Legislative Assembly

Wednesday, 2 December, 1981

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:

Rainforests

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

That rainforests maintain a greater diversity of vegetation and animal life than any other forest type. There is worldwide concern for their preservation. The logging policies of the New South Wales Forestry Commission do not protect the ecological integrity of our rainforests. At the present rate of logging the States remaining rainforests will be exhausted within fifteen years. Workers employed in the logging of rainforests will become unemployed from 1982 onwards.

Therefore we humbly request that there be an immediate cessation of logging in all the remaining rainforests in New South Wales and that steps be taken to ensure that employment schemes, such as reafforestation and use of alternative timber supplies, be implemented for displaced workers.

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

Petition lodged by Mr Cavalier, received.

Homosexual Discrimination

The Petition of the undersigned residents of New South Wales sheweth:

(1) That homosexual people do not enjoy equality before the law in New South Wales;

(2) that enforcement and interpretation of the law discriminates against homosexual people in this State;

(3) that there is a need for positive Government action to promote and ensure equality for homosexual people with the rest of society in this State;

(4) that, in particular, homosexual and lesbian teachers suffer widespread discrimination and continual fear in their employment.

Your Petitioners therefore request that your honourable House:

(1) Repeal those sections of the law which discriminate against homosexual behaviour;

(2) end police harassment of homosexual men and women;

(3) extend protection of the Anti-Discrimination Act to homosexuality;

(4) ban discrimination against homosexual women and men by including educational institutions in the jurisdiction of the Anti-Discrimination Act.

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

Petitions, lodged by Mr Degen and Mr Miller, 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 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 recreation 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. (For example, 73 per cent of all current venereal 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 Mair, 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) Legalization of homosexual unions as a recognized marriage between two males or two females.

(2) Adoption of children by homosexual or lesbian partners. Such adoptions would be a denial of the basic right of the child to have the love of a male father and female mother.

(3) Acts of sodomy in private or public. (Note: Sodomy is the unnatural, immoral, 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 would encourage public solicitation of adults and particularly children in leisure and recreational areas as well as at schools and other educational institutions.

We therefore request that the following steps be taken:

(1) The complete rejection of Mr Petersen's private member's bill to legalize sodomy (buggery) which would allow the legal promotion of this activity and public solicitation to take part in the unhealthy, unnatural, abnormal and immoral act of sodomy.

(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 cases are homosexually transmitted).

(3) The prohibition of any films, materials, books, such as "Young, Gay and Proud" or "Homosexual Kits" in State schools, which undermine the family and marriage by falsely presenting homosexual behaviour as a harmless valid alternative lifestyle and so divide our society in every public area of life into heterosexual and homosexual activity on the false basis of equality.

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.

Petitions, lodged by Mr Akister, Mr Boyd, Mr Brewer, Mr Crabtree, Mr Knowles, Mr Ramsay, Mr Rogan, Mr Schipp, Mr Singleton, Mr Smith, and Mr Whelan, received.

Community Nursing Services

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

That the community health programme has made an enormous contribution to the health and well-being of our community. The community nursing services, generally, baby health and child health, are able to make a particularly valuable contribution to a new and expanding community by offering a wide range of easily accessible services.

Your Petitioners therefore humbly pray that your honourable House take action:

(1) to ensure the continuation of all community nursing services;

(2) to expand community nursing services to ensure services to developing communities.

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

Petition, lodged by Mr Johnson, received.

QUESTIONS WITHOUT NOTICE

LIDDELL POWER STATION

Mr BOOTH: On 30th November the Leader of the Country Party asked a question about generators at Liddell power station. There is a substantial body of engineering opinion that the problems at Liddell power station point to design deficiencies. That opinion was expressed by the Minister for Energy, Minister for Water Resources and Vice-President of the Executive Council, and the honourable member for Upper Hunter, the Country Party spokesman on energy and water resources, who was the first person in this Parliament to express the view that the difficulties at Liddell were the result of design faults. On 24th November he said:

I am informed that the present difficulties have been caused almost entirely by design faults in units manufactured by the General Electric Company in the United Kingdom.

He went on to say:

Because of design faults and other serious technical difficulties the State's major generators are likely to be out of action for about five to eight months.

Early inquiries of the Minister, senior engineering staff of the Electricity Commission, and the staff of Liddell power station elicited advice to the effect that the design deficiency was the most likely cause. However, inquiries are continuing. The statement by the managing director of GEC concerning the presence of oil in the generator windings is correct in part. At best, his comments can be regarded as speculative at this stage, and obviously he will defend his company's product.

It is correct that oil has been found on the end windings but the first laboratory tests on that oil do not provide grounds for the view that it was the cause of the Liddell faults. We need to examine whether there are design or other reasons for

the presence of that oil, but this Parliament has not been misinformed by me, the Minister in another place, or the honourable member for Upper Hunter. Their views coincide on the cause of the failure. The allegation that the lack of maintenance during the past five years caused the problems on the generators at Liddell cannot be sustained.

The House needs to have in mind the fact that when the New South Wales Labor Government was elected in 1976 there was a substantial backlog in maintenance at Liddell due to the deplorable industrial relations approach of the Askin Government in the early 1970's—the first five years of operation of the Liddell station. The new industrial relations policies adopted by this Government resulted in a striking improvement in the standard of maintenance and the standard of reliability of the commission's plant generally, including Liddell. I draw attention also to what the honourable member for Upper Hunter said in this connection as recently as 24th November:

> It could well be that the failures of the generators are not the result of lack of maintenance or the commission's mismanagement.

When the examination of all aspects of the failure is completed, one hopes the exact problems will be established. I should add that the Electricity Commission of New South Wales has the assistance of a group of highly experienced design engineers examining this problem. The group includes engineers from the commission, General Electric Company in Australia and the United Kingdom, as well as outside independent engineers, including the University of New South Wales.

POLICE INTERNAL AFFAIRS BRANCH

Mr WRAN: Yesterday during question time the Leader of the Opposition moved an urgency motion in which, among other things, he referred to a matter which he alleged he had raised personally with Assistant Commissioner Whitelaw involving threats that had been made against him. He complained that the assistant commissioner and the internal affairs branch of the Police Department had done nothing about it. My colleague the Minister for Police and Minister for Services, having regard to the seriousness of the allegation in the context in which it was made, sought advice from the Commissioner of Police. My colleague has been kind enough to furnish me with the response of the Commissioner of Police which I think, as a matter of propriety, should be conveyed to the House without delay. The response is addressed to the Minister for Police and Minister for Services in these terms:

> I have conferred with recently retired Senior Assistant Commissioner Whitelaw and he advises me that in December, 1980 (17th), with now retired Chief Superintendent Keith Paull of the Police Internal Affairs Branch, he interviewed Mr John Dowd at Police headquarters. That interview lasted for approximately two hours and was conducted on a confidential basis.
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> During the discussion Mr Dowd mentioned a very wide variety of matters affecting both Police and politicians and referred to a type of threat which had been conveyed to him. However, he requested that the person who had conveyed the threat to him not be interviewed and indeed that no further action be taken in the matter. He was just bringing the matters to Police attention.
>
> Mr Dowd stated that the information he had conveyed to the two Officers was "scuttle-buck and hearsay". Towards the conclusion of the interview Mr Whitelaw asked Mr Dowd what he considered could be done in relation to the information which he had conveyed about the alleged threats and he replied nothing except to watch a certain person and his associates.

Mr Dowd: That is right.

Mr WRAN: The letter continued:

> Mr Whitelaw recalls that towards the end of the interview Mr Dowd indicated to him that he did not expect anything to occur but he was passing on the information so that Mr Whitelaw would be forwarned.
>
> Mr Whitelaw states that since 17 December, 1980 he has seen and spoken with Mr Dowd at a number of social functions and never on any of those occasions has Mr Dowd asked him the outcome of or referred to the matters mentioned by him on 17 December. Further Mr Dowd has furnished communications to Mr Whitelaw in regard to various matters but no mention was ever made in those communications to this particular interview.

Yours sincerely,

James T. Lees,

Commissioner.

I thought I should bring that matter to the notice of the House to give honourable members some basis perhaps for further judging the integrity of the Leader of the Opposition.

Mr Dowd: Mr Speaker, I wish to reply to the ministerial statement.

Mr SPEAKER: Order! I listened intently to the Premier and Minister for Mineral Resources. He did not state any government policy. I rule that it was not a ministerial statement. The Premier was making a brief explanation on something that was spoken about earlier.

VOTE OF CENSURE

Urgency

Mr DOWD (Lane Cove), Leader of the Opposition [10.42]: I move:

> That it is a matter of urgent necessity that this House should forthwith consider the following motion, viz.:
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> That it is a matter of urgent necessity that this House should forthwith consider Notice of Motion No. 1 of General Business on the Notice Paper for Today.

If ever there was evidence of the need for a censure motion to be dealt with forthwith it is the evidence constituted by the statement just made by the Premier and Minister for Mineral Resources over serious matters that I took to Assistant Commissioner Whitelaw. The Premier admitted that when a member of Parliament is threatened, he is entitled to have that matter investigated. I deny that I asked that no further action be taken in the matter to which he referred. I said that I expected nothing to occur as a result of any investigations. That is precisely what happened. When a member of the Parliament gives information to an officer of the police internal affairs branch and to the assistant commissioner, he is entitled to have that matter investigated. The honourable member is entitled to a formal reply. In this way all honourable members would know that if they receive a threat and report the matter to the police, it will be taken seriously.

Of course I did not mention the matter at social functions at which I met Assistant Commissioner Whitelaw. I do not reflect on the way in which Assistant Commissioner Whitelaw has conducted the matter, except where he has not presented correctly the statements that I made to him. As a police officer he has an obligation to inform the Commissioner of Police. The internal affairs branch had an obligation to carry that matter further.

Mr Sheahan: What about urgency?

Mr DOWD: I thank the Minister for the reminder. The censure motion deals with the Government's conduct of business in this House. It seeks to censure the Premier and Minister for Mineral Resources and the Minister for Police and Minister for Services for trifling with question time. The way question time is being dealt with by the Government is symptomatic of the way in which this Parliament is run. Question time is the time when Ministers should give information in reply to questions asked of them. Each time the Minister for Police and Minister for Services is asked a question, he asks honourable members to supply him with the information and then answers the question. That is nonsense.

The matter is urgent because of the impending closure tomorrow of the parliamentary session, which allows of only one more day before the House resumes in February for these matters to be dealt with. These matters have been referred to the tribunal that hears allegations of police misconduct. The Parliament has not been told, nor is it on notice, what has been referred specifically to that tribunal. The Parliament will not find out until the tribunal is convened. The seriousness of the position of Deputy Commissioner Allen is evidenced by the reaction of the press to the fact that the Minister for Police and Minister for Services cannot make an announcement even about the suspension of Deputy Commissioner Allen. One has to learn it from the man who has been suspended. Neither the Premier, who is usually most articulate in this place, nor the Minister for Police and Minister for Services has made the announcement; it has been left to the person who has been suspended to make a statement to the press. This is most extraordinary. When the Premier is asked a question he says, "Do not ask me, ask the Minister for Police." When one asks the Minister for Police, he then says, "Do not ask me, ask the commissioner." When one goes to the Commissioner for Police, he says, "No comment." The Premier and the Minister for Police are trying to hide behind the integrity and reputation of Commissioner Lees.

[*Interruption*]

Mr SPEAKER: Order! I call the Minister for Police and Minister for Services to order.

Mr DOWD: We have never attacked the commissioner's integrity. Neither the Premier nor the Minister for Police can continue to hide at question time behind the Commissioner of Police. The commissioner is head of the police force, not the Minister. I criticize the Commissioner of Police to the extent that he is not making statements himself. He has an obligation to the police force; he is its spokesman. He ought to know that he cannot condone the action of the Minister in preventing the release of information by not speaking out himself. If the Premier and the Minister will not answer, the Parliament is entitled to have the Commissioner of Police give the answers. At question time there has been a barrage of unanswered questions. The sorts of matters that concern me are that the Premier, who was formerly responsible for police, and his successor for that responsibility, a former Minister, both made appointments; they both accelerated the advancement of Deputy Commissioner Allen. The Premier even decided the duties that Deputy Commissioner Allen would undertake.

I remind the House that the former Commissioner of Police, Merv Wood, had a public fight with the former Minister responsible for the police force over the fact that the Premier—contrary to the police rules—had decided what Deputy Commissioner Allen would do. Recommendations were made to the Government that Mr Mervyn Wood be appointed Commissioner of Police. The Government took the responsibility for that appointment, even though the Premier said he did not make it. Everyone knows that he backed the appointment of Merv Wood in the same way that he backed the appointment of Deputy Commissioner Allen.

In June last year a report was made about Deputy Commissioner Allen in respect of a starting price bookmaking operation at Gardiners Road, Mascot. That complaint was made by Superintendent Baret, who was at that time the superintendent responsible to Deputy Commissioner Allen. The names of Deputy Commissoner Allen and Superintendent McNeil were mentioned as persons who were giving protection in respect of that operation. That matter was referred to the Commissioner of Police and other senior officers. There has been no public acknowledgement that an investigation took place. The Parliament is entitled to know whether any investigation has taken place.

The crux of the matter is that this Government can appoint senior policemen to positions of authority without even knowing whether they are under investigation. The answers that we got yesterday—or did not get in most cases—from the Premier and from the Minister for Police show that the Government does not know how to run the police force. Although they may check out other people about appointments, they do not check out the senior officers.

The Opposition is entitled to an explanation of all the matters raised in this Parliament. The Minister for Police and Minister for Services constantly refuses to answer questions asked of him. The Opposition asked the Minister about two Ministers being involved with a criminal figure. He gave a smart alec answer, as he usually does, and said he could not ask everyone who attended Randwick racecourse. He could have asked the other seventeen Ministers about who was involved. Everyone in this place knows the Ministers concerned, but the Minister for Police and Minister for Services does the cute thing and tells the House that he cannot go and ask the persons who were at the racecourse.

Instead of asking the Commissioner of Police which police officers are under investigation, the Minister says that he cannot ask the 9 000 police officers in the force. That is arrant nonsense. He knows that evidence has been given before the Stewart Royal commission that twenty police officers are under investigation. He knows that three investigations have been taken away from the Stewart Royal commission and left with assistant commissioner Abbott. In what state is the police force of New South Wales if twenty police officers are under investigation, if evidence of that fact can be given to a Royal commission but this Parliament cannot be told which officers are concerned because the Minister for Police refuses to answer questions?

The Parliament is entitled to have the Minister's replies to the questions asked by Opposition members. Question time is being abused. The Minister for Police and Minister for Services should tell the House why he and the Premier and Minister for Mineral Resources refuse to give the Parliament information in accordance with the Westminster tradition. The Minister for Police said that I was attacking the Commissioner of Police. The only comment I make about the Commissioner of Police is that if the Minister will not speak out, the commissioner has an obligation to do so. The commissioner can answer for himself, if the Minister tries to hide the matter. The Minister for Police and Minister for Services and the Premier and Minister for

Mineral Resources try to hide behind officers like Superintendent Ralph Masters, who is a man of tremendous integrity and ability. In no way could my remarks be taken as being critical of such officers or a reflection on the ability and integrity of the commissioner. In my view the commissioner is wrong in failing to speak out when the Minister tries to muzzle question time.

The House is entitled to have answers to the questions that have been asked. Members are entitled to have the Parliament express a view on whether it is satisfied with the way question time is conducted, when the Premier and Minister for Mineral Resources cannot answer questions and passes the buck whenever it suits him. The Premier and Minister for Mineral Resources picks up the buck when he thinks he will gain some political advantage. However, he keeps himself busy distancing himself from the Allen affair and his personal involvement with Deputy Commissioner Allen's advancement, trying to make sure that he does not incur any political opprobrium. It is urgent that this matter be dealt with so that the Parliament——

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

Mr WRAN (Bass Hill), Premier and Minister for Mineral Resources [10.52]: The obvious misbehaviour and misconduct of the Leader of the Opposition in the past few days ought not be countenanced by the Parliament. He has engaged in the clearest abuse of the parliamentary process. What he said this morning about various members of the House was riddled with inaccuracies and falsehoods. Allegations come from the Leader of the Opposition like water from a dripping tap. I refer honourable members to the remarks I made yesterday. Urgency is refused.

Question of urgency put.

The House divided.

Ayes, 29

Mr Arblaster	Mr Fisher	Mr Punch
Mr Boyd	Mrs Foot	Mr Rozzoli
Mr Brewer	Mr Greiner	Mr Schipp
Mr J. H. Brown	Mr Hatton	Mr Singleton
Mr Cameron	Mr Mack	Mr Smith
Mr Caterson	Dr Metherell	Mr West
Mr J. A. Clough	Mr Murray	Mr Wotton
Mr Collins	Mr Park	*Tellers,*
Mr Dowd	Mr Peacocke	Mr Fischer
Mr Duncan	Mr Pickard	Mr T. J. Moore

Noes, 64

Mr Akister	Mr Christie	Mr Ferguson
Mr Anderson	Mr Cleary	Mr Gabb
Mr Aquilina	Mr R. J. Clough	Mr Gordon
Mr Bannon	Mr Cox	Mr Haigh
Mr Beckroge	Mr Crabtree	Mr Hills
Mr Bedford	Mrs Crosio	Mr Hunter
Mr Booth	Mr Day	Mr Jackson
Mr Bowman	Mr Debus	Mr Johnson
Mr Brading	Mr Degen	Mr Keane
Mr Brereton	Mr Durick	Mr Knight
Mr Cahill	Mr Egan	Mr Knott
Mr Cavalier	Mr Face	Mr McCarthy

Mr McGowan	Mr Page	Mr Walker
Mr McIlwaine	Mr Petersen	Mr Walsh
Mr Maher	Mr Quinn	Mr Webster
Mr Mair	Mr Ramsay	Mr Whelan
Mr Miller	Mr Robb	Mr Wilde
Mr H. F. Moore	Mr Rogan	Mr Wran
Mr Mulock	Mr Ryan	
Mr Neilly	Mr Sheahan	*Tellers,*
Mr O'Connell	Mr A. G. Stewart	Mr Mochalski
Mr Paciullo	Mr K. J. Stewart	Mr Wade

Question so resolved in the negative.

