewart |
| Mr Einfeld      | Mr McIlwaine     | Mr K. J. Stewart |
| Mr Face         | Mr Maher         | Mr Whelan        |
| Mr Ferguson     | Mr Mair          | Mr Wilde         |
| Mr Gabb         | Mr Mochalski     | Mr Wran          |
| Mr Gordon       | Mr <b>Mulock</b> |                  |
| Mr Haigh        | Mr Neilly        |                  |
| Mr Hills        | Mr O'Connell     | <i>Tellers,</i>  |
| Mr Hunter       | Mr O'Neill       | Mr Flaherty      |
| Mr Jackson      | Mr Paciullo      | Mr Wade          |

Question so resolved in the negative.

Amendment negatived.

Mr J. H. BROWN: Mr Speaker —

Mr FLAHERTY (Granville), Government Whip [3.52]: I move:

That the question be now put.

The House divided.

Ayes, 57

|                  |                     |                         |
|------------------|---------------------|-------------------------|
| Mr Akister       | Mr Gabb             | Mr O'Connell            |
| Mr Anderson      | Mr Gordon           | Mr O'Neill              |
| Mr <b>Bannon</b> | Mr Haigh            | Mr Paciullo             |
| Mr Barnier       | Mr Hills            | Mr Petersen             |
| Mr Bedford       | Mr Hunter           | Mr <b>Quinn</b>         |
| Mr Brereton      | Mr <b>Jackson</b>   | Mr <b>Ramsay</b>        |
| Mr Britt         | Mr <b>Jensen</b>    | Mr Robb                 |
| Mr <b>Cahill</b> | Mr Johnson          | Mr Rogan                |
| Mr Cavalier      | Mr Johnstone        | Mr Ryan                 |
| Mr Cleary        | Mr <b>Jones</b>     | Mr Sheahan              |
| Mr R. J. Clough  | Mr Keane            | Mr A. G. <b>Stewart</b> |
| Mr Cox           | Mr Knott            | Mr K. J. <b>Stewart</b> |
| Mr Crabtree      | Mr <b>McCarthy</b>  | Mr Whelan               |
| Mr Curran        | Mr <b>McGowan</b>   | Mr Wilde                |
| Mr Degen         | Mr <b>McIlwaine</b> | Mr Wran                 |
| Mr Durick        | Mr <b>Maher</b>     |                         |
| Mr Egan          | Mr <b>Mair</b>      |                         |
| Mr Einfeld       | Mr Mochalski        | <i>Tellers,</i>         |
| Mr Face          | Mr <b>Mulock</b>    | Mr Flaherty             |
| Mr Ferguson      | Mr Neilly           | Mr Wade                 |

Noes, 29

|                 |             |                 |
|-----------------|-------------|-----------------|
| Mr Arblaster    | Mrs Foot    | Mr Rozzoli      |
| Mr Boyd         | Mr Greiner  | Mr Schipp       |
| Mr Brewer       | Mr King     | Mr Singleton    |
| Mr J. H. Brown  | Mr McDonald | Mr Smith        |
| Mr Cameron      | Mr Mason    | Mr Sullivan     |
| Mr J. A. Clough | Mr Moore    | Mr West         |
| Mr Dowd         | Mr Murray   | Mr Wotton       |
| Mr Duncan       | Mr Osborne  | <i>Tellers,</i> |
| Mr Fischer      | Mr Park     | Mr Caterson     |
| Mr Fisher       | Mr Punch    | Mr Taylor       |

Resolved in the affirmative.

Motion agreed to.

Mr SPEAKER: I have to inform the House that I have ascertained it to be the pleasure of His Excellency the Governor to receive the Address in Reply to His Excellency's Opening Speech at fifteen minutes before four o'clock p.m., on Tuesday, 25th August, at Government House.

#### PRINTING COMMITTEE

##### First Report

Mr Jones, as Chairman, brought up the First Report from the Printing Committee.

#### ADJOURNMENT

##### Menai Housing Development

Mr SHEAHAN (Burrinjuck), Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport [3.55]: I move:

That this House do now adjourn.