Motion of urgency negatived.

QUESTIONS WITHOUT NOTICE
(Resumed)

CAMPBELL COMMITTEE REPORT

Mr BOWMAN: I invite the Treasurer's attention to the recently released Campbell report and ask him whether he has considered the main features of it, which have particular significance to New South Wales. Has the State Government taken any action to ensure that this hefty document, with several hundred recommendations, will be fully assessed, and its implications thoroughly canvassed?

Mr BOOTH: I thank the honourable member for Swansea for his question and for the interest he has shown in this matter, which will certainly have important implications for New South Wales. I should make reference to the lack of concern by members of the Opposition about the Campbell report. I have been holding back members of my own party from asking questions because, as it is the most important financial document that has been placed before the public for many years, I thought a member of the Opposition may come forward and for once get his feet out of the gutter, instead of asking such questions as the honourable member for Northcott asked last week, when he made a personal attack upon the wife of the Attorney-General, Minister of Justice and Minister for Aboriginal Affairs.

The Opposition continually moves urgency motions and asks questions on crime, but on something that is fundamental to the financial arrangements for the future, not only in New South Wales but also Australia, not one question has been asked by an Opposition member. There has been no intimation of any sense of responsibility about the financial affairs of New South Wales. That may be just a further revelation of inactivity on the part of the Opposition and division within the Liberal Party over the Campbell report, division in the coalition between the Liberal Party and the Country Party, with the Prime Minister and the federal Treasurer on one side, and the Deputy Prime Minister on the other, making counter-allegations about the report.

The New South Wales Government is anxious to ensure that the arguments set out in the Campbell report are given the utmost consideration. For that reason the Government has re-established the New South Wales committee which advised the Government on the submissions that were made to the inquiry on behalf of this State. Contrary to what the Premier of South Australia said when he claimed that South Australia was the only State to submit any sort of report to the Campbell committee, I point out that New South Wales also made a submission. That committee is not

made up of backroom boys; the people who serve on the committee have day-to-day experience in at least one of the many facets covered by the Campbell report recommendations. They are on the giving side as well as the receiving side. The report has far-reaching implications for the State Government as well as for the federal Government. Of particular interest to New South Wales are the recommendations concerning the Government Insurance Office, the State Bank and stamp duty. The Campbell committee favours selling the Government Insurance Office. If it is retained the committee advocates that the Government Insurance Office should be put on the same footing as private companies, paying an additional fee to offset marketing advantages, and that Government insurance business should be put out to tender.

I make no apologies for the existence of the Government Insurance Office today in New South Wales or the range of its activities. The New South Wales Government Insurance Office operates on a fully commercial basis—paying the equivalent of income tax, land tax and rates. An analysis of some of the statistics indicates just how important the GIO is. As the largest general insurer in Australia it aims to provide the best insurance for the people and corporations of New South Wales—best, being judged on the basis of product, premium and service. The fact that 4 million policyholders use the GIO, and have invested funds totalling more than $1,400 million, demonstrates that the services it provides are meeting a real need. The GIO's life assurance business is expanding at about 25 per cent per annum and sums assured total more than $1,000 million.

Today the GIO is a market leader in the insurance industry in New South Wales and provides a competitive insurance service through twenty-nine branches. The real measure of its success is reflected in the number of satisfied customers, confidence in its activities, and acceptance of its wide range of services. The GIO has about 20 per cent of the householder and comprehensive motor vehicle insurance markets in New South Wales and is the second largest in both fields. It has attained this position by open competition. Because private enterprise has opted out of the third party insurance field, the GIO now has 97 per cent of motor vehicle third party insurance business. It stands on its achievements.

The Campbell committee has indicated that State banks would no longer be justified: but if retained they should meet all charges and pay dividends as if a private bank, with a special levy to be paid to neutralize any benefits arising from Government ownership. I should like to make two brief points in relation to the State Bank in New South Wales. The State Bank already pays 50 per cent of its profits to the Treasury—roughly equivalent to income tax. Second, this Government has played a major role in facilitating the reconstitution of the bank to promote the industrial development of New South Wales. The end result of the Government's moves will be a more vigorous and enterprising bank. Also, amendments are before the House to make the bank more in line with the Commonwealth Bank. The Campbell report further recommended establishment of a uniform system of stamp duty on financial transactions. At this stage proposals for a uniform across-the-board duty on all loan transactions are under extensive study.

The State Government's co-ordination committee will be reporting on these matters and the other major issues the report raised. I should be greatly disturbed if, in pursuing the completely market-oriented approach, which the Campbell committee so specifically expounds, governments found themselves incapable of coping with the consequences in terms of effects on people. I need merely mention the housing and rural sectors and the borrowing needs of the public sector to illustrate my point. I am not convinced that the federal Government has the capacity or indeed the power to deal with the consequential effects that could apply differently in individual States

or sectors of the economy. Also I have reservations about relying on market forces in such a relatively thin market that exists in Australia, and a market which is so sensitive to international influences.

I note that the Campbell report has been quite critical of costs imposed by the existing regulated system; it has been unable to demonstrate with equal strength the advantages that a completely unregulated system would bring. In conclusion I say that the Government acted promptly to appoint the co-ordination committee—as the media were quick to point out—and ahead of the Opposition. This committee will be reporting on all the matters I have raised. It would be presumptuous of me to try to indicate what the Government's final considered response will be. However, as Treasurer, I certainly will be looking closely at the implications for the people of this State.

ABATTOIRS

Mr DUNCAN: I direct my question without notice to the Treasurer. Is it a fact that the meat processing industry in this State is passing through a period of severe financial problems? Did the Government in introducing the Budget increase payroll tax and, if so, were the increases directed at large labour intensive industries? Will the Treasurer state whether he intends to give some relief to abattoirs which will be seriously affected by the impost? Will he, as a matter of urgency, give consideration to exempting abattoirs from payroll tax—if not completely, at least from the impost contained in the Budget—until that industry is no longer in difficulties?

Mr BOOTH: The 1 per cent payroll tax increase was introduced in this Parliament when the last Budget was delivered. The reason for its introduction was quite simple. New South Wales was deprived of $90 million which had been recommended by the Grants Commission. The decision to deprive this State of that money was made by the federal Government at the Loan Council meeting and was delivered at the Premiers' Conference. Strong opposition was registered by the New South Wales Government. We were being denied by the federal Government the money that the Grants Commission, after two years' consideration, had recommended be allocated to this State. The decision to deprive New South Wales of that $90 million was not expected by the Government, or by any of the other State governments which had been found in need of funds and yet had received amounts smaller than those recommended. None of those State governments had expected such a decision, one so disappointing to New South Wales.

Faced with an immediate shortage of $90 million—in a decision unexpected by this State, Victoria or Queensland—the money had to be found quickly. All the New South Wales Government has done has been to introduce legislation to raise $90 million. That is what the 1 per cent payroll tax will raise for New South Wales. We are not the only State that has found it necessary to introduce that legislation. Victoria did likewise when it was also confronted with a similar shortage of funds. All I can say to the honourable member for Lismore is that the legislation was introduced reluctantly. The decision was forced upon us when the federal Government did not accept entirely the recommendations of the Grants Commission. Unfortunately, there was no alternative, and the State Government had to introduce the measure. The increase formed part of the State Budget. It was necessary to raise those funds to meet expenditures already allocated in the Budget. The Budget will stand.

STATE SUPERANNUATION FUND

Mr JOHNSON: My question without notice is addressed to the Minister for Industrial Relations and Minister for Technology. Will the Minister tell this House whether the Government is contemplating major amendments to the State superannuation fund which provides retirement benefits for public servants and teachers? As I have been advised that some contributors may delay their retirement in expectation of new benefits, will the Minister say when such amendments may take place?

Mr HILLS: I shall answer separately the two parts of the question asked by the honourable member for Riverstone. First, for some time the Government has been examining ways in which the State superannuation fund can be amended to reflect in a better way current social and employment conditions. Some of the issues under consideration concern the removal of discrimination, particularly regarding women, the improvement of early retirement provisions, and the inclusion of provisions that will assist the mobility of employment in the public sector, and between the public and private sectors. The Government is attempting to adapt these improvements to the structure and design of the fund without increasing the long-term cost of the scheme to the Government or to the contributors. My answer to the second part of the honourable member's question is that, at this time, I cannot advise the House when these changes will take effect. However, they are certainly not imminent and those approaching retirement should not delay their retirement in expectation of some extra benefits. It is the Government's policy in all matters regarding superannuation to consult fully with the unions and the contributors involved.

In August I directed the superannuation advisory committee to release to the unions a summary of the terms under consideration, so that there could be informed discussion by contributors and unions about some of the important principles involved in the structural alteration of the fund. This summary has been widely published in various union journals. However, I emphasize that it was a discussion paper, not a firm proposal from the Government. I emphasize also, for the benefit of members and contributors to the fund, that the Government will not amend the superannuation scheme without a full and frank discussion with contributors and unions or without undertaking a detailed actuarial examination of the financial implications. I assure all contributors to the fund that no existing benefit entitlements will be down-graded.

I firmly advise any contributor who is approaching retirement to proceed in the normal manner, as the Government has no intention of introducing additional benefits before all the negotiations and actuarial studies have been completed. This process has just begun and it would be folly to believe that it will be completed quickly. As I said, I have sought consultation with the unions. The matter is being examined by the superannuation fund and the committee that I appointed. Major proposals are under consideration, but I remind honourable members that the funds available to the Government are not unlimited and the contributions of contributors are not unlimited. The Government is endeavouring to change the structure of the fund in a way that will not substantially increase contributions made by the Government or by contributors, but will ensure that the people to whom I have referred will get a fairer go than they are getting at present.

ADMISSIBILITY IN EVIDENCE OF STATEMENTS TO POLICE

Mr PETERSEN: My question without notice is directed to the Attorney-General, Minister of Justice and Minister for Aboriginal Affairs. Has the attention of the Attorney-General been invited to a speech that I made in this House on 18th

August, in which I alleged that in August 1979 three innocent young men were convicted of conspiracy on perjured evidence through the process known as police verbals? Has the Minister's attention been invited also to the proposed federal police code, which considerably restricts the circumstances in which statements of police officers may be accepted as evidence in a court of law? Will the Minister advise me and the House what steps are being taken to reform present law and practice in New South Wales on the subject of police verbals?

Mr WALKER: I thank the honourable member for his question. He is renowned in this Parliament for his concern about civil rights, and this is such an issue. Yes, I recall the speech he made in the Parliament and the subject matter of it. Yes, it is true that the Fraser Government has introduced into the federal Parliament legislation basically along the lines of the recommendations of the Australian Law Reform Commission and Mr Justice Kirby on the subject of admissibility of confessions obtained in certain circumstances by the police force federally. That important piece of legislation is under review by this Government. The criminal law review division of my department is closely studying the provisions of the Commonwealth Act, which of course must have an important bearing throughout Australia. I understand that all governments in Australia are looking carefully at the legislation with a view to making decisions about it.

As I have always said, one of the great difficulties about unsworn or unsigned statements is whether our technology is sufficiently advanced to provide the sort of solutions that Mr Justice Kirby and the other commissioners suggested. Another aspect is whether tape recordings and videotape recordings can be interfered with, or whether they can be designed in such a way that not only are they beyond question but also it is practical to operate the equipment to produce them throughout the State in small country police stations and other places and at all hours of the day. The cost of the suggested solution by videotaping and other taping of confessions will also have to be investigated thoroughly.

The police force is interested in this matter. Only yesterday I had private discussions with members of the police association, which is showing much interest in the ramifications of the federal legislation and the difficult problems posed by technology. All governments have been giving deep and lengthy consideration to the matter and the honourable member may rest assured that the New South Wales Government will do so as well.

BUILDING INSPECTORS DISPUTE

Mr PICKARD: Has the attention of the Minister for Industrial Relations and Minister for Technology been drawn to the fact that because of an industrial dispute within the Sydney County Council, many young couples suffer hardship through being unable to take up occupancy of new homes because electricity has not been connected or because building inspectors' approval has not been given to the new building? As a result of the delay are young couples obliged to pay large amounts of money in rents for their old homes? Further, are small businesses unable to open suites in the new shopping centre at North Sydney, which the Premier and Minister for Mineral Resources opened last week? What action can the Minister take to help these young people by resolving the industrial problem involving Sydney County Council inspectors?

Mr HILLS: I am aware, as are all honourable members, of the industrial disputation taking place within the Sydney County Council. I have had discussions with the general manager of the Sydney County Council and the assistant secretary of the

Electrical Trades Union. The industrial dispute to which the honourable member referred should not have arisen. It should have been resolved by consultation between the Sydney County Council and its employees. I hope the dispute will be resolved quickly, for I am mindful of the matters raised by the honourable member. The employees of the Sydney County Council are carrying out certain work to ensure that there will not be a complete disruption of services in the Sydney county district. I shall continue my discussions with the county council and the employees with a view to resolving the dispute as quickly at possible.

WORLD WAR II STORAGE DUMPS

Mr DEBUS: Is the Minister for Health aware of recent reports suggesting that World War II storage dumps for mustard gas and phosgene bombs in the Blue Mountains were not adequately decontaminated when they were closed in 1946? Has the Health Commission investigated the possible incidence in the region of cancer induced by chemical warfare material? Will the Minister give an undertaking that the Health Commission will monitor the incidence of cancer in the Blue Mountains, particularly bearing in mind the matters to which I have referred?

Mr BRERETON: I thank the honourable member for his question. I am aware of the media reports to which the honourable member referred. I understand they relate to community concerns linking the incidence of cancer of various kinds to the storage during World War II of poisonous gases in disused railway tunnels at Glenbrook. The specific concern of residents is that poisonous residues from the gases have leaked into drinking water supplies in the upper Blue Mountains. That claim was first raised by a specialist cardiologist, Dr J. F. England, practising in Katoomba. Subsequently it was examined by the carcinogenesis committee, which considered the claim to be unsubstantiated.

Health Commission Laboratory analysis of material removed from the site and identified by Dr England as the wartime gas dump revealed some metallic residues, mainly zinc and iron, but no toxic materials. The registrar of the Central Cancer Registry and the Professor of Epidemiology at the Commonwealth Institute of Health have examined the incidence of cancer in the upper Blue Mountains. They concluded that the rate of cancer incidence in the area does not appear to differ from the rate of occurrence in New South Wales as a whole, and that the clustering of cases that would be expected to occur near a carcinogenic source is not apparent. The Health Commission has informed me, therefore, that there is no particular cause for concern about the incidence of cancer in the Blue Mountains.

I hasten to assure the House that the rate of incidence of cancer in the Blue Mountains and other parts of New South Wales is monitored constantly by the Central Cancer Registry so that areas of high incidence can be identified and possible causes investigated. I have asked my officers to give the closest consideration to any additional evidence that may be brought forward in relation to the matter raised by the honourable member for Blue Mountains.

BURRAGORANG VALLEY COAL

Mr BRADING: I direct my question without notice to the Minister for Industrial Relations and Minister for Technology. Is he aware of the concern expressed by the combined mining unions of the Burragorang Valley coalfields, particularly over the need to establish a co-ordinating working party to examine industrial relations and working conditions involved in the transport and loading of coal in the Burragorang

Valley? Will the Minister assure the House that such a committee will be set up as soon as possible and that it will include representatives of all interested unions and the Maritime Services Board, as employer at the loading point?

Mr HILLS: I am aware of the concern expressed by the combined mining unions of the Burragorang Valley coalfields. On 6th November, with my colleague the Minister for Transport, I attended a meeting held to discuss problems associated with the transport of coal from the Burragorang Valley coalfields to the Port Kembla coal loader. Present at that meeting were representatives of the combined mining unions, the Transport Workers Union, Camden council and other interested parties. During discussion the terms of the resolution passed recently by the combined unions were brought to my attention. The resolution sought my assistance in convening a meeting of maritime unions and combined mining unions from the valley collieries to discuss industrial problems at the Port Kembla coal loader. Prior to arranging such a conference I have written to the Labor Council of New South Wales drawing attention to the resolution.

[*Interruption*]

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

Mr HILLS: Any measure that may result in improved industrial relations at Port Kembla will receive my wholehearted support. Harmonious relations can be achieved only by full and proper consultation with all interested parties. For that reason, as I have intimated, I have already taken action to ensure that a working party such as that envisaged by the honourable member for Camden is formed. The House may be assured that I shall do everything possible to have the committee meet at an early date. The committee will have on it representatives of all interested unions and the Maritime Services Board.

REPRESENTATIVE OF THE LEGISLATIVE ASSEMBLY ON THE COUNCIL OF THE UNIVERSITY OF NEW SOUTH WALES

Motion (by Mr Mulock) agreed to:

That the Honourable Laurence John Brereton, Member for Heffron, be elected as the representative of the Legislative Assembly on the Council of the University of New South Wales in pursuance of the provisions of section 8 of the University of New South Wales Act, 1968.

REPRESENTATIVE OF THE LEGISLATIVE ASSEMBLY ON THE COUNCIL OF THE MACQUARIE UNIVERSITY

Motion (by Mr Mulock) agreed to:

That Garry David McIlwaine, Member for Ryde, be elected as the representative of the Legislative Assembly on the Council of the Macquarie University in pursuance of the provisions of section 10 of the Macquarie University Act, 1964.

REPRESENTATIVE OF THE LEGISLATIVE ASSEMBLY ON THE COUNCIL OF THE UNIVERSITY OF NEWCASTLE

Motion (by Mr Mulock) agreed to:

That Samuel Barry Jones, Member for Waratah, be elected as the representative of the Legislative Assembly on the Council of the University of Newcastle in pursuance of the provisions of section 10 of the University of Newcastle Act, 1964.

REPRESENTATIVE OF THE LEGISLATIVE ASSEMBLY ON THE COUNCIL OF THE UNIVERSITY OF WOLLONGONG

Motion (by Mr Mulock) agreed to:

That the Honourable Lawrence Borthwick Kelly, Member for Corrimal, be elected as the representative of the Legislative Assembly on the Council of the University of Wollongong in pursuance of the provisions of section 15 of the University of Wollongong Act, 1972.

REPRESENTATIVE OF THE LEGISLATIVE ASSEMBLY ON THE SENATE OF THE UNIVERSITY OF SYDNEY

Motion (by Mr Mulock) agreed to:

That Rodney Mark Cavalier, Member for Gladesville, be elected a Fellow of the Senate of the University of Sydney as the representative of the Legislative Assembly in pursuance of the provisions of section 7 of the University and University Colleges Act, 1900.

REPRESENTATIVE OF THE LEGISLATIVE ASSEMBLY ON THE COUNCIL OF THE UNIVERSITY OF NEW ENGLAND

Motion (by Mr Mulock) agreed to:

That William John Patrick McCarthy, Member for Northern Tablelands, be elected as the representative of the Legislative Assembly on the Council of the University of New England in pursuance of the provisions of section 10 of the University of New England Act, 1953.

CRIMES (SEXUAL OFFENCES) AMENDMENT BILL

Precedence of Business

Mr WALKER (Georges River), Attorney-General, Minister of Justice and Minister for Aboriginal Affairs [11.32]: I seek leave of the House to move a motion to suspend standing orders to consider forthwith Order of the Day No. 1 of General Business on the business paper for today.

Mr SPEAKER: Is leave granted?

[*Interruption*]

Mr SPEAKER: Order! I shall put the question again and ask for a clear, precise answer to it. Is leave granted?

Mr T. J. Moore: No.

Urgency

Mr WALKER (Georges River), Attorney-General, Minister of Justice and Minister for Aboriginal Affairs [11.33]: As the Opposition is being churlish in the matter, I move:

> That it is a matter of urgent necessity that this House should forthwith consider Order of the Day No. 1 of General Business on the Notice Paper for today.

Question put.

The House divided.

Ayes, 65

Mr Akister	Mr Face	Mr Mulock
Mr Anderson	Mr Ferguson	Mr O'Connell
Mr Aquilina	Mr Gabb	Mr Paciullo
Mr Bannon	Mr Gordon	Mr Page
Mr Beckroge	Mr Haigh	Mr Petersen
Mr Bedford	Mr Hatton	Mr Quinn
Mr Booth	Mr Hills	Mr Ramsay
Mr Bowman	Mr Hunter	Mr Robb
Mr Brading	Mr Jackson	Mr Rogan
Mr Brereton	Mr Johnson	Mr Ryan
Mr Cahill	Mr Jones	Mr Sheahan
Mr Cavalier	Mr Keane	Mr A. G. Stewart
Mr Christie	Mr Knight	Mr K. J. Stewart
Mr Cleary	Mr Knott	Mr Walker
Mr R. J. Clough	Mr McCarthy	Mr Walsh
Mr Cox	Mr McGowan	Mr Webster
Mr Crabtree	Mr McIlwaine	Mr Whelan
Mr Day	Mr Mack	Mr Wilde
Mr Debus	Mr Maher	Mr Wran
Mr Degen	Mr Mair	*Tellers,*
Mr Durick	Mr Miller	Mr Mochalski
Mr Egan	Mr H. F. Moore	Mr Wade

Noes, 27

Mr Arblaster	Mr Fisher	Mr Schipp
Mr Boyd	Mrs Foot	Mr Singleton
Mr Brewer	Mr Greiner	Mr Smith
Mr J. H. Brown	Dr Metherell	Mr West
Mr Cameron	Mr Murray	Mr Wotton
Mr Caterson	Mr Park	
Mr J. A. Clough	Mr Peacocke	
Mr Collins	Mr Pickard	*Tellers,*
Mr Dowd	Mr Punch	Mr Fischer
Mr Duncan	Mr Rozzoli	Mr T. J. Moore

Question so resolved in the affirmative.

Motion of urgency agreed to.

Suspension of Standing Orders

Mr WALKER (Georges River), Attorney-General, Minister of Justice and Minister for Aboriginal Affairs [11.35]: I move:

That so much of the Standing Orders be suspended as would preclude consideration forthwith of Order of the Day No. 1 of General Business on the Notice Paper for Today.

Question put.

The House divided.

Ayes, 66

Mr Akister	Mr Face	Mr O'Connell
Mr Anderson	Mr Ferguson	Mr Paciullo
Mr Aquilina	Mr Gabb	Mr Page
Mr Bannon	Mr Gordon	Mr Petersen
Mr Beckroge	Mr Haigh	Mr Quinn
Mr Bedford	Mr Hatton	Mr Ramsay
Mr Booth	Mr Hills	Mr Robb
Mr Bowman	Mr Hunter	Mr Rogan
Mr Brading	Mr Jackson	Mr Ryan
Mr Brereton	Mr Johnson	Mr Sheahan
Mr Cahill	Mr Keane	Mr A. G. Stewart
Mr Cavalier	Mr Knight	Mr K. J. Stewart
Mr Christie	Mr Knott	Mr Walker
Mr Cleary	Mr McCarthy	Mr Walsh
Mr R. J. Clough	Mr McGowan	Mr Webster
Mr Cox	Mr McIlwaine	Mr Whelan
Mr Crabtree	Mr Mack	Mr Wilde
Mrs Crosio	Mr Maher	Mr Wran
Mr Day	Mr Mair	
Mr Debus	Mr Miller	
Mr Degen	Mr H. F. Moore	*Tellers,*
Mr Durick	Mr Mulock	Mr Mochalski
Mr Egan	Mr Neilly	Mr Wade

Noes, 27

Mr Arblaster	Mr Fisher	Mr Schipp
Mr Boyd	Mrs Foot	Mr Singleton
Mr Brewer	Mr Greiner	Mr Smith
Mr J. H. Brown	Dr Metherell	Mr West
Mr Cameron	Mr Murray	Mr Wotton
Mr Caterson	Mr Park	
Mr J. A. Clough	Mr Peacocke	
Mr Collins	Mr Pickard	*Tellers,*
Mr Dowd	Mr Punch	Mr Fischer
Mr Duncan	Mr Rozzoli	Mr T. J. Moore

Question so resolved in the affirmative.

Motion for suspension of standing orders agreed to.

Second Reading

Debate resumed (from 26th November, *vide* page 986) on motion by Mr **Petersen:**

That this Bill be now read a second time.

Mr ROGAN (East Hills) [11.42]: I shall be as brief as possible in speaking to the bill for I appreciate that the Government is concerned to have the business of the House concluded as quickly as possible. I support the bill, which is designed to bring reform into an area that has, regrettably, been neglected by governments and parliaments for too long. In supporting the reform inherent in the bill introduced by the honourable member for Illawarra, I make it clear that I neither condone nor condemn the homosexual lifestyle. I do not understand why homosexual persons adopt such a lifestyle. For that reason, I am not in a position to pass judgment. The fact is—and this has been referred to by other members in this debate—that homosexuality has been with us since early mankind, and that can be verified by documentary evidence. As a person who believes in the democratic process, I cannot vote against a measure which has as its purpose the stated aim of providing equality before the law to a section of our society who have hitherto been denied such equality.

I have listened with interest to the various contributions made in this debate, in which twenty-six honourable members have taken part. Though some of the arguments for and against have been repeated by various members, the debate—with some notable exceptions—has been marked by the thoughtful and constructive contributions. Honourable members have advanced a number of different arguments on this controversial measure. My purpose in speaking in this debate is to indicate my support for long overdue reform in this controversial area and my opposition to the provision of the bill that would fix the age of consent between homosexual males as sixteen years. Should the bill pass the second reading stage, it is my intention in Committee to support the amendment proposed by the honourable member for Campbelltown. Should some members believe that my call for equality before the law is inconsistent with my intention to support the lower age of consent for male homosexuals, I state clearly that I believe the present age of consent for females—which is sixteen years—is also too low.

Like other members, I have received a great deal of correspondence in respect of this measure. Some of it does not even merit consideration, relying, as it does, on fear, distortion, gross misrepresentation and outright deceit. But one must take into account those letters that indicate the genuine concern of the authors that reform of the law will lead to the lowering of moral standards. In general terms many of those persons refer to the Bible. Obviously they are serious thinking and caring people, and I have considered carefully the arguments they have advanced. In considering the case they have advanced, I have read as much material as I have been able to obtain on the results of homosexual reform measures enacted in other States and in other countries. Homosexual law reform in Australia is well behind that in many developed countries in the western world. During the past twenty years about half the States in the United States of America have enacted similar legislation, as have Canada, the United Kingdom, South Africa, some European and Scandinavian countries. In countries where such law reform has been enacted a discernible lowering of moral standards has not taken place. We must expect divisions within our society when moves are made to introduce homosexual law reform. There will always be rational and irrational opposition to such measures. Even within the churches, where a lot of the rational opposition emanates, divisions are common.

I read with interest an article headed "Homosexual Bill Divides Anglican Church Opinion" published in the *Australian* newspaper on 23rd November. The article quotes a church leader in the United States of America who condemns bitterly legislation designed to decriminalize homosexuality. In fact that condemnation was forthcoming only a month after the synod of his church voted to admit homosexuals to membership of its congregation. The article referred to the synod of the diocese of Newcastle, where the church voted to support any move in New South Wales to decriminalize homosexuality between consenting adults. Moreover, it supported moves to give homosexuals full church membership. The support of the recommendation followed a 2-year investigation by a synod subcommittee. I understand that there are some twenty-five Anglican dioceses in Australia, all independent of each other and free to make their own internal recommendations.

Honourable members would have received correspondence from E. A. Chaples, Ph.D., the senior lecturer in government at the University of Sydney. Dr Chaples wrote to the effect that he has been involved in extensive work on expressions of public opinion. Most of his post-graduate work focused on survey, methodology and empirical analysis at the University of Massachusetts and the University of Kentucky. Dr Chaples referred also to special training he took in sample survey methodology and statistical analysis at the survey research centre of the University of Michigan and at Johns Hopkin University before coming to Australia. He referred to several surveys he had carried out in some Sydney electorates between 1977 and 1981. One of Dr Chaples' continuing interests in those political surveys is public attitude towards homosexual law reform. Of the 2 500 electors surveyed in eight metropolitan electorates between March and September 1 162 voters were specifically asked about homosexual law and police treatment of homosexuals. Two-thirds of those electors approved of full legal equality for homosexuals. They favoured the repeal of anti-homosexual laws and they disapproved of the police having to enforce such laws. Between 20 per cent and 25 per cent of the public approved in varying degrees of anti-homosexual laws.

Dr Chaples' findings are fairly consistent with other public opinion surveys that have been carried out throughout Australia. The results of one such survey were reported in the *Sydney Morning Herald* in March 1978. The question asked was whether the law should treat male homosexuals, and heterosexuals and lesbian acts equally. Some 58.7 per cent of people in New South Wales said it should and only 29 per cent said no. From the results of these opinion poll surveys it is quite clear that a majority of people in New South Wales supports reform of the homosexual laws as they apply in this State. I note that in June the Chief Justice of the Family Court, Justice Elizabeth Evatt, said that she did not believe homosexual acts between consenting adults caused harm to society. Justice Evatt was addressing a public meeting attended by 200 people and called by the gay rights lobby group to discuss homosexuals and the law. Justice Evatt emphasized that she was speaking as the former chairman of the Royal Commission on Human Relationships, which was set up in 1974. Justice Evatt referred to the Royal commission recommendations of 1977, in particular that homosexual acts between consenting adults should no longer be made criminal and that homosexual offences should be the same as heterosexual offences so far as penalties and age of consent were concerned.

I said at the outset of my speech that I neither condone nor condemn the practice of homosexuality. I spoke of my lack of understanding why a sizeable section of our male society prefers a homosexual lifestyle to a heterosexual lifestyle. I referred the House to the Royal Commission into Human Relationships. I was interested in that section of the report that considered the causes of homosexuality. The report stated that a point often overlooked was that sexual characteristics are distributed unevenly and that few people are 100 per cent male or 100 per cent

female. Dr Court of the School of Social Sciences at Flinders University sent a submission to the Royal Commission on Human Relationships, which appeared in the report together with an appendix titled, "Homosexuality, a Scientific and Christian Perspective." It stated that it was no longer possible to consider that two categories of people exist, namely, homosexual and heterosexual. There is a continuation of sexual orientation rather than category. The report referred to medical opinions in this way:

> The medical profession and especially psychiatrists are not clear as to the nature of homosexuality. The Wolfenden report in England considered carefully the question and concluded: The evidence put before us has not established to our satisfaction the proposition that homosexuality is a disease. Contemporary psychiatric and psychological opinion similarly rejects the view that it is a disease.

During my research on the subject of homosexuality, I became interested in a paper prepared by a Marie Cunick, B.A.(Hons), of Macquarie University, delivered to a seminar on victimless crime at the Seymour Centre in February 1977. At the introduction of her paper she outlined what she termed to be the most quoted figures on the incidence of homosexuality. Those figures were of Dr Kinsey, a noted and respected world researcher on sexual matters, and his associates. Dr Kinsey claimed that 37 per cent of the total white male population had at least some overt homosexual experience. He claimed that some 10 per cent of male whites are more or less exclusively homosexual for at least three years between the ages of 16 and 55, and 4 per cent of white males remain exclusively homosexual throughout their lives. The Kinsey team found that the incidence of homosexuality among females was lower than for males. Marie Cunick reported further on a Morgan sex survey which indicated that 13 per cent of Australian women and 24 per cent of Australian men had engaged in adult homosexual experience, although 1 per cent said they were exclusively homosexual at that time. Mrs Cunick concluded that if these estimates were accurate a substantial proportion of Australians are subject to legal and social sanctions because of sexual proclivity.

Homosexuality will not go away by merely ignoring it. From the research and the reports to which I have referred it is obvious that a sizeable proportion of our male community have opted, for whatever reasons, for a homosexual lifestyle. As the law stands, these people are not guaranteed their rights under the law and they are not afforded equality of the law. The inequality of law is amply demonstrated by some of the violence that is perpetrated against homosexuals. It is interesting to note that in South Australia the incident that precipitated the introduction in that State of homosexual law reform was the murder in early 1980 of Dr Duncan, whose body was found in the Torrens River. How can any responsible member of this House allow such inequality to exist, knowing full well of the violence that is being perpetrated against homosexuals when they do not appear to have the full protection that the law should afford them? Clearly these inequalities should be completely unacceptable to responsible members of this House. Like other honourable members, I received a letter from Marsden Smith and Associates, solicitors and attorneys-at-law. The letter was signed by seven members of this law firm and it stated:

> The undersigned solicitors of this office call on all Members of Parliament to support the Petersen Bill on Homosexual Law Reform. We as solicitors have too often appeared in court for people whose lives have been wrecked by the irresponsible application of the law against homosexuals in this State. We have seen this law used unfairly and irresponsibly and we have seen it ruin many lives. We as lawyers in this community believe that

> all people should be equal before the law no matter their colour, creed, sex or sexuality.

Many honourable members said that they genuinely believe in and wish to have some reform of the law as it applies to homosexuality. If those honourable members are sincere in their views so far as reform is concerned, the measure before the House will afford them an opportunity to demonstrate those views. If the bill passes the second reading stage and proceeds to the Committee stage, the amendments foreshadowed by the honourable member for Campbelltown, which are acceptable to the honourable member for Illawarra, may be considered. If the measure passes through the Parliament, we as its members would be correcting a situation that is unacceptable to all responsibly-minded and thoughtful parliamentarians. I support the measure, with the reservations I have outlined.

Mr A. G. STEWART (Manly) [11.57]: I join in the debate much aware of the heavy workload that faces the Parliament. Many of the important issues have been thoroughly canvassed and I do not wish to repeat the many arguments that have been advanced. Nevertheless I wish to raise one or two points to make clear my reasoning as a whole, my philosophy is that one should not enact legislation that cannot be enforced. One must understand the intention of the legislation. Although one may be well-intentioned, one must ask oneself whether the intention will be carried to fruition, be enforced, and have the effect that one thinks it will. If these criteria are not met the legislation will lead to some kind of injustice.

Earlier in the debate the subject of confusing legality with morality was canvassed. We must acknowledge that they can be confused and that we should endeavour to avoid that confusion. I am well aware of the Christian ethic, which is the basis of our community at this stage in our history. It is fair to say that the Christian ethic almost universally would regard homosexuality as sinful and immoral. If one examines history one finds that most cultures have regarded homosexuality as sinful. It is fair to say also that almost all Christian denominations and theologians would subscribe to the doctrine of free will. One's religious progress through life is largely portrayed as a process of exercising this free will.

Mr Cameron: No good Calvinist should say that.

Mr A. G. STEWART: I am no Calvinist. I realize that there are exceptions, and I defer to those who follow the doctrines of Calvin. The mainstream of Christianity would subscribe to the doctrine of free will. Free will must apply to everyone. I have an obligation to follow my conscience in exercising my free will, but I must be careful also not to restrict anyone else in his exercise of free will. It is important to examine one's conscience and consider the effects of legislation when determining whether the opportunity to exercise free will can be maintained. One must be wary of casting the first stone. That passage of the Gospel has been mentioned by several members in their contributions to this debate. The Gospel emphasizes the need to have compassion and understanding. The Roman Catholic Archbishop of Sydney, Cardinal Sir James Freeman, said:

> The church regards homosexual acts as immoral, but it also wishes to understand and to help homosexuals.

That should be the guiding philosophy behind our consideration of this measure. Having decided whether legislation can be enforced, one must then consider the penalties to be applied. As honourable members have heard repeatedly in this debate, the maximum penalty for homosexuality between males is fourteen years' penal servitude. History contains many examples of homosexuals who have been prominent in

society and contributed greatly to their various societies, for example, Michelangelo, who was the architect of St Peter's, the very cornerstone of Christendom; Proust; André Gide; Oscar Wilde; T. E. Lawrence; Somerset Maugham; and in our own day and age, Patrick White. Does anyone suggest seriously that any of those persons should have been sentenced to fourteen years' penal servitude? I do not suggest that any of them, like Saint Augustine, has seen the true path and recanted. But whatever their personal morality, they contributed something to society, and after all, we legislate for the good of society. Whatever one thinks of those persons and their philosophies one should bear in mind that they did contribute something to society, and treat them with compassion and understanding.