Mr KEANE (Woronora) [3.55]: I wish to speak on a matter that is of great importance to constituents of the electorate of Woronora. It concerns a proposed Housing Commission development at Menai to be located in areas north and south of Mill Creek. The Premier and Treasurer has announced that during the coming year the Government will undertake a first-class Housing Commission project to provide desperately needed accommodation for Housing Commission applicants. The announcement of the Premier and Treasurer, which was made on 5th July, was extremely well received by the public, my constituents and the Sutherland shire council. In 1970, in council's development plans for the Menai area, which were endorsed by the coalition Government Minister for Housing in 1971, council allocated 12 separate areas totalling 80 hectares for public housing at Menai. I regret that the local Liberal Party organization has launched a vicious and unprincipled smear and fear campaign in the Menai area against the Housing Commission's proposed development.

The Liberals' line of attack has been to attempt to frighten residents of Menai, Bangor and Illawong with emotive and highly coloured statements issued through the Menai Progress Association's newsletter that property values will be adversely affected because the Housing Commission development will be inferior and—most despicable of all—that the New South Wales citizens who will occupy the Housing Commission cottages will also be inferior. I deplore these vicious, discriminatory and un-Australian gutter tactics employed by the local Liberal Party organization, obviously in the forlorn hope that it will be able to obtain some cheap political capital out of the mental anguish it is causing not only to the residents of Menai and Bangor but also to thousands of decent, hard working constituents who live in Housing Commission cottages in the electorate of Woronora.

It is most unfortunate that the Menai Progress Association, which has been in existence since 1921 and has been proud of its former record of impartiality and non-involvement in politics, has been infiltrated and used for party political purposes by **some of its** executive members who have been closely associated with the Leader of the Opposition, the honourable member for Kirribilli, in the estate agency and land development deals. The tactics of the Liberal Party in claiming that Housing Commission tenants should be regarded as second-class citizens are deplorable. I am certain they will earn the condemnation of this House. I shall quote a statement that is typical of those contained in printed Liberal Party leaflets:

If you don't want to see Menai become the new Mount Druitt, Campbelltown or Green Valley of the south, do something now.

I ask the Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport to do all in his power to allay the fears of my constituents and to assure those thousands of citizens who are valued tenants of Housing Commission properties that, unlike the Liberal Party, the Labor Party holds them in the highest regard. The Leader of the Opposition was reported in the *St George and Sutherland Shire Leader* of 19th August as saying:

It would be wiser to sell the land and re-invest the money in building 200 Housing Commission houses on land more suitable to public housing.

The Leader of the Opposition possibly thinks that more suitable land should be located adjacent to a tannery or an abattoir because Housing Commission tenants in his view appear unable to appreciate the finer things of life, such as unpolluted air and proximity to national parks and beaches that land at Menai will provide. The same article in the *Leader* quotes the honourable member for Ku-ring-gai as saying, "The development was a political manoeuvre to increase the Labor vote." The local Liberal candidate, who does not even live in the electorate of Woronora, is reported as urging the residents to take immediate action. He was quoted in the local newspaper, the *Voice*, as saying that the decision by the State Government to build Housing Commission houses at Menai was one that would have a devastating effect on the development of the area.

That candidate went on to say that he could understand the residents' fear that property values in the Menai area would drop as the result of the Housing Commission development. The Liberal candidate stated that he had been assured by the Leader of the Opposition that a Liberal government would reverse the Wran Government's decision. I ask the Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport to refute these discriminatory and divisive statements as reported on behalf of the Liberal Opposition and assure my constituents that they should ignore such smear and fear allegations made for cheap

and mean political ends. I ask the Minister to receive a deputation from residents of Menai to permit rational discussion about the Housing Commission development and to give him the opportunity to describe the first-class development the Government has planned and how it will result in bringing many much needed services into the district.

Mr SHEAHAN (Burrinjuck), Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport [4.3], in reply: It is interesting to hear the bleatings of the Opposition, saying how pathetic it is and so on, in response to the honourable member for Woronora.

Mr Caterson: The Minister would know about that: he is pathetic.