It is fair to say that a large proportion of people in the present community regard homosexuals with some compassion and believe they should not be persecuted. That attitude is becoming more widespread. It is tempered by the Christian ethic, and it is right that it should be. It cannot be said that everyone in society is willing to conform strictly to Christian doctrine, and we must be tolerant of the views of those people also. During the debate on this measure I have been concerned that a rather simplistic approach has been adopted to some questions that involve the psychology of homosexuality as well as its physiology.

It has been said that homosexuality is learnt. Others have said that it is something with which one is born. That is another exploration of the old argument about nature versus nurture in the composition of the human soul and the human organism—selfish genes versus *tabula rasa*. It is probably true that homosexuality can be unlearnt, but it is necessary to have some motivation. If a person wishes to be a homosexual probably it would be difficult to change that inclination. We must accept that. Normality is extremely difficult to define, but community standards must have some influence on it. We must be tolerant of those who have differing views. Provided they do not interfere with the general consensus, they should not be persecuted but rather should be treated with compassion.

This debate has been extremely categorical. Honourable members have spoken about homosexuals and heterosexuals as if these were completely different terms and comprised the total of humanity. Psychological and physiological research has tended away from that extreme definition and not to think of the dichotomy but rather of a whole range of people. It is true also that many researchers now look towards what society is doing to the human mind and believe that an androgynous person, one who psychologically can be said to be tough or tender, active or passive, according to the real stress that one feels within society is best adapted to our evolving society. Armstrong tabulates seventeen different types of gender—a whole spectrum—because people have different psychological, genetic and hormonal factors.

Having said all of that, I should add that I have reservations about the bill. I feel that community standards have not yet accepted that children under the age of eighteen can be regarded as equal in their sexual make-up. Our laws have defined eighteen as being the age of adulthood. There is a danger of proselytizing eighteen-year-olds in schools. Over the age of eighteen there is a danger of a person suffering in his employment and in other avenues. Under the age of eighteen, young persons are dealt with by children's courts where names are not publicized. It is a psychological and physiological fact that males and females are not equal at eighteen. Their hormones are different, their bone structure is different and their behaviour is different. I conclude my brief contribution to the debate by supporting the bill merely as a procedural matter, so that it may pass through the second reading stage to the Committee stage, bearing in mind that the honourable member for Campbelltown has

foreshadowed an amendment that will have the effect of allowing eighteen years to be regarded still as the age of adulthood on this matter, and to protect those who are younger than eighteen.

Dr METHERELL (Davidson) [12.9]: I shall be voting against the second reading of the Petersen bill. I shall make it clear why I shall be doing so, and why five other members of the Liberal Party who with me support reform of the laws on homosexuality will be voting against the second reading of the Petersen bill. Broadly, we shall vote against the Petersen bill because of what it contains in its present form and because of the requirements of the procedures of this House in accepting as an act of faith a series of foreshadowed amendments.

Mr Petersen: It is not an act of faith.

Dr METHERELL: I shall make it clear to the honourable member for Illawarra, if he ceases interjecting, why we on this side of the House have to regard it as an act of political faith, if not as an act of religious faith. I and five other Liberal Party members of this House support the decriminalization of homosexual acts between consenting adults in private. What we are opposed to is the lowering of the age of consent for homosexual acts to sixteen years. Many honourable members have made clear their opposition to that measure. The honourable member for Vaucluse dwelt at length on the reasons for her opposition to the lowering of the age of consent to sixteen.

Why in the first instance do we favour reform? We favour reform because we believe that the present unreformed criminal law, in the name of morality, seeks to punish severely and impose the most severe criminal law sanctions upon homosexuals. We do not believe that it is any longer the wish of the majority of members of the community to punish homosexuals in this way. Also, we favour reform of that law because we believe that no longer is it humane or intelligent to adopt the attitude that such offences should attract heavy penalties.

It is quite clear from opinion polls conducted over a number of years, and the most recent opinion poll taken by Dr Chaples, who is present in the gallery today, that in New South Wales and elsewhere some two-thirds of the community do not support the enforcement of the law in its present form. It is not entirely clear—for opinion polls are fallible—what aspects of questions put to members of the public are actually being responded to. We cannot say definitely whether those polled are saying they want the laws repealed, moderated or whatever. But in the general community there is an attitude that is saying, we believe homosexual acts between consenting adults in private should at least be decriminalized. I think that is absolutely clear.

Those opposed to reform, for whatever good and proper reasons they have, must at least face up to the fact that the overwhelming majority of the public is opposed to a continuation of the law in its present form. This is clearly reflected, not only in the debate taking place in this House, which has shown itself to be the most conservative Parliament in the Commonwealth, but also in Victoria and in the Australian Capital Territory, where reform has already taken place. In the Australian Capital Territory, the Fraser Government decriminalized homosexual acts between consenting adults in private, though it maintained offences relating to those acts in public and, of course, with minors. That is the general situation in other States as well.

We are on the crest of a wave of reform. It ought not shock anyone in this State—certainly it will not shock my correspondents or the correspondents of other honourable members of this House—that we are at least moving in the direction of

reform. I applaud the honourable member for Illawarra for taking the broad step that he has taken. It is a step forward. But I and many other honourable members on both sides of the House wish he had not gone so far.

Mr Petersen: The legislation does not go as far as that introduced in Victoria, and the honourable member knows that.

Dr METHERELL: I ask the honourable member for Illawarra to be patient while I make my remarks. I ask him not to interrupt, otherwise he will merely be taking up the time of this House. I repeat: I and many other honourable members on both sides of the House wish he had not gone so far. If he had not, I am sure he would have gained the support for this bill from the majority of honourable members of this House. Clearly, the community does not support the law in its present form. Clearly, the Parliaments of other States and of the Australian Capital Territory do not support the present law of New South Wales relating to homosexual acts. It is quite clear from the enforcement or perhaps the lack of enforcement of that law, and the unevenness of the enforcement of it, that the law has become a rather sick joke.

The honourable member for Illawarra has cited instances of the use of the present law to victimize and prosecute some homosexuals. Though the estimates seem to vary, I suggest that that occurs in only a limited number of cases. The law can be used as an instrument of repression in certain instances; certainly, it is not being applied in any even way to the whole homosexual community. There is no intention, even where homosexuals are prosecuted under the law, that the full weight of the law as set out in the Crimes Act should apply. As a result, few homosexuals are being prosecuted, and those who are prosecuted are being given very light or what many people would regard as derisory sentences.

If we are to apply any objective test to the situation in this State and elsewhere where such sexual acts as adultery, fornication, masturbation, and female homosexuality are regarded as immoral by some members of the community and by perhaps members of this Parliament—yet not subject to any criminal sanction either now or in the recent past—why, we ask quite reasonably, is male homosexuality in this day and age still singled out for oppression by the law, as it is? So we look at that situation and the community attitude, which has changed so markedly, and at the fact that the law is not being enforced in a reasonable way. On all those tests one can see there is certainly a strong case—I believe an undeniable case—for reform of the law in this State.

The question immediately arises: why not vote for the Petersen bill on the second reading? That is what we are being invited to do by the honourable member for Illawarra and by a minority of honourable members of this House, and even a minority of members of the Labor Party. I have made clear the principal ground on which we will not vote for the Petersen bill in its present form, that is, that it lowers the age for consenting homosexual acts to sixteen. That is the point that overwhelmingly unites those opposed to the bill.

The honourable member for Illawarra has accepted, after considerable party room and other discussion, and obviously with great reluctance, the foreshadowed amendment by the honourable member for Campbelltown. That amendment if agreed to would, in effect, remove from the Petersen bill the most obnoxious provision that lowers the age of consent to sixteen years. The difficulty—which every person who reads *Hansard* will acknowledge—is that honourable members of this House are being asked to take a leap in the dark and accept what is foreshadowed as an act of faith. We are being asked to trust individual members on the Government side—because, remember, this is not a Government measure—and vote on the second reading of a bill that we find obnoxious in an attempt to have the bill reach the Committee stage. A group of

members—not the Government and not all members on the Government side—have assured the House that amendments they believe will be acceptable to some honourable members on the Opposition benches will be moved. But, of course, those amendments will not necessarily be carried.

Mr Petersen: That is pure casuistry on the part of the honourable member, and he knows it.

Dr METHERELL: The situation is exactly as I have stated; honourable members are being asked to vote for the Petersen bill at the second reading in the expectation that the so-called Knight amendments will be moved in Committee. Let me identify the real situation and the dilemma that faces six of us on this side of the House. Circulating at the moment, promised, foreshadowed or talked about, are the bill that has been introduced by the honourable member for Illawarra, the amendments of the honourable member for Campbelltown, which is a separate package that has been discussed in the House and accepted in broad terms by the honourable member for Illawarra, and another set of amendments of the honourable member for Cronulla, which are described as the Egan amendments and the complete reverse of the other group that have been circulated. A moment before I rose to speak in the debate I received, though I suspect that most honourable members have not yet received them, a second set of amendments by the honourable member for Cronulla, the Egan Mk II amendments.

Also foreshadowed in the House, and privately, are what are described as the Mochalski amendments. Honourable members do not know what form they will take. The broad proposal is that the bill introduced by the honourable member for Illawarra and all the proposed amendments, presumably together with the debate that has taken place and the correspondence that has been received will be referred to a select committee with members drawn from both sides of the House to examine the whole question. A proposal for that sort of ultimate compromise solution is now being privately circulated. I forgot one set of amendments, because they are eminently forgettable—the Ryan amendments—the amendments foreshadowed by the honourable member for Hurstville.

Honourable members on this side of the House are being asked to make an act of faith, a leap in the dark. They are being told to vote for the bill introduced by the honourable member for Illawarra and all will be revealed in Committee. What will be revealed? Will the amendments of the honourable member for Campbelltown be brought forward and, if they are, will there be the numbers necessary to carry them? Or, will the Opposition be led up the garden path? Will it get the Egan amendments? Certainly the honourable member for Cronulla intends to take steps this afternoon to introduce an amending bill. Does that have the support of a majority of honourable members? Is it the bill that has been promised by the Premier? Did it come out of the committee formed by the honourable member for Illawarra, the Premier and Minister for Mineral Resources and the Attorney-General, Minister of Justice and Minister for Aboriginal Affairs, which has met in secret? Is that the compromise that the committee has produced to extricate the Government from its disgraceful handling of the matter. The Mochalski approach is that the matter is too difficult—shunt it off to a select committee. Or is the honourable member for Hurstville trying to muster the numbers——

Mr Mochalski: On a point of order. The honourable member for Davidson has said that I will be moving certain amendments. That is a clear distortion and misrepresentation.

Mr SPEAKER: Order! No point of order is involved. The honourable member for Bankstown will have the opportunity to speak in the debate, and at that stage may refute any argument put forward by the honourable member for Davidson.

Dr METHERELL: Thank you, Mr Speaker, for dismissing the spurious point of order. The honourable member for Bankstown made a deceitful statement. Privately and broadly he has floated the idea of sending the matter off to a select committee. I have described the dilemma that faces honourable members who want genuine reform but do not know what the Government or the honourable member for Illawarra intends to do. The Government has acted quite deceitfully in the matter. Though the bill is not supposed to be a Government measure, a number of party meetings have been held about it. Caucus meetings have been held to discuss the issue. A special committee was established of the Premier and Minister for Mineral Resources, the Attorney-General, Minister of Justice and Minister for Aboriginal Affairs and the honourable member for Illawarra, whose bill is being debated, in order to try to produce a compromise solution.

The word round the building was that the first set of amendments of the honourable member for Cronulla were the compromise. An examination of those amendments showed that they provided that a homosexual could still be hauled before the courts and would have to prove certain matters to the court. It provided for a complete reversal of the onus of proof. A homosexual would have to prove that his partner was more than 18 years of age, had consented, and that the act was carried out in private. He would have to prove all of that; the Crown would not have to prove it against him. Because of disgust expressed on both sides of the House about those amendments—particularly the reversal of the onus of proof—it is suggested that they will be withdrawn. Placed in my hand before I rose to speak was a proposed new bill, the Crimes (Adult Sexual Behaviour) Amendment Bill, the Egan Mk II bill, which I understand is to be introduced in some way. Presumably the honourable member for Cronulla will find a mechanism to do that. The proposed bill, instead of reversing the onus of proof, will provide a defence for homosexuals who are to be prosecuted, by providing the defence that, so long as they are more than 18 years of age, have consented and committed the act in private, they will not be prosecuted.

In that incredibly confused situation why should members of the Opposition who in broad principle support the cause of reform trust the honourable member for Illawarra, who first refused to accept any amendments and now has courted amendments from the honourable member for Campbelltown? There is no guarantee that in Committee the Knight amendments will have majority support. I have no idea what other amendments will be moved in Committee. Not many Government supporters will take that leap in the dark and vote for a bill that they know is to be amended in some form in Committee. They will not do that, as an act of trust, with any feeling of confidence in the end result.

In the view of the Opposition it is absolutely certain that the bill introduced by the honourable member for Illawarra will be defeated at the second reading. That will set back the cause of homosexual law reform in New South Wales. Courses of action were available to the Government and to individual members on the other side of the House which would have been far preferable to the course of action that has been taken. I express a strong feeling on the part of members of the Opposition about the general conduct of this matter by the Government. That is something that unites us all, whether we oppose the cause of homosexual law reform or support it.

The House has been subject to the most outrageous politics by ambush. This is the fourth time that the matter has been debated in this Chamber, in about two and a half days of debate. At this stage of the debate members have had thrust into their hands by the honourable member for Cronulla yet another amendment proposal—not by the member for Illawarra who originated the amending bill. The amendments are to replace the Petersen bill.

Mr Jackson: The Opposition is lucky to get that.

Dr METHERELL: The Minister said that the Opposition is lucky to get that. Is not that the politics of ambush? The vote on the bill concerns a matter of conscience and moral reform. Members are being asked to vote according to our consciences. The Government continually and deliberately ambushes the Opposition. The Minister for Corrective Services approves that course of action. He wonders why Opposition members will not take a leap in the dark at the second reading stage and extend their trust to members on the Government benches. The Opposition will not do that, for the Premier and Minister for Mineral Resources, members opposite, and members of a secret committee, have not had the decency to furnish the Opposition in advance with copies of the amendments. If they had done so, the Opposition would have some idea of the Government's plan and programme. There is no way that the Opposition could have the confidence to vote in favour of the bill at the Committee stage.

The Opposition will not give the Government *carte blanche* approval of the bill. The Opposition would not trust the Government with *carte blanche* approval in any situation, and certainly not in this one on a matter where there is such division in its own ranks. Only a few moments ago a new amendment to the bill was circulated. That depicts the division and confusion of Government supporters. Honourable members well know that on the Government side of the Chamber feelings run high about this matter because of the way the Labor Government—in particular, the Premier and Attorney-General—has handled it. When leadership was called for—and when a feeling of bipartisan support for reform was gathering momentum in this House in support of the legislation—the Premier failed to give leadership and carried on in a most devious and disgraceful manner.

Opposition supporters have heard the private comments from members on the Government side about how high their feelings are running through the Government's failure to provide leadership and show its cards honestly. They consider that the matter should be dealt with in an open way—as one would expect on any matter of conscience. The Government has shown no more regard in handling this matter than it has about other legislation it has introduced in the past day or so—such as the legislation dealing with private coal rights. The Government's handling of this matter is typical of a government that is not open and frank. Primarily for that reason the bill will deservedly be defeated at the second reading stage. I have sympathy for the honourable member for Illawarra and other honourable members who with great sincerity for many years have done tremendous work and research on this issue. These members passionately believe in reforms to the present legislation, but have been let down. I do not agree with the form of the proposed legislation. Reform to this legislation will inevitably and deservedly be given further consideration.

Mr T. J. Moore: What other amendments will be forthcoming?

Dr METHERELL: I hope that the next occasion similar reform is proposed, it will be handled with greater frankness. The honourable member for Illawarra has been informed of the Opposition's views on that aspect. Further amendments to the bill should be broadly canvassed, with a bipartisan approach before being introduced.

If that approach is adopted, agreement could be reached on the contents of the legislation and the tactics and strategy to be used in this Chamber. Such an approach would have ensured the support of at least six members on this side of the House.

Mr Keane: The honourable member would find another reason to object to the legislation.

Dr METHERELL: Regretfully, I condemn this bill to oblivion.

Mr KEANE (Woronora) [12.35]: The Crimes (Sexual Offences) Amendment Bill is designed to repeal laws described by the mover, the member for Illawarra, as archaic, anachronistic, anomalous and oppressive to an otherwise law-abiding group within a community—those citizens of New South Wales who describe themselves as members of the gay community. I listened with interest to the comments of the honourable member for Davidson. It was pathetic to hear him attempt to justify his compatriot's approach of taking the coward's way out. No matter how much the honourable member for Davidson resorted to arguments of justification and sophistry, he did not convince me of his sincerity, and I am sure he did not convince other members of the House. In spite of what he says, he would always have some objection to legislative reform on such matters. I should be pleased if the honourable member for Davidson brought before the House a bill containing the proposals that he stated he and his compatriots would support. The ball would then be firmly in his court.

When speaking to the motion that urgency should be granted to deal forthwith with this proposed bill, the honourable member for Illawarra stated that the present legal code of New South Wales is more reactionary on homosexuality than the Napoleonic code introduced into France more than 170 years ago; that in 1976 the South Australian Government decriminalized homosexuality; and in 1980 the Victorian Government followed the same path. The honourable member for Illawarra explained that section 79 of the Crimes Act provides for a penalty of seven years' gaol for the lowest category of homosexual rape, but fourteen years' gaol for homosexual relations between consenting adults. Also, the honourable member reminded the House of the countless cases of unprovoked assault upon homosexuals and the numerous crimes, including murder, inflicted upon members of the homosexual community merely because such people are regarded as fair game by the predatory elements in our society who regard the existing discriminatory laws on homosexuality as a licence to maim and kill citizens whom they regard as homosexuals and therefore outside the protection of the law of this State.

It is obvious that any dispassionate assessment of the matters I have just outlined must lead one to conclude that the existing law on homosexuality is indeed archaic, anachronistic and anomalous. As legislators honourable members of this House have a duty to remove those anomalies. For these reasons I shall vote for the Petersen bill at the second reading stage and urge all honourable members of the House to do the same. However, the honourable member for Campbelltown has now stated that he proposes to move an amendment to the bill if it proceeds to the Committee stages. The honourable member for Illawarra has declared that he supports the proposed amendment of the honourable member for Campbelltown, which will have the effect of the proposed change to the law being applicable to persons above the age of eighteen. It is considered that such an amendment is likely to receive the support of the majority of honourable members of the House, because many honourable members have stated quite firmly that they would support the bill if it were amended in the manner that the honourable member for Campbelltown foreshadows. I shall be willing to lend my support to such amendment if it proves to be a vehicle that will

remove the present injustice from the statute book, but I remain somewhat pessimistic that the hoped for result will indeed eventuate when honourable members record their votes.

My pessimism is founded on the reaction of honourable members who have spoken in the debate and expressed their opposition to the proposed bill. It appears to me that, with but a few striking exceptions, the opposing arguments are founded generally in emotional bias and ancient folklore of the medieval variety. It has been said that when emotion enters into the argument, invariably logic flies out of the window. I fear that this has been certainly the position during the debate. The emotionalism and distortions used in our opponents' arguments in the House have been a reflection of the flawed arguments used by our opponents who are not honourable members of this House but have flooded our offices with petitions and letters that either deliberately have ignored the salient facts of the real issues in the debate, or have so distorted the matter that their protests—though possibly well-intentioned—have lost all force of persuasion because they failed to address themselves to the issue at hand. Particularly do I deplore the emotive, suggestive and completely exaggerated material distributed in the name of the Reverend the Hon. F. J. Nile on behalf of the Festival of Light, that covert political organization masquerading as a Christian philosophy.

It appears to me that the basic philosophy of the Festival of Light has much more in common with Hitler's philosophy of *Mein Kampf* than it does with the teachings of Christ. I must confess that the logic of the actions of the Reverend the Hon. F. J. Nile escapes me. Apparently the honourable gentleman spends most of his time poring over pornographic material, underlining salacious sections that a normal Christian would dispatch to the waste paper basket without benefit of a second glance. Yet Reverend the Hon. F. J. Nile and his followers, of whom there are some in this House, not only burn the midnight oil perusing and picking over this filthy pornographic material, no doubt licking their parched and fevered lips in expectation of more delights to follow but, incredibly, then go to infinite pains to collate carefully this abominable filth, and they tenderly package it, address the parcel, stamp it and send it through the mail to Her Majesty's subjects in Australia who are connected with the activities of the Festival of Light. I should imagine that many innocents throughout the rural retreats of our far flung State were there carefully shielded from life's shocks but were corrupted and thrust into a life of depravity by being exposed to the pornographic filth placed in their hands by the Reverend the Hon. Fred Nile and his fanatical followers. The matter merits the urgent attention of the police vice squad, and I trust that the Minister for Police and Minister for Services will take the necessary action to put a stop to this pernicious and perverse practice.

Another matter to which I must allude is the strange—one could almost say queer—attitude adopted by certain members of the Country Party. For example, the honourable member for Byron informed the House on 11th November that "One does get a lot of fun out of a jersey bull." The honourable member further electrified the House by asserting that "Bulls are most important and one should not knock them, but the Government should use them for those in need." Indeed! In another contribution to the debate the honourable member for Byron asserted that there was no homosexuality among animals "as anyone knows who spends as much time with animals as we do." The honourable member for Byron is a veritable Ferdinand in rubber boots. I ask honourable members what we are to infer from that statement by the honourable member. Is he preparing the ground for a possible Country Party amendment to the bill that will advocate that jersey bulls should be exempted from the provisions of the Crimes Act that relate to the offence of bestiality?

What is actually proposed in the Petersen bill has to be emphasized again and again in order to clear away the misconceptions and the smokescreen of confusion conjured up by opponents of the bill. Let us look at the facts rather than the fiction. The plain truth is that the Petersen proposals will do nothing more or less than remove anomalies in the law as they relate to homosexual acts in private by consenting adults. As the law stands, consenting homosexual adults can be adjudged guilty of a criminal offence and sentenced to a penalty twice as heavy as that decreed for heterosexual rape. As the honourable member for Illawarra has pointed out, under the new sexual assault laws the penalty for causing grievous bodily harm to a person with intent to have sexual intercourse is twenty years but, under section 81 of the Crimes Act, if the victim is a male the maximum penalty is five years. Again, as the honourable member for Illawarra has emphasized, the proposals will not alter the existing law providing protection for males. The legal sanctions against unwanted homosexual acts will remain in force.

I was most interested to hear the honourable member for Illawarra state that sexual assault on, and rape of, males is not common and is negligible when compared with the number of heterosexual assaults on women and girls. He emphasized that the majority of sexual assaults on males take place in gaols and are perpetrated by heterosexual men. It is also important to note that the Petersen bill would extend protection to males as well as females who are below the age of consent. One of the factors that has influenced my decision to support the bill is the attitude of the public generally to law reform affecting homosexuals. Public opinion polls conducted on this issue by the respected journal the *Sydney Morning Herald* show that the public overwhelmingly favours equality before the law for homosexuals. Therefore, it is clear that this House, in voting for reform would not be ahead of public thinking but merely in step with it.

Also, I was greatly influenced by the statement of the honourable member for Illawarra that the laws that his bill seeks to repeal have not existed in much of western Europe for up to 170 years. He stated that they do not exist in France, Italy, Spain, Portugal, Belgium, the Netherlands or Luxembourg, and that the United States of America, South America and Japan do not have laws prohibiting homosexual activities. Finally, as always, it is instructive to turn to the recorded history of past events to assist placing in correct perspective the issues that are debated in the Chamber. I have done so. The results of that research have been most enlightening and I am certain they will be of interest to members of this House. My studies reveal that down through the ages many of the most illustrious, artistically gifted and scholarly individuals, revered and renowned by the world at large, have been homosexuals. I shall record here only a sample few, but their names are so famous that they will serve adequately to illustrate the point that homosexuals have contributed greatly to the world of culture, art and letters. Leonardo Da Vinci, one of the greatest all-round geniuses the world has known, a painter, sculptor, architect, scientist, engineer and musician, was homosexual. He was the famed painter of "The Last Supper", the "Mona Lisa" and other magnificent works of art. Another was Michelangelo, a renowned Italian painter, sculptor, architect and poet; a genius whose works have glorified the churches of Rome and Florence. He was revered throughout the world for his painting "The Last Judgement", which is in the Sistine Chapel.

Other famous people who were homosexual included Christopher Marlowe, one of England's greatest Elizabethan dramatists and author of *Tragedy of Doctor Faustus*; Francis Bacon or Viscount St Albans, one of the greatest English philosophers and statesmen, Attorney-General to Queen Elizabeth I and Lord Chancellor to King James I; King James I of England, son of Mary Stuart, who succeeded to the English throne upon the death of Queen Elizabeth I, and was responsible for the publication of

the Authorized Version of the Bible. I am pleased that the honourable member for Northcott is present. I wish Reverend the Hon. F. J. Nile were here too. Other famous homosexuals include Frederick the Great, King of Prussia, a military genius and brilliant administrator, whose writings run to thirty volumes; Somerset Maugham, celebrated British dramatist and novelist, a physician by profession and famous for his exposure of modern conventions; Peter Tchaikovsky, famous Russian composer of ballets, symphonies, piano concertos and orchestral works; and Desiderias Erasmus, the renowned Dutch philosopher and scholar of whom it was said, "He laid the egg that Luther hatched".

Other persons who became famous and were homosexual included Walt Whitman, American author and poet who served with distinction in the American Civil War; Hugh Auden, an influential modern poet born in England and a naturalized American, editor of the *Oxford Book of Light Verse*; and Marcel Proust, a famous French psychological novelist. Other names that come readily to mind are Oscar Wilde, Roger Casement, Herman Melville and E. M. Forster—all famous men of letters. Australian homosexuals who have gained a place in history include Ludwig Leichhardt, Adam Lindsay Gordon, Christopher Brennan, David Scott Mitchell and Patrick White. The honourable member for Byron said that there were no homosexuals at Tobruk during World War II or in the army. I remind the honourable member that Alexander the Great, Julius Caesar, Richard the Lion Heart and Lawrence of Arabia—all military men of unparalleled genius—were homosexuals.

The people I have referred to are but a minuscule example of famous people of renown in the arts, politics, law and other professions, who have been homosexuals. It must be obvious to even the most prejudiced observer that the world would be a much poorer place were it not for the outstanding contributions made by men of genius who are homosexuals. They have given us much and suffered much in the process. In return they ask only for justice and equality.

[*Mr Speaker left the chair at* 12.53 *p.m. The House resumed at* 2.15 *p.m.*]

Mr PAGE (Waverley) [2.15]: Some excellent contributions have been made to the debate. The rare event of a private member's bill brought out the best in this Parliament in many ways, though for some people there has been confusion. Apparently the honourable member for Dubbo believes that people should get their act together before they come to Parliament. I was intrigued by one thing he said, which was somewhat undemocratic. He said that no member of this House should object to reform, but it should be by way of a bill agreed to by all of the parliamentary parties and members of the House. Parliamentary procedure is that there should be a majority of members, not necessarily a unanimity of parties.

Some speeches by honourable members had an air of unreality that troubled me. Some honourable members spoke of homosexuality and homosexuals as though they are associated with a rare and distant phenomena, as though the debate has been about Martians or similar creatures. Parliament is debating the rights of people. Homosexuals are ordinary people, as we all know. Parliamentarians should acknowledge that among friends, relatives, and possibly the immediate family there are homosexuals. Indeed, I venture to suggest that there may even be homosexual members of the Parliament, as there have been in other Parliaments, including the Parliament at Westminster and the United States Congress. No one knows who they are, but with the sort of hostility that homosexuals face, it is not surprising that many go to great lengths to hide the fact that they are homosexuals, even among their close friends.

Some honourable members have suggested that they know no homosexuals. Such statements usually come from people who are very antagonistic towards homosexuals. It would not occur to them, with their publicly expressed homophobia, or opposition to

homosexuality, and the ill-founded and harmful things they say about homosexuals, that no homosexual is likely to declare his sexuality. To do so would be to expose himself, at the least, to verbal abuse and perhaps even to physical assault, loss of job, and social ostracism. Parliament should face up to the question before it and accept that the persons concerned are real, that they are ordinary people.

Some unreal things have been said in the debate. No contribution was more unreal or rarified than the predictable effort of the honourable member for Northcott. Once again he forecast that society would be brought to its knees should the bill be passed. Obviously, it will not. Members of the Opposition do not suggest that there is a wave of depravity sweeping through Victoria or South Australia, where there are governments which, though I do not support them politically, have laws similar to the one being considered here. There is no suggestion that those two States will decline into moral oblivion. The Roman Empire did not fall because of homosexuality. At the time of the decline of the Roman Empire homosexuality was being increasingly suppressed. If the House would like an historical parallel, it might note that the decline and fall of the Roman Empire coincided with the spread of Christianity. I am not being facetious. I do not suggest that Christianity caused the fall of the Roman Empire, but I point out that people with strange logic and who look for tenuous connections can read anything into parallels in history.

There has been a suggestion of an alternative bill to be introduced by the honourable member for Cronulla. Even if it contained an age of consent for homosexual acts between males of 18, the proposal of the honourable member for Cronulla would not be a real alternative to the bill. It is not a simple, neat gesture to establish a higher age of consent for males but is ill-conceived and thoroughly undesirable. Some aspects of the honourable member's proposed legislation need to be spelt out for those who might think that in substance it is the same as the bill before the House, or as it would be if the amendment foreshadowed by the honourable member for Campbelltown is agreed to.

The proposed bill does not abolish the anomaly that exists in the Crimes Act whereby male homosexual intercourse with consent carries twice the penalty for non-consenting intercourse with females or sometimes with males. The bill provides that public sexual acts with consent will continue to carry a maximum penalty of fourteen years, whereas if the act is without consent it carries a penalty of only seven years. It will provide also that the penalty for two 17-year-old boys having sex together will continue to be fourteen years; and forced intercourse for instance, by an adult male with a 17-year-old male, will carry only half the maximum penalty. There is not much logic in that proposal.

Two other points might be made about the penalty structure of the foreshadowed bill. Both illustrate an inconsistency in approach. Supposedly the bill is designed to offer greater protection for the young from homosexual acts, and greater deterrents to the commission of those acts. I might interpose here that a real fear existing in the minds of honourable members is the possibility of child molestation. There is no evidence that that will occur.

I propose to refer now to a report issued recently by the Anti-Discrimination Board on two studies carried out in New South Wales from July 1978 to June 1979. A study of 306 victims of sexual assault revealed that 93 of them were females. The figures indicate that almost invariably sexual assault is by men. The figures show, also, that the men are more likely to be heterosexual. A similar type of study conducted at the Florida International University in the United States of America revealed that child molesters are predominantly heterosexual. Of the figures studied, 81.7 per cent of the sexual abusers were men and 80.2 per cent of the sexually

abused children were girls. That analysis is consistent with general studies conducted in other countres. Most child molesters are heterosexuals, not homosexuals. More is heard these days about abuse of spouses by husbands and of children by male relatives. I am not saying that the practice is more prevalent than it used to be.

I return to the two points I made before about the penalty structure of the bill. The penalty for sexual acts with males under 10 years of age of fourteen years' imprisonment is to be continued. The penalty for a similar offence with females is life imprisonment. The honourable member for Illawarra proposes that the penalty for the male offender be increased. The penalty for assaulting a male with intent to commit sexual intercourse without consent is a maximum of five years' imprisonment, whereas the maximum for such an offence on a female is twenty years. The honourable member for Illawarra pointed this out in his speech. It is surprising that the advocates of antihomosexual law seem not to have noticed this point. I do not advocate higher penalties for these offences for that would not solve the problem. It is important to be consistent. Such arguments should appeal to the opponents of the bill. They should attract them to the bill and not the alternative proposal.

My second point is that the amending bill will not repeal the antihomosexual laws; it will provide only a defence against prosecution. Such a proposal was suggested in South Australia when that Parliament debated that State's homosexual laws. A motion to that effect was moved by that arch-troglodyte Rene De Garis and his express reason for doing so was that it would permit of the arrest of homosexuals. In particular, the police, the courts and others would have an opportunity to apply pressure on these men to undergo a form of treatment, even though they had committed no punishable crime. Nothing could be more offensive than for the Parliament and the law to force homosexual men into the hands of psychiatrists and others who claim to be able to change sexuality. That is the effect of proposed section 81B (a). I refer honourable members to the speech of the honourable member for South Coast, who raised the valid anomaly of people who believe that by brain probes and operations a person's basic characteristics may be changed.

Honourable members know that in this State several psychiatrists have made a comfortable living from administering adversion therapy to homosexuals—wiring them to the power supply and administering electric shocks while showing to them pornographic movies and slides. Another psychiatrist in Sydney has performed brain surgery, called psycho-surgery, on homosexual men who were brought before the courts of this State. I have not heard any quotes from the Bible by honourable members to suggest that this is normal behaviour and I do not believe it to be so. That type of approach by pyschiatrists underlies, or at least is encouraged by, the current law, is barbaric and not the product of the professed concern of those who claim compassion for homosexuals.

I draw a distinction between private and public sexual acts. The proposals of the honourable member for Cronulla make no attempt to define what constitutes a private or public act. The House should be aware that the English reform of 1967 contained a provision that private sexual acts with three persons in the same room constituted the room a public place, even if the door opened into another room. Honourable members are aware that on occasions police have gone out of their way to spy on homosexual activity and have argued that in some way that constituted an offence against public sensibilities—against public decency. Without a definition of what constitutes a private act for the purposes of the bill, to approve such a bill would be to open a legal Pandora's box. In commenting on the question of private and public sexual acts I do not advocate the legalizing of sexual acts in public. Neither does the bill of the honourable member for Illawarra. A number of members

have said specifically that they favour the decriminalizing of these acts done in private, but have then argued against the current proposal on the basis that it would encourage the performing of sexual acts in public. The honourable member for Dubbo made such a submission. He said in his speech:

> I agree with the concept that what people do in their private lives is their business.

Honourable members would agree with that. However, the honourable member for Dubbo went on to say:

> The effect of this bill in its simplistic form is to make legal all homosexual activity in private and in public at any time and any place.

That is not true. The aim of the bill and its practical application will not be to make any sexual act, whether heterosexual or homosexual, permissible in public. That begs the question. It is of interest that some honourable members who have hang-ups about the legislation believe that what people do in private is their own business.

We must ensure that public sexual acts are covered by laws that identify correctly the nature of the offence and provide an appropriate penalty. As the Parliament is aware—though some would seek to deny it—the Offences in Public Places Act makes sexual activity in public illegal. Under section 5 of the Act the offence is defined as causing offence to others. Another section of that Act retains the offence of obscenely exposing oneself in public. Heterosexual acts are not now legal in public. Homosexual acts in public will not be legal following the passage of this bill.

If, as happened earlier this year, a man can be prosecuted successfully under the Offences in Public Places Act for dancing with another man and being affectionate towards him on the dance floor of a gay disco, no one could argue seriously that public sexual acts between males will be legal or made legal by the bill. The Offences in Public Places Act will ensure that that conduct is not legal, as it does not happen now with heterosexuals or female homosexuals. To argue any other way is misleading. The proposal by the honourable member for Cronulla is different. The honourable member wants to retain the penalty of 14 years for such sexual acts, irrespective of whether anyone saw such acts, regardless of the difficulty of detecting such acts, or how corrupt, surreptitious or devious were the actions of the police or others in detecting the offence. He proposes to create a legal minefield, an area of legal uncertainty and to retain draconian and inappropriate penalties. It is a flaw that has exposed the proposed amendment for the insupportable and unaccountable mess that it is.