Mr Greiner: He would be a good judge.

Mr SHEAHAN: We have Dad's Army and the young Turks here this afternoon to give the House inspiration about this matter. Honourable members should pay tribute to the honourable member for Woronora for supporting what the Opposition went on record as saying, that it no longer wanted to see the development of broad-scale, broad-acre Housing Commission estates on the fringes of the cities and would like to see a mixed development in the inner ring and middle ring of suburbs round the metropolitan area. I join the honourable member for Woronora in his tribute to the Premier and Treasurer because from 1971 there have been eight Ministers for Housing who have endeavoured to break through a Treasury-inspired directive that the present Premier and Treasurer has broken through. This relates to the transfer of property in Crown ownership to the Housing Commission.

As I said in the House recently, in answer to an inane question by the honourable member for Ku-ring-gai, as a direct result of the housing policy review the Government has made available to the Housing Commission at a concessional price some of the land that is in Government ownership and belongs to the people of New South Wales, so it will be possible for the Government to provide public housing accommodation in some of the areas that hitherto have not been made available to the Housing Commission for the development of high quality estates.

Mr Greiner: If it was such a good idea, tell us where you intend to do it?

Mr SI-IEAHAN: It will be done at Carlingford and Manly Vale.

Mr Greiner: Keep going.

Mr SHEAHAN: The Government has some other areas in mind.

Mr Greiner: Why not specify them? I challenge the Minister to specify them.

Mr SPEAKER: Order! I call the honourable member for Ku-ring-gai to order.

Mr SHEAHAN: The honourable member for Ku-ring-gai can challenge me to do whatever he likes.

*[Interruption]*

Mr SPEAKER: Order! I call the honourable member for Ku-ring-gai to order.

Mr SHEAHAN: I shall not name other areas that are under review; each case will be decided on its merits on the basis of a socially mixed policy under which the percentage of Housing Commission development in particular areas will not be

excessive, on the tests applied by the Government or the Opposition. I do not care what is said by the Leader of the Opposition or the shadow minister without portfolio, or the shadow minister for housing and urban affairs, the honourable member for Ku-ring-gai. The honourable member for Ku-ring-gai is the only shadow minister in history who has had a shadow assistant treasurer and a shadow minister without portfolio. At least one of them was in the House the other day. The shadow assistant treasurer, the honourable member for Eastwood, is in the House, but the shadow minister without portfolio is not here. The Opposition can promise all it likes that the decision will be reversed.

I am pleased to be able to inform the honourable member for Woronora that the first contract for development of Housing Commission residences of a high quality will be issued in the near future by the Housing Commission for thirteen homes. Tenders will be called on 6th September for the first stage of that development. There will be no way that any government will be able to reverse this decision; it was a decision that was expected, but for the intervention of Mr Laws and for the inspiration of Opposition members who were supporting it. There is no way in the world that the policy will be reversed. As I said in the House recently, I shall be happy to receive a deputation as requested by the honourable member for Woronora to discuss the standard of the development. However, I shall not discuss the standard of the people who will be occupying the accommodation; they will be fine Australians who cannot solve their own housing problems and are looking to the Government for a solution and looking for the opportunity to have access to the amenities of life that would not be available to them if they were to be housed in traditional accommodation on the fringes of the city. Many things have been said about this matter that create concern for the Government and fair-minded citizens who have been in touch with me about Menai, Carlingford and Manly Vale.

The honourable member for Woronora quoted from some letters in his excellent speech in the Address-in-Reply debate. The situation is simply that the land is available and suitable for residential development. In respect of some part of that land the residential development will be public and of a standard at least equivalent in landscaping and general planning principles and building construction, to any private development in the near environs of the area. I say at least equivalent because in some cases it will be better than the private development in the area. That is an issue that will be discussed with the deputation. I have shown the honourable member for Woronora the plans for the Housing Commission development at Menai so that he will be able to allay the fears of his constituents about the standard of the housing development.