A fourth thing about the proposal is that it will retain the archaic wording of the existing statute. Those who profess to be Christians or believe in the Christian ethic should look to their language. The honourable member for Cronulla said that he wants to retain the offensive wording in the Act, and set out deliberately to do so. Section 79 and section 80 of the Crimes Act are the only two sections of that Act, and possibly any Act in New South Wales, which carry totally redundant and repugnant adjectives. They do not refer to buggery; they use the expression the abominable crime of buggery. To those who hold the rather primitive and vengeful notions of Christianity —and fortunately few have expressed that view in this debate—the origin of the word abominable should be noted. It comes from chapter 20, verse 13 of Leviticus, the section of the Old Testament which advocates that homosexuals should be stoned to death. No one in this Parliament has suggested that homosexuals should be stoned to death; they simply are sentenced to fourteen years' penal servitude. Unfortunately the archaic language is retained.

Mr Page]

The law does not refer to the disgusting crime of rape—and I believe it is disgusting—the awful crime of murder, or use any other similar words. It uses the clinical terms of rape, murder and assault. When speaking about buggery or homosexual behaviour, emotional adjectives should not be used to project someone's moral feeling into the criminal code. Whatever views on homosexual acts are held by honourable members—and obviously they are varied and various—the honourable member for Cronulla perhaps is being uniquely reactionary in expressing an intention to go out of his way in drafting his curious proposal by saying that such anachronistic and legally unhelpful wording should be retained.

The content of the bill belies the sentiments and interests expressed by the honourable member for Cronulla in what was in many ways a positive speech which, for those who heard it or read it, might suggest something different to the bill that he proposes to introduce. That theme runs through the contributions of a number of honourable members. The honourable member for Gordon said specifically that in some respects he supports the proposal for the decriminalization of homosexual activity. He quoted the State Council of the Liberal Party, as follows:

> "Homosexuality between females is legal. This Council believes that homosexuality between adult consenting males in private should be made legal." That is a reaffirmation of the philosophic position which in 1973 I supported as a member of the State Council of the Liberal Party. It is a position to which I still give philosophic support.

The honourable member for Gordon then gave reasons for not supporting the bill. He is a person who, for some reason or other, sees the justice of the proposal put forward by the honourable member for Illawarra, but cannot find the courage or the nous to vote for it. Many biblical quotations have been used by honourable members in this debate. In the short time since I have been a member of Parliament this is the only bill that has had any moral repercussions. I have not heard biblical quotations used in debate on other proposed legislation introduced by the Government. Generally the Bible does not feature in Parliamentary debates. If one looks at the broad range of Christian sects, one sees that none of them agrees on the interpretation of the Bible. That is why there are so many religious sects. One's interpretation of the Bible depends upon the person reading it. The Bible cannot be used as some sort of legal document to provide justification for someone's narrow viewpoint.

The honourable member for Earlwood raised that matter succinctly when he referred to St Paul's letter to the Corinthians in which it was suggested that no homosexual shall inherit the Kingdom of God. The honourable member for Earlwood pointed out that a whole range of persons were included—those who commit adultery, those who worship idols, the greedy, adulterers and slanderers shall not inherit the Kingdom of God either. Again an interpretation of the Bible is broadened to cover a different range of options to that formerly put forward. No one would suggest that a drunk in our society should be sentenced to fourteen years' penal servitude or that someone who is greedy or someone who commits adultery should be penalized in a similar way.

The honourable member for Northcott said that it had been suggested, quite correctly apparently, that no statement on homosexual activity was made by Jesus Christ in the New Testament. In my view he raised a furphy when he quoted Christ as having said, "Believe me, it would be easier for Sodom and Gomorrah on the day of judgment than it would be for this town", harking back to the sacking of those cities recorded in the Old Testament. Homosexual activity was not the only sexual activity taking place in Sodom and Gomorrah. Obviously, other activities

took place. A devastating penalty was imposed on the people of those two towns, excluding Lot and his family, for children suffered also. It could be regarded as rough justice that, because the parents in the towns were carrying on with anti-social and immoral behaviour, the children should suffer also. I do not regard Sodom and Gomorrah as a Christian example of what should happen to people.

Much has been said about the views of the churches. Not only do the churches disagree on the interpretation of the Bible, but a number of churches have different views about what should be done to people who practise homosexual behaviour. I shall give some examples. First, I refer honourable members to a report in the *Newcastle Herald* of 19th October of a resolution adopted by the Anglican Synod of the Newcastle diocese. The report read:

> A motion calling for the decriminalization of homosexual behaviour in private between consenting adults in NSW was adopted by the Anglican Synod of the Newcastle Diocese yesterday.

Canon Victor Pitcher, who was the convener of the diocesan subcommittee, argued for the decriminalization of sexual behaviour in New South Wales as being a simple matter of justice. That sums up the whole matter. I refer honourable members to a report by the Reverend A. North, B.A., B.D., the convener of the Presbyterian Church and Nation Committee in 1968. Reverend North argued for the decriminalization of homosexual behaviour. He said:

> Undoubtedly issues concerning homosexuality are unduly clouded because of the existence of certain irrational fears based on ignorance.

The problem is that people have not researched the matter and are locked in to the old, traditional values. He also quoted an unnamed British member of Parliament, who said:

> . . . sending consenting adults to prison was as therapeutically useless as incarcerating a sex maniac in a harem.

That would be the effect of sending a person to gaol for fourteen years for homosexual behaviour. The passage continued:

> The law as it is presently constituted discriminates unfairly. There is surely no moral difference between the behaviour of consenting adult Lesbians and that of consenting adult male homosexuals.

A report of the Presbyterian Church assembly in the United States of America in 1970 reads:

> It is our opinion, however, that the laws which make a felony of homosexual acts privately committed by consenting adults are morally unsupportable, contribute nothing to public welfare, and inhibit rather than permit changes in behaviour by homosexual persons.

Those who have quoted some respected church people have shown that there is a division of view within the Christian church on the matter. One should not be swayed unduly on this issue by individual opinions. The honourable member for Earlwood made clear the distinction between the moral and the criminal code. Honourable members should not confuse the two codes.

By way of explanation, I, presumably along with other honourable members, received some literature from an honourable member in another place entitled "Pornographic Literature". One of them was headed "Gay, Young and Proud". A note written on it showed that it was being sold by the New South Wales Teachers Federation to schoolchildren. I rang Jenny George, the secretary of the Teachers Federation

and she assured me that that was not so. She said that the material was in the library and teachers could purchase it but that it was not being sold by the Teachers Federation to students. I accept her word. That literature was opened by my secretary, who was somewhat startled. Those who have hard and strong views and send pornographic literature through the mail should be careful how they send it because the intended recipient may not always be the first to see it.

I urge a vote for the bill introduced by the honourable member for Illawarra. It is obvious that there is minority support for that proposal. Then the matter could go further and in Committee it needs to be voted on by a majority of honourable members in order to be sustained, or possibly amendments could be moved by an honourable member such as the honourable member for Campbelltown, which would be acceptable to the majority of honourable members.

It would be a travesty of justice in a Chamber like this, where there is broad consensus and when something needs to be done with the Act, to halt further debate on it peremptorily. That would leave the community at large and the gay community without a satisfactory resolution of the problem. I urge honourable members to put aside their prejudices in various areas and not to accept that just because I, or any other honourable member, has a moral view or concept about a pattern of behaviour, it gives me or any other honourable member the right to enforce that view on someone else. Without fear or favour, people should have the opportunity to exercise their discretion and operate in a free society so long as they do not hurt anybody or force their own code of behaviour on some other person without that person's consent. I urge all honourable members to vote so that the bill may go into Committee and then to look at the amendments, which will be acceptable to the majority of honourable members.

Mr MOCHALSKI (Bankstown) [2.45]: I congratulate the honourable member for Illawarra on having the courage to bring this subject into the open. All honourable members are familiar with the injustices that have been perpetrated on a substantial minority in the community over a lengthy period. The act of the honourable member for Illawarra in recognizing these problems and in bringing them before the House for debate should be lauded. Having listened to the debate, I cannot help thinking that at least some honourable members have discovered the importance of sexuality in the lives of individuals in our society. Various speakers have canvassed the issues of morality and illegality and what division there ought to be between the two, if any. In essence the question is: is this sin to be a crime. I read the speech of the honourable member for Northcott. He said that his particular sins do not lie in this area; they lie in other areas. So be it.

What do honourable members, as legislators, allow and disallow and in what circumstances is it allowed or disallowed? If the main objection to decriminalization has a moral basis, why do not those who argue against reform bring in criminal sanctions for fornication between heterosexuals? Surely it is incumbent upon them to do so, for they must be consistent and apply consistent standards. If that is not so, I ask why it is not so. The need for reform in the area is well established. It is long overdue. A person found guilty of rape may receive only seven years' imprisonment but consenting homosexuals may receive a maximum period of imprisonment of fourteen years. No one could justify that.

Along with the majority of honourable members, I should like to have reform in this difficult and complex area of human relations. I accept that, as legislators, honourable members must protect what some refer to as the moral fibre of society. In a rhetorical fashion I ask: is it not a greater strain on the moral fibre of society to

allow a situation to continue where, because of their sexuality, homosexuals are vulnerable and have been subjected to blackmail, coercion, assault and other wrongs, with no possibility of redress? Honourable members have heard about the pressure that has been applied to these people by the police. Also, in the gaols this sort of activity is forced upon others.

Though I seek reform in this area, I do not support, sanction, condemn or condone homosexual behaviour. I certainly do not consider it to be normal but, in conscience, I cannot consider it to be criminal when it occurs, by consent, between adults, in private. Those are the qualifications that I consider should be applied: first there must be consent; second, it must be between adults over the age of 18 years—that is an essential ingredient; and third, it must be in private.

I have listened carefully to the debate. Not enough consideration has been given to what is meant by the words "in private". We can all think of circumstances where an argument would occur on whether acts could be considered to be in private or in public. As legislators, we ought to expound on those words and determine what is meant by them. Too often we read or hear of the judiciary saying that a bill is insufficiently clear, imprecise, not expansive, and ought to go back to Parliament. Another aspect in which insufficient analysis has been made is solicitation. It is a sensitive matter. I do not claim to be an expert in deciding what is meant by solicitation, nevertheless it deserves more consideration by honourable members.

I would support legislation for sexual reforms if a simple bill were placed before the House. I am sure that the majority of members who will vote against the Petersen legislation, and also the amendments, would vote for a simple bill on the lines I have discussed. In essence such a bill would remove legal discrimination against sexual acts performed by consenting adult males in private, and matters covering solicitation. A definition would be given of the meaning of the words "in private". If it were possible, the Minister for Police and Minister for Services should instruct members of the police force not to prosecute or to harass homosexuals pending clarification of the legal situation. Unfortunately, much confusion has been generated. Charge and counter-charge have been levelled. The honourable member for Davidson said that I would be introducing some amendment. I have never considered doing so. Nevertheless, he has not had the decency or courtesy to withdraw or retract his comment. The debate has degenerated to that low stage.

I should like the honourable member for Illawarra to bring in a simple legislative measure that would be supported by everyone. I recall an occasion when a clarification point was raised concerning the bill. Someone said that two hundred amendments would be required to bring it in line with what I had in mind. Bearing in mind that circumstance, I find it difficult to go along with anyone: two hundred amendments were not necessary.

I shall not vote for the amendments foreshadowed by the honourable member for Cronulla. If I were to choose between the bill proposed by the honourable member for Illawarra and the amendments foreshadowed by the honourable member for Cronulla, I would support the honourable member for Illawarra. But I shall not vote for either the bill or the amendments. Sexual law reform should be treated properly. There should be greater consensus between members on both sides of this House. I recall an occasion four years ago when the honourable member for Lane Cove raised the issue of homosexual law reform. I note that now he is Leader of the Opposition he has not bothered to consult the honourable member for Illawarra or anyone else about the bill. That is not good enough. Obviously, there is common ground and it should be explored. In the circumstances, I shall not vote for what has become known as the Petersen bill or for the Egan amendments.

Mr BREWER (Goulburn) [2.55]: I oppose the Petersen bill strongly. I believe the whole of the Country Party also has strong opposition to the bill. I have had the benefit of wide experience of human life. I performed active service in the Australian forces during World War II. I had wide experience as a young man in my work life, in all sorts of places and with all sorts of opportunities. What is most important, I have had the benefit of a good, wholesome, family life. I have six children, married in turn. Perhaps that is more my good fortune than anything else. But I believe parental control, guidance and influence are important. The influences under which young children fall during their formative years are also important. I am pleased to say I have six wonderful grandchildren. That is one reason why I am so much opposed to the Petersen bill and will not vote for its second reading. Also, I shall not vote for any amendment that follows.

If the Government wants to amend the Crimes Act, let it do so. The Government should not mess around with something it does not have under control. The Labor Party has so many splits and factions, so evident during this debate, that the measure ought to be withdrawn from the House. If penalties in the Crimes Act are wrong, they should be properly amended and dealt with by the Government, the responsible body in this Parliament. It should not have to have legislation on such an important issue brought before this House by the honourable member for Illawarra. The Labor Party carefully elects the executive Government to conduct the business of this Parliament and make the laws of this State. The responsibility for legislation to deal with the present problem should lie with the executive Government.

The Attorney-General, Minister of Justice and Minister for Aboriginal Affairs, in introducing amendments to the Crimes Act under the Crimes (Sexual Offences) Amendment Bill, purposely gave an opportunity to the honourable member for Illawarra to bring forward this legislation. The Minister did not do it himself but purposely gave the honourable member for Illawarra the opportunity to step in with this legislation, obnoxious as it is to most members of this Chamber and this Parliament. Let us look at the background of the Attorney-General, Minister of Justice and Minister for Aboriginal Affairs. When the Wran Government first came to office the Minister flew a kite concerning the decriminalization of marihuana. We saw his work concerning the recommendations of the Anti-Discrimination Board. Another kite was flown concerning the lowering of the age of consent. We know how the people of this State reacted to that.

If the Government wants to correct anomalies in the present Crimes Act, the Attorney-General, Minister of Justice and Minister for Aboriginal Affairs and the Government are the ones to do it—not the honourable member for Illawarra. It is more important than ever today that the morality of the community should be lifted rather than dragged through the mire. My experience as a soldier, airman and civilian has guided me to the belief that most homosexuality and homosexual acts are the result of association. Homosexuality occurring from birth is minor when compared to the development of homosexuality by association that one sees today in places like Kings Cross. I will not be derelict to my duty to the constituents of Goulburn who would vote against the Petersen bill if they were able to do so in this Chamber.

The majority in my electorate would condemn the Petersen bill. Though I do not want to take up much of the time of the House, it is important that I state my views and the views of the people of Goulburn. I could not imagine anything worse than having a child or a grandchild condemned to being homosexual because of an association with the lust that is part of homosexuality. Homosexuals are denied the reason for their existence. They are deprived of their heritage—that is, to reproduce

and enjoy the fruits of their reproduction—their children. Every honourable member should vote against the Petersen bill or any amendments to it. Any anomalies in the Crimes Act should be left to the Attorney-General and Minister of Justice to correct in the proper manner. I have heard in this debate so many spurious arguments that I wonder what qualifications are necessary to enable a person to become a member of Parliament. I oppose the bill.

Mr WADE (Newcastle) [3.2]: The public has given a great deal of support to decriminalizing parts of the Crimes Act, in particular, those provisions relating to homosexual acts between consenting males in private. The penalteis under the Crimes Act are harsh and result in discrimination. Arguments have been put forward in this debate for and against the bill. Arguments have been advanced also against any change to the Crimes Act in relation to male homosexual acts. Much emphasis has been placed on whether homosexuals are born as they are or whether they have adopted their life style because of their environment. No doubt those arguments will continue. Some churches throughout the State support decriminalization of homosexuality; others are directly opposed to it. The synod of the Church of England, which was held recently in Newcastle, accepted recommendations from the Anglican social questions committee to support changes in the Crimes Act to remove penalties for homosexual acts between consenting males in private, having in mind that no such penalties exist for women who indulge in lesbian acts in private or elsewhere. That highlights the discrimination that exists.

Honourable members are aware that the rules of the Australian Labor Party are designed to permit members to vote in accordance with their conscience on some social issues. The honourable member for Davidson and the honourable member for Goulburn have emphasized their points of view of what honourable members should do in a political sense. It has been suggested that the Labor Caucus has come to certain decisions. That is untrue. As president of the Parliamentary Labor Party I am in a position to say to those who make such statements that the Parliamentary Labor Party has made no decision to compell members to vote one way or the other. The Labor Party has assisted in placing this vexed question before the House so that a democratic decision can be made to accept or reject the bill.

I have said that the Government should take action to present correctly worded legislation upon which every member can exercise an option to support or reject amendments to the Crimes Act to remove discrimination. The bill and the amendments foreshadowed by the honourable member for Cronulla are in my opinion a bit of a botch. If honourable members believe the Crimes Act should be amended, it should be done in a proper manner. The Parliamentary Counsel should be asked to prepare amendments and submit them for consideration. Honourable members should then vote on the matter by a free conscience vote on a non-party basis.

During the grievance debate on 12th November I drew attention to some unpalatable circumstances that exist in Islington, a residential part of my electorate, close to the suburb in which I live. I have tried to have action taken to remedy the situation but nothing has been done. The Criterion Hotel in Maitland Road, Islington, is being used as the venue for meetings of homosexuals and transvestites. The hotel is owned by a transvestite. I do not know who manages it. It amazes me that these people openly and unashamedly solicit homosexual favours on the streets in the vicinity of the hotel. Nearby, unseemly acts are performed in the old Greek church hall. The church was burnt down and has been removed, but the hall remains. The hall has no doors. Homosexual acts take place there where children can see them. I have suggested that if acts of that sort are to be carried

out, they should be performed in some commercial area that is not occupied by residents. They should not be allowed in a residential area. My constituents are frightened to leave their homes because of the actions of some homosexuals.

Last week there were fights and some individuals were injured. The police were called but they did not arrive until an hour later. The police complain that they cannot take action under the new Offences in Public Places Act. It is difficult to get anything done about the matter. I know the police force is understaffed and that police officers have many other duties to perform, but my constituents have to live in this type of atmosphere day in and day out. They are entitled to complain, and they have done so loudly and bitterly. At the corner of Mary Street and Power Street there is a stop sign. The roads are narrow, and when the cars pull up at the stop sign the occupants are harassed by transvestites with abuse and filthy language that is not fit for the ears of the children who live in the area. Soiled tissues are thrown over people's fences. It is absolutely disgusting.

As a result of the matters I raised in the grievance debate, the next morning the *Newcastle Herald* published a report about it. Immediately I came under attack. Homosexuals streamed into my office. They did not look any different from ordinary folk to me. I do not know how to sum them up or tell whether they are homosexual or whether they were having me on. But they came to abuse me because I had the temerity to bring before Parliament and the people of Newcastle the unsavoury actions that were taking place in Islington.

Those persons claimed that I should be attacking only the transvestites. They claimed also that, though they may be homosexuals, they go to the pub only to have a quiet drink. They said they should not be harassed and that they do not harass others. I thought that transvestites were persons who put make-up on their face and dressed up in women's clothes. However, in this case those transvestites have done a bit of a bend down. It is not right that my constituents should cop this treatment, and I do not want them to do so. The Wickham–Islington branch of the Australian Labor Party, which covers the whole of the area, has been most upset about this, and it has taken action to bring the problem to the Government's attention to see whether something can be done about it. The Islington residents' action group has been active and vocal in its opposition to what is going on in a formerly quiet and subdued residential area.

I expect to get a bit of abuse over this. As the representative of my constituents, when I am asked to express my views on issues, I cannot always agree with everyone. Members of Parliament get a great deal of correspondence about many issues, including the law on abortion, and they are often asked to commit themselves on those issues. On the Friday evening after the grievance debate in this House, on 12th November, the telephone calls started coming in as soon as the clock at the city hall struck midnight. My wife, my daughter and my son were abused over the telephone. In fact, the whole household was up from midnight. I told my wife to put the telephone under the bed and to forget about it, but the buzzing was worse than the bell ringing—and we had to cop it. Moreover, my wife was told in no uncertain terms what she could do. This was on all night long. The same thing went on the next night also, until finally we had the telephone disconnected at night. Until this thing simmers down—and it will probably start again now—my telephone will be out after teatime. Families of members should not have to cop this sort of treatment.

Unfortunately the police in my area say that in respect of this kind of problem they cannot act under the reform legislation introduced by the Attorney-General and Minister of Justice and Minister for Aboriginal Affairs. The same kind of attitude is taken in other parts of the State, where the same problem occurs. I do not know how

that is to be overcome. The Wran Government is a government of reform and it believes that legislation should not be a hindrance to the community. Some of the injustices that prevailed with drunks should have been corrected. The Government has tried to carry out reform, but it has come up against a brick wall in cases where police officers are determined that they will not work under the legislation, and they try to lay down what can and cannot be done. Unfortunately many persons in electorates that have this problem are being disadvantaged by lack of action on the part of police.

I have been to the superintendent of police at Newcastle. He is a person to whom one can talk, and if action can be taken, he endeavours to take it. Most police stations are understaffed and they do not have the manpower to follow up every complaint. Police officers have to attend to traffic accidents and the scenes of crime and I can understand some of their problems. However, I cannot see that this bill or any of the other proposed measures will relieve the situation that concerns the honourable member for Illawarra. Honourable members must determine what is meant by private. Insufficient emphasis has been placed on some important provisions of the bill. People should not be prevented from doing what they want to do in their own homes and they should certainly not be subjected to police action there. Unfortunately people can be set up. If a person is dobbed in, the police might forget the Attorney-General's amendments to the Crimes Act and then take action. That sort of thing should not happen, for the behaviour complained of may be out of proportion to the penalties that can be imposed. The Government has the responsibility of drafting legislation. If members think it is necessary to amend the Crimes Act—and I think many Acts should be brought up to date—the Government should put forward its proposals, and then members could exercise a conscience vote in accordance with the policy of their political parties. I oppose the bill and the proposed amendments. When the Government comes up with a proper measure, I shall deal with it.

Mr FACE (Charlestown) [3.16]: I rise with mixed feelings. It was not my intention to speak on this bill. I believed that my conscience vote would have expressed my view. Unfortunately I am in a position where I must reply to some slights that have been cast against me, probably because of my former occupation. I say without equivocation that I am in general agreement with genuine law reform and have been for many years. I take that stand because of my former occupation in the police force. I do not agree with the provisions of this bill for various reasons. For many years I have been a practising Anglican in the diocese of Newcastle. That diocese has taken an enlightened attitude to a number of issues. I have made consistent contributions to the social questions committee. In fact the former secretary was for many years Reverend Paul Dunne, a person who is liked by everybody and highly regarded by the Labor Party and the community. No one should think that because I am opposing the bill, I am against reform. My Christian beliefs, which I have had all my life—and they are not likely to change—tell me that homosexuality is unnatural. That does not mean that if people want to carry out homosexual activity in private, criminal sanctions should be imposed upon them. So far as I am concerned it is not a matter of having two bob each way. My beliefs will not allow me to change my attitude. However, I do not see why any person should be hounded. Legislation should reflect the views of the community, and that is the only way in which genuine reform can be achieved.

Mr Petersen: Would the honourable member for Charlestown like a cosmetic bill that achieves nothing?

Mr FACE: The honourable member for Illawarra has had his say. I agree with him on many things, but I disagree with him about others. The honourable member for Illawarra is aware that, over a period of years, I have voted with him

more than against him. I do not promise that this will always continue. Members of the Labor Party have been given the right to exercise a conscience vote. I wish to make certain that any new legislation is workable and that it protects the community—including those persons who are at present being discriminated against—and there is no doubt in my mind about that. I am not a lawyer, and I do not have the in-depth legal knowledge of lawyers. I know the practicalities of the law in respect of what is achievable and what is not. I know that I did not endear myself to some of my former police colleagues over the Offences in Public Places Act. I supported the Attorney-General because I said in this House that some police were interpreting the law the way they wanted to interpret it.

I do not believe the proposed reform will overcome the difficulties in enforcing section 5 of the Offences in Public Places Act. The matter needs further investigation. Without going into detail, I am concerned about prostitution and soliciting. People should not have to suffer advances made by other persons. The major difficulty is to determine what is public and what is private. In this debate no member has provided a satisfactory definition of private. Until that matter is clear in my mind I shall oppose the bill. I make no apologies for the fact that I am not a lawyer. During my service in the police force a case was dealt with in the western suburbs of Sydney that involved the desecration of property but not behaviour between people. The offenders were charged with the common law misdemeanour of scandalous behaviour, which to my knowledge does not carry a sentence involving imprisonment.

It might be that in trying to legislate on homosexual behaviour the Parliament might introduce matters that will operate against the rights on those who choose to behave in that manner in a park. Section 5 is not adequate, and those persons who commit such offences might be charged with a common law misdemeanour and misbehaviour. That should not occur, for it would defeat the purposes of those who are trying to obtain relief from oppression if they found themselves in further serious trouble. I do not suggest that police officers are always right. When I was a member of the police force and had the unfortunate duty of having to go to places where people were being solicited for acts of indecency by male persons, I did not hang round there. I attended the place because complaints had been made by people who had been molested. I cannot tell the House about the situation in Sydney. Some persons get a thrill from hanging round waiting to catch people in the act. I agree with one part of the contribution of the Deputy Premier, Minister for Public Works and Minister for Ports. If one took into account those who were caught short and were hanging round toilets in Newcastle when a police officer was in the vicinity, the list would read like a who's who of that city. Some notable names would appear on the list. No doubt they were there for the purpose of soliciting.

In the past two or three days more has been said in this debate about the Bible than has been said in St Stephen's Church in Macquarie Street, Sydney. Each person who reads the Bible interprets it differently. That is probably why people go to different churches. The major concern is about the definition of private. The argument that one will stop sexual acts by including a provision about consenting males is ridiculous. Soliciting and acts of indecency will still occur between male persons, and that was my experience in the police force. My conviction about these matters does not stem from what has been said by my colleagues. Some members suggested that they could predict what I would do because I am a former police officer. It ill-behoves a senior member of Cabinet, whom I shall not name, to carry on a crusade against me because of an incident he had in his early life and his paranoia about the police. No honourable member on either side of the House could cast a reflection on my police service, which was honourable.

People should not have to tolerate acts of indecency committed by male persons in public. The incident described by the honourable member for Newcastle is an example of the lengths to which some people will go to achieve their own ends. The honourable member referred to a situation that affected his home; it was turned upside down because he had the temerity to stick up for his constituents. I do not want to see people suppressed. Members of the community have a right to be able to do what they want without being harassed or solicited. Those who want genuine reform are most concerned. Harassment is becoming far too prevalent. If a member speaks out in support of his beliefs, he runs the risk of having his secretary abused. I have had to have my telephone disconnected on several occasions—the incident regarding some pest exterminators is probably the best example. Some persons harassed my wife and me. I had police action taken against those persons and those so-called lilywhites went to prison. The honourable member for Newcastle had every right to bring the incidents to which he referred to the notice of the House. If one wants reform in this country, one does not take to the streets, as is done when some persons do not get their own way.

People have a right to express concern about community standards and to allow others to be able to conduct themselves in a proper manner. I do not condone homosexual behaviour; for me it is unnatural. However, if a proper bill were introduced based on a consensus of opinion, I would support it to ensure that some reform results. At present some discrimination occurs. Much of that discrimination is ill-conceived, and that has been evident from this debate. I remind honourable members that they should cast a conscience vote. It would ill behove any member to have recriminations if he does not get his own way. Some similar behaviour has occurred already.

I could not support the amendments proposed by the honourable member for Cronulla for the reasons I have stated. I have many reservations about the bill. For instance, the honourable member for Illawarra and some other honourable members have given an assurance that, if honourable members vote for the bill at the second reading, they will move certain amendments at the Committee stage. That is not good enough; I like to put the horse before the cart. I shall have to live with my decision. I do not intend to have two bob each way. In the nine years that I have been a member of Parliament I have spoken in this House and elsewhere about the inadequacy of laws to control the harassment of homosexuals. However, I will not commit myself and the party that I represent to the proposed reform without a proper consensus. I shall have the courage of my convictions and vote against the bill. It may be that, at some time in the future, legislation will be introduced that appeals to the whole of the community, including those who are trying to protect society in the way that the honourable member for Illawarra has suggested.

Mr McCARTHY (Northern Tablelands) [3.29]: Not much more can be said about the matters contained in the bill. However, I feel that I should put my personal view to the House. Various groups and churches in the community have expressed opinions on the basis of Christian ethics and morality. Honourable members have heard the views of homosexuals and others in the community. I have taken into consideration also the views of my State Electoral Council. I have listened earnestly to the debate in this House. All of the views I have heard were genuinely held by those who expounded them, having considered the legislation in terms of their own consciences.

I have had considerable difficulty coming to grips with the matters covered by the bill and in making a decision on them. I have no doubt the law contains a serious anomaly in its penalties for homosexual acts between consenting adults when compared

with penalties applying to homosexual rape or heterosexual rape. The penalty of fourteen year's imprisonment seems extreme, though it is contained in a law that is rarely implemented—except when a juvenile is involved.

Homosexuality has been with mankind for thousands of years. No matter how drastic the penalty for homosexual acts between males, homosexuality continues in all societies. I believe that it will continue, no matter what the law dictates. It has been suggested that homosexuality would run rampant if penalties were not imposed. There is no evidence of it elsewhere following reform of the law. It has been suggested, also, that the removal of existing penalties will encourage people to become homosexual. I can find no evidence anywhere to support such a contention.

I do not place myself in moral judgment on persons because of their sexual mores or inclinations. I may not agree with them, but I do not judge; it is their responsibility; it is between them and their God. I respect the views of the genuine people who oppose changes to the law but, after giving close consideration to the views expressed by them and others and after listening to the debate in the House, I believe it is a matter for my conscience to do something about the reform that is obviously necessary.

As a matter of conscience I do not agree with the bill introduced by the honourable member for Illawarra in its entirety. I foresee considerable problems in lowering the age limit for consenting people to sixteen years. I see serious problems arising over the limits set for homosexual acts between an adult schoolteacher and a student. The proposed age limit for such offences is seventeen years. I and many other honourable members are far from happy about the way the bill of the honourable member for Illawarra, another bill and some associated amendments, have been handled in the House. The responsibility of handling a private member's bill does not lie with the Government. Private members must be prepared to accept criticism about the handling of bills they introduce.

In my estimation it is likely that both bills in this matter will be rejected, because of the confusion of many honourable members. I could not help agreeing with earlier speakers in the debate that it would have been far better had the Government decided to bring in amendments to the Crimes Act. I make that statement with a good deal of hindsight, as does probably every other honourable member who suggested it. My intention is to give *pro formâ* support to the bill introduced by the honourable member for Illawarra, as I believe it should be discussed and further considered in Committee so that amendments may be made to it and because my conscience dictates that some reform in this field is necessary.

Mr SINGLETON (Coffs Harbour) [3.37]: I support my colleagues on this side of the House, who, without exception, have spoken against the proposal brought into the House by the honourable member for Illawarra and supported by a large number of members on the Government benches. I cannot understand a government that would allow this type of bill to be brought into the House. Honourable members have spent three days debating the bill when all round New South Wales industry was in chaos. Along the coastline between thirty and fifty large ships stand offshore waiting to be loaded with raw products that Australian has sold to other nations. Honourable members read about the State's funds being almost depleted and reductions being made in hospital services.

Mr Sheahan: On a point of order. The speech being made by the honourable member for Coffs Harbour should have been made when the motion for the suspension of standing orders was debated.

Mr Singleton: On the point of order. I am speaking to a bill that has taken up the time of the House for three days. I am pointing to the many things that should have been debated. Instead honourable members wasted their time debating a bill about homosexuals. The Government has been unable to make up its mind on the issue.

Mr SPEAKER: Order! The matter before the House is a private member's bill that was introduced by the honourable member for Illawarra. The honourable member for Coffs Harbour is entitled to state briefly that other important matters should be debated but he must not set out at length those other matters.

Mr SINGLETON: I do not believe that the debate on the bill warrants much time. I speak on behalf of the thousands of people of my electorate who have contacted me by telephone, petition, letter, word of mouth and telegram. I do not think one person who has contacted me favoured the bill. That fact is indicative of the strength of the feelings of the people. Doubtless the left-wing attitude of the honourable member for Woronara would be second only to the leanings to communism of the honourable member for Illawarra.

The honourable member for Woronora mentioned the names of many famous people. It is easy to state the names of people who cannot defend themselves here. The honourable member for Woronora displayed the weakness of his argument by insinuating that those people have been homosexual. I attack him strongly for the grave allegations he endeavoured to make against my colleague, the honourable member for Byron, who is probably one of the most outstanding members of the House. He is always willing to stand up and be counted on important issues. In 1940 he reacted to the bugle call and went off to the war to fight for Australia. Two months after the State elections we are debating a bill brought to this House by the honourable member for Illawarra, about which he had not said anything previously.

Mr Petersen: You are a liar. I said that in April, and you know it.

Mr SINGLETON: There was to be a general election in this State——

Mr SPEAKER: Order! I call the honourable member for Illawarra to order. I have said previously that when a member uses the words "you are a liar" I shall ask that they be withdrawn. I ask the honourable member for Illawarra to withdraw the remark "You are a liar".

Mr Petersen: Mr Speaker, I withdraw the remark "You are a liar".

Mr SINGLETON: This bill is totally against the law of God and man. It is more a medical problem than anything else. Certainly, it is a social problem in parts of the State. The Government and the House should be considering research into the problems of homosexuality. The measure brought forward today is part of a worldwide communist conspiracy. It is part of the goal of worldwide communism to bring down western Christianity and a system that the western world has found worth while for 2 000 years.

Mr Petersen: Does the honourable member for Coffs Harbour know what the law on homosexuality is in Russia?

Mr SINGLETON: It is all very well for members of the Government to laugh. All members know that the honourable member for Illawarra would be one of the first to be dragged out and shot if the communists were to take over Australia. They would not trust him for a minute. The Government would legalize every community problem. It solves them all by legalizing them. For example, it is talking about

legalizing casinos and starting price betting. That is how it gets rid of its problems. Members on the Government side bleat their hearts out in the debates and ask that people's rights be recognized. There was not too much recognition of the people's rights in this place yesterday when the Government attacked the freehold rights of landowners with coal on their land. They conveniently switched their beliefs. They did that without consideration and without giving proper compensation for taking those freehold rights. Last night not much thought was given to guarding people's rights. The Government thinks about guarding them only when it suits it and the ways of its members.

The Government talks about penalties. I agree with the honourable member for Newcastle that it is up to the Government to bring the penalties into line with others. It is up to the Attorney-General, Minister of Justice and Minister for Aboriginal Affairs to bring legislation into this place that will make the penalties genuinely fair between all people, irrespective of who they are or what they are. It is not for this Parliament to spend three days on a spurious debate that is of little worth, if any, to the community. To legalize this disgusting practice will give it credibility and will encourage more people to engage in acts of homosexuality. It will increase homosexuality by association. Certainly, it will increase homosexuality and therefore it must be opposed at all costs. The next step is unpalatable. As in other countries, demands will be made for legalizing homosexual marriage and the adoption of children by the parties to them. I invite members to defeat the bill. I urge the right-wing, decent members of the Government to stand up to the left-wing before the right-wing is completely swamped by the left-wing of the New South Wales Labor Party.