*[Interruption]*

Mr SHEAHAN: The honourable member for Ku-ring-gai had his chance. When the honourable member for Woronora finished speaking I waited for the honourable member for Ku-ring-gai to rise; he did not stand and seek the call. The honourable member for Ku-ring-gai should not carp.

Mr Greiner: I am waiting for the Minister to say something intelligent.

Mr SHEAHAN: The honourable member for Ku-ring-gai need not wait. It is rather interesting, as the honourable member for Woronora reminds me, that the honourable member for Ku-ring-gai did not mention the Menai development in his speech in the Address-in-Reply debate. This is the shadow minister for housing, Mr Mick Greiner, as he was referred to by one newspaper recently. There are many

shadow ministers for housing. The Government is concerned about points on the board. The points on the board include socially mixed developments, making the best use of the government-owned and community-owned facilities that are available and the land that is available to the Government for housing.

I am sick and tired of Opposition members in this Parliament and persons of their political persuasion outside the Parliament who say repeatedly, "We do not mind you housing the poor people, but do not put them in our street or on our **side** of the hill". If those persons want to put the poor people in **drainage** reserves or on the street, as does the Leader of the Opposition, so be it. But let it be stated clearly whether the Opposition supports the idea that there should be a balance of private and public development.

Mr Greiner: The Liberal Party thought of it long ago.

Mr SHEAHAN: Is the honourable member talking about Menai, Carlingford and Manly Vale?

Mr Greiner: If the Minister and the honourable member for Woronora were to go to the public meeting on Sunday, they would learn.

Mr SHEAHAN: The honourable member for Ku-ring-gai is welcome to go to a public meeting on Sunday.

Mr Greiner: I wonder whether the honourable member for Woronora will come.

Mr SHEAHAN: There is no doubt that the honourable member for Woronora will be there.

Mr SPEAKER: Order! I again call the honourable member for Ku-ring-gai to order. As the House is about to adjourn, the removal of the honourable member from the Chamber under Standing Order 392 would have little punitive effect. If I were to name him, he would be suspended from the service of the House for the remainder of today's sitting and next Tuesday.

Mr SHEAHAN: The Government would miss him.

Mr Cameron: There has been a 113 per cent rise in housing costs since the Wran Government came to office.

Mr SHEAHAN: That is the price one has to pay for prosperity in the Northcott electorate. There has not been an increase of 113 per cent where people are battling to solve their housing problems. Though the Deputy Leader of the Opposition no longer signs his letters, he still sends a large volume of correspondence to me from his electoral office regarding the housing problems of his constituents. On the day when the honourable member for Oxley was sworn in as a member of this House I sent him a letter about housing applications committees. About four weeks later he sent a letter to me suggesting that it would be a good idea to establish housing applications committees. The honourable member does not read his **mail**. I had the letter delivered to him personally. I did not deliver similar letters to other honourable members until I had delivered a copy to the honourable member for Oxley, the honourable member for Sturt and the honourable member for Maitland. There should be no more nonsense about this matter.

In the Address-in-Reply debate the honourable member for Maitland **spoke** about the need for balanced development in the Hunter Valley and for a mixture of Housing Commission development and private development in Maitland. When the Government does something practical, constructive and straightforward to achieve balanced development and a mixture of development so that an unhappy combination of people will not be living on the outskirts of Sydney, it is criticized. I state clearly that the Government is firmly committed to its housing policy and that each individual proposition for public housing development in the Sydney metropolitan area or in any other area in New South Wales will be assessed on its merits.

I thank the honourable member for Woronora for bringing to the **attention** of the House some of the unsavoury aspects of the housing problem. With the co-operation of the Sutherland council and people such as the honourable member for Woronora, the honourable member for Miranda and others in that area where there is a high demand for Housing Commission accommodation, the Government is trying to avoid some of the mistakes of the past. I am confident that the Government's policy will allay the fears of the constituents of those honourable members. When they come to see me I shall be able to tell them of the Government's proposals for the area. I shall assure them that the homes to be built will be of a high standard. I shall tell them also that the people who will live in those homes will be fine Australians who are deserving of as much consideration as they can get from the Government.

**Motion** agreed to.

House adjourned at 4.13 **p.m.**