Mr ARMSTRONG (Lachlan) [3.45]: I rise this afternoon to record my total opposition the bill and to give notice that I shall oppose any further amending legislation that may come before the House on the subject. I had not intended to speak to the bill for I believed that too much time had been devoted to it. But, as members of the Government have decided to take up even more of the time, energy and resources of this place on debating the matter, I find it necessary to record my views on it. The views of the majority of the electors of Lachlan correspond with mine. It is abhorrent that three days are wasted talking about this bill while such real issues as those outlined a few minutes ago by the honourable member for Coffs Harbour, including the piles of rotting rubbish in the streets of Sydney are ignored. Government supporters see fit to take three days to debate a bill which, in essence, if passed, will make the act of buggery legal. Leaders of all church denominations in this State condemn it. As a Christian I too condemn the legalizing of the act of buggery.

The honourable member for Woronora took to task the honourable member for Byron for his reference to homosexual acts within the animal kingdom. In fact the honourable member for Byron said that animals are not homosexual. I differ from him, for some homosexual acts occur among animals. I can claim to have probably more knowledge than most members on animal matters. Certainly some homosexuality occurs among young bulls and rams, but do honourable members know what the animal society does to them? It eventually rejects them. That is what should happen in our society to homosexuals. Why should we take up three days talking about a minority of social misfits?

Mr Sheahan: I have heard that the Country Party is a minority of social misfits.

Mr ARMSTRONG: The Minister has heard wrong. If the animal kingdom casts out its homosexuals, why should we legalize the perverted activities of a minority in our society? Although I do not wish to take up much of the time of the House on the matter, I feel that some facts should be placed on the record. I have received 138

letters about the bill. Of them, 137 are in opposition to it. The one letter in favour of it came from someone outside my electorate I am sure that many of the 137 people from the Lachlan electorate who have objected to the bill have never before written to a politician on any issue. The included farmers from Ungarie and widows from Ardlethan—people who are so disgusted by the proposal that they felt they should express their concern and have it put on record here and form part of the State's recorded history. The electors of Lachlan, in their demonstration of opposition over recent weeks, have affirmed their objection to the legalizing of homosexuality. Having said that, I shall take up no more of the time of the House on this issue.

Mr PETERSEN (Illawarra) [3.50], in reply: Before I reply to the debate on the second reading of the bill, I indicate that if the bill passes the second reading stage, I shall move in committee one minor amendment to it. The honourable member for Newcastle said the bill is a bit of a botch. That is not so. My bill was drawn up by a constitutional lawyer. Admittedly, a difficulty arose over an amendment to the law last April. The problem was to relate the various Acts affected by that amendment when preparing the bill. When the Parliamentary Counsel examined my bill he could find only one technical difficulty in it. That is in item (4) of schedule 1 to the bill, which relates to section 62 of the Crimes Act. It would have had the effect of replacing the term carnal knowledge with that of sexual intercourse, and providing a partial definition of the term for the purposes of that part of the Act.

It has been pointed out to me by the Parliamentary Counsel that it is not necessary to add that qualification to the definition of sexual intercourse, as that is already defined in section 61A. Sexual intercourse is defined as penetration or the introduction of certain objects, and no additional proof is needed for an offence to occur. It was our intention in preparing the bill to be completely consistent throughout and to use only one definition, that is, sexual intercourse. We thought that would be sufficient because nowhere in the Crimes Act is carnal knowledge defined, except partially in section 62. However, the term continues to be used and to appear in certain sections of the Crimes Act. This definition or clarification of that term is necessary to continue in the Act. We need not have included item (4) at all. It may cause problems in the future. Therefore, if the Committee stage is reached, I shall move for its deletion. I emphasize that that is in no way controversial. It is a machinery provision to give effect to the advice of the Parliamentary Counsel. It is also my intention to support the amendment to be moved by the honourable member for Campbelltown to increase the age of consent from 16 to 18.

I thank most honourable members who spoke in the debate. Several did nothing to elucidate the issue but instead represented lying mediaeval prejudice and fascist demagoguery. The Leader of the Country Party, the honourable member for Northcott, the honourable member for The Hills, the honourable member for Byron, the honourable member for Goulburn, and the honourable member for Lachlan delivered intolerant, hate-filled diatribes, all of which were designed to prove that this minor reform designed to contribute to the elimination of the persecution of homosexuals was intended to destroy the very fabric of our civilization. But the prize joke was delivered by the honourable member for Coffs Harbour, who suggested that it was all a Russian plot. It was obvious that he had no idea of the legislation that applies in the Union of Soviet Socialist Republics. Incidentally, the laws on this subject in that country are similar to those on the statute books of New South Wales.

The honourable member for Dubbo and the honourable member for Bathurst demonstrated a commendable effort to come to terms with human phenomena that they found to be foreign, but unfortunately they could not overcome their prejudice. In this they were in contrast with two gentlemen of my own party, two former blue

collar workers, the honourable member for Kiama and the honourable member for Bligh. Both were brought up, as I was, in the dreadful era of sexual repression and the promotion of sexual ignorance but were able to come to terms with those phenomena. They made extremely valuable contributions to the debate. They exhibited a tolerance and understanding that should be an example to the Labor movement.

The honourable member for Gosford made an outstanding speech. It was a masterpiece of human understanding with its clear statement that what is distasteful to an individual need not necessarily be illegal, and his clear warning that if homosexuals cannot obtain reform through Parliament, they will seek it through civil disobedience. That will happen if honourable members reject the reform that I propose in the bill.

I thank particularly the honourable member for Waverley for his brilliant exposition of the inadequacy of the proposal of the honourable member for Cronulla, which can best be described as a cosmetic exercise. It is a matter of much regret that I must disappoint them, the Deputy Premier, Minister for Public Works and Minister for Ports, the Attorney-General, Minister of Justice and Minister for Aboriginal Affairs, the honourable member for Earlwood, the honourable member for Gladesville, the honourable member for Swansea, the honourable member for Balmain, and the honourable member for Woronora in that I have reluctantly decided to depart from the principle of equality between homosexuals and heterosexuals for the opportunist reason of seeking to ensure the passage of the bill by supporting 18 years as the age of consent for homosexuality.

I thank the honourable member for Gordon, the honourable member for Vaucluse, the honourable member for Peats, the honourable member for Drummoyne, the honourable member for Wentworthville, the honourable member for Hurstville, the honourable member for East Hills, the honourable member for Manly, and the honourable member for Bankstown for their thoughtful contributions to the debate. I invite them to support my bill as amended by the honourable member for Campbelltown, whom I thank for his efforts to resolve the dilemma.

When I introduced the bill I said that no evidence would be produced of adverse effects that might follow the reforms contained in it, for no such evidence can be found anywhere else. I said it was a reform without dangers. That prediction was well founded. In the debate that took place critics were full of dire suggestions and wild fears, but their arguments were devoid of facts or any reference to the truth of the effects of the reform in other places. I refer particularly to Victoria, under a Liberal Government, and South Australia, where a reform of this type was introduced under a Labor government. The honourable member for Murrumbidgee advanced the ridiculous suggestion that the bill will result in an increase in male prostitution. He said that although South Australia could get away with it, because it was a small State, New South Wales could not do so because it is bigger. That was typical of the arguments against my proposition. Their failure to produce any substance to support their allegations condemns them. They are without credibility.

Some honourable members attempted to avoid discussing the bill on its merits and on what it seeks to do. Instead they talked about everything but the bill. They could be called exponents of the theory of the floodgates: they appeared to say that it is not the bill they object to but what may happen after it is agreed to. Claims that the bill will lead to all manner of other things are false. If changes are to be made to the marriage laws, that is a matter for the federal Parliament, not this one. If changes are to be made to the school curriculum, that is a matter for the Minister for Education and his officers. That should be considered in a separate debate. These questions, if and when they arise, will be dealt with on their merits. The passage of the bill will

not affect those decisions. As with those matters, the question before the House should be dealt with on its merits. The bill deals with the laws of sexual behaviour, nothing more or less. As in other States and countries, it will not lead to other changes—desirable or otherwise as those changes may be. Parliament should not allow itself to be distracted by considering issues that are not before it. That is nothing more than a deliberate diversionary tactic and should be recognized as such.

Some contributions to the debate have taken up my challenge that a case for a higher age of consent be proved. None has been successful. It is remarkable how often when discussing homosexuality people who know nothing of the academic writing on the subject suddenly become experts on what they believe are medical views. Some members of the Liberal Party pursued a line that males mature more slowly than females and therefore need greater protection. No evidence to support that contention has been offered. The Wolfenden report said in paragraph 71 that such matters are arbitrary. I cannot believe that those who are spouting this nonsense have done any serious reading on the subject, though I must say that the honourable member for Gordon and the honourable member for Vaucluse appear to have. The confidence of the other honourable members, despite their ignorance, is impressive.

It is equally remarkable how readily they distorted fact for their own purposes. For centuries the sexual laws have been concerned primarily with protecting females, especially young females, from sexual assault. There is not, nor has there ever been, an age of consent for males in relation to heterosexual behaviour. It is not illegal for a 14-year-old male to have sex with a female, yet if one took seriously this argument about the sexual, physical and emotional maturity of males, this Parliament would have long ago created not only an age of consent for males for heterosexual purposes but also a higher age for males than for females. It has not done so. It would be ridiculous to try to do so.

The honourable member for Gosford based his eloquent argument for equality on his experience as a high school teacher. The sudden and unfounded concern among some honourable members of the need to protect males from sex must be, and can only be seen to be, the arrant nonsense it is. In a House that is often sexist, some honourable members argue unconvincingly that the young male, and other members of their sex, can be so immature sexually, physically, and emotionally that they need protection when that level of protection is not now given to adolescent females.

During the debate only three honourable members advanced arguments that sought to justify the higher age of consent. The honourable member for Drummoyne quoted a venereal disease specialist as stating that young men of 16 or 17 need protection. The honourable member for Manly referred to different rates of development for males and females. Despite the obvious sincerity of those honourable members, I suggest respectfully that the Speijer report published in the Netherlands in 1969—a society that has many similarities to our own—found that of fifteen Dutch professors in various academic disciplines, only one favoured an age of consent for homosexuality above 16 years. The report stated:

> The mutual giving of love is now regarded by many as the most important part of a sexual relationship.

Unfortunately we live in prejudiced New South Wales rather than in the more democratic society of Holland. The honourable member for Gordon pointed out that the legal age for marriage for males in Australia is 18 and for females 16. On a radio programme I argued with the honourable member for Gordon that this too was prejudice. It is probably based more on the fact that a young man of 18 has a greater economic

ability to sustain a dependant wife and children, while the woman is seen as the person capable of giving birth to whom economic considerations do not apply. If I wish to get this bill through, I am stuck with the age of consent being 18. In urging honourable members to support the second reading of this bill, I make it clear that in so doing honourable members will not be supporting the decriminalization of homosexual acts involving males under the age of 18. The amendment foreshadowed by the honourable member for Campbelltown has my full, if reluctant, support, but I am committed to vote for it and so are the people who are supporting me.

If the bill emerges from the Committee stage in a form unacceptable to honourable members, I remind them that they have the opportunity to vote against the adoption of the report and also against the third reading. The opportunity to support the amendment foreshadowed by the honourable member for Campbelltown can eventuate only if honourable members support the second reading of this bill. As I have said, I shall vote for the amendment. No honourable member should fear that his or her support for the second reading of this bill might be interpreted as support for the age of consent of 16 years. A vote for the second reading of this bill indicates no more than a preparedness to consider an age of consent of 18 years. Debate on the amendment will no doubt influence the decision of some honourable members on whether they will vote for the amendment. Unless this bill passes the second reading stage, the opportunity for honourable members to hear argument on an age of consent of 18 will have been lost.

I was disappointed at the casuistry displayed by the honourable member for Davidson, who stated that if I had introduced a bill with a consent age of 18 years, he would have voted for it. I suggest to the honourable member for Davidson that had I done so, the six members of the Liberal Party who are apparently associated with him would have found some other reason not to vote for it. In other words, they were interested only in taking part in a cosmetic exercise. A number of members have stated privately and in debate that although they were unable to vote for the bill as drafted, they would be willing to support a bill incorporating an age of consent of 18 years. Those honourable members now have that opportunity. It is worth noting that before I raised this matter in this House in March the Leader of the Opposition—or the honourable member for Lane Cove, as he was then—praised the Victorian Parliament for introducing legislation that is more radical than the bill I have presented. It is impossible to understand why the Leader of the Opposition would praise the Victorian legislation when he spoke last March and condemn the present bill, which is less radical than the legislation passed by the Victorian Parliament—by the Liberal Government led by the Hon. R. J. Hamer.

I invite the Leader of the Opposition and the honourable member for Vaucluse to state that they will support this bill. I suggest that their attitude to the second reading will indicate their genuineness or their hypocrisy. The honesty and integrity of the alleged six reformist members of the Liberal Party is as much on trial as homosexual law reform. If those honourable members vote against this bill, it will be an indication that they are in fact hypocrites who are not interested in reform.

While speaking about the age of consent I should comment on section 77 of the Crimes Act. That section deals with defences to prosecutions for sexual acts committed with persons 14 years of age or older but under 18, if the Knight amendment is carried, as I hope it will be.

This is a conservative provision. It has been suggested that my bill would legalize sexual acts for 14-year olds, but that is untrue. For defences to be successful under this provision two things must be proved to the satisfaction of the court: first, that there

were reasonable grounds for believing the other person was 18 years of age or older and, second, the defendant in fact knew that the person was 18 years or older. Some may try to paint this as a *carte blanche* provision, an open go for sexual acts with anyone under age of consent, under 16—or 18 if the Knight amendment is carried—and I hope it will. In fact it is anything but that. The tests are stringent and difficult to satisfy. Whatever the merits of a lower age of consent established by this bill, the truth is that only under special circumstances will sexual acts with anyone under 18 not be subject to a penalty and a conviction.

In summary, there is no argument against the bill. There are strong arguments in favour of it. I shall refer now to two matters raised in my second reading speech that need to be restated. It has been said—and some of the material circulated to honourable members has contained this statement—that the law is not being enforced. Even an archbishop was reported in the press as saying that the law was not enforced. When making such claims, the clergy and others should check the facts. The facts reveal that in 1975 there were 116 prosecutions in New South Wales for male homosexual acts, which would not be possible if this bill is passed. There is an average of 100 prosecutions a year. Those facts cannot be denied.

When I introduced the bill I suggested that the law bred violence. When I referred to two recent murders of gay men in Sydney, two particularly horrible murders, a member of the Country Party who I do not see present in the House interjected and said that two was not enough. I shall not name him because his shame should be sufficient. I remind that honourable member and others, such as the honourable member for Dubbo, who sought by a misquote to claim that Chappell and Wilson had found no evidence for this persecution, that only a matter of days later Sydney had its third gay murder. The honourable member for Hurstville reminded the House of another case of which he was aware through his legal practice. I say to those who claim this does not occur and to the honourable member who supported murder by his comments, that they should hang their heads in shame. The honourable member for Eastwood said that honourable members should hate homosexual acts. It is not extreme to say that he holds some moral responsibility for the consequences.

Some members may not care about such matters and may wish to turn a blind eye to them, but I am not willing to do so, and nor should this Parliament if it is to retain the respect it deserves. Let the Parliament face up to that fact—that truth. Some members have raised the question of public acts. The result of this bill will not be to make public sexual acts legal where they are offensive to people. Several honourable members have made the point that heterosexual and homosexual acts in public are offences under section 5 of the Offences in Public Places Act. The Bureau of Crime Statistics and Research has argued that this section is sufficient to cover homosexual acts.

To those who argue that that section is worthless and would not allow the prosecution of homosexual offences, I refer them to the remarks of the honourable member for Hurstville. The proof of his remarks can be seen by the successful prosecution of a man earlier this year in Sydney. That person was charged under the serious affront and serious alarm clause. His offence was to dance with another man, to touch him and kiss him while on the dance floor of a gay disco on Sydney's gay strip, in Oxford Street. If such charges can be sustained under the Offences in Public Places Act, can anyone doubt that sexual acts in public would be illegal? For those who do not think the serious affront and serious alarm is a sufficient charge, I remind them that it remains an offence under that Act to obscenely expose oneself in public. There is every reason to believe that the offence would be found proved by a court if sexual intercourse occurred in public.

Mr Petersen

It has been put to me that some aspects of the bill are not acceptable to honourable members who want to see change in the law but are not willing to accept something as radical as the present Victorian or South Australian legislation. It has been suggested also that I should amend the bill to make it acceptable. As a compromise, I have supported the amendment of the age of consent to eighteen. I am not willing to accept any further amendments. I have put before the Parliament what should be put before it, in form and in principle. I am concerned about the determination with which so many honourable members on both sides of the House have sought for any excuse—whether farcical, bigoted or ignorant—to justify, in their eyes, a vote against a fundamental principle of human rights and civil liberties. The position taken by some members of the Liberal Party, which sometimes pretends to lean to liberalism, is that they cannot support the second reading of the bill, thus denying the opportunity to amend the bill as they would wish it to be amended.

The honourable member for Gordon, who sought to criticize the bill on legal grounds, made only two legal points. One was that instead of repealing section 81A so that the same law applied to male homosexuality as now applies to other persons, I should introduce new laws for those other persons. Such a suggestion is not to be taken seriously. There is also the fact that I am an individual member of the Labor Party and in this legislation I cannot deal with heterosexual behaviour without approval of Caucus.

The second proposition put by the honourable member for Gordon was that the House should pass a motion expressing an opinion and that the Government would deal with the matter as it was dealt with—badly—by the Liberal Party–Country Party Government in the Australian Capital Territory in 1976. In making that suggestion the honourable member reveals an ignorance of the law-making process. The Parliament cannot amend substantive sections of the Crimes Act by regulation and ordinance —any more than his colleagues in Victoria could do it in that way. I do not know where the honourable member gets these quaint ideas. As honourable members are aware, another bill has been circulated and it is to be introduced if this bill is defeated. The deficiencies of that bill have been well exposed by the honourable member for Waverley. That proposed bill should never be adopted in this place as it is a shocking piece of legislation. It is not appropriate to discuss that bill in this debate, except to point out that it retains in significant part the anomalous provisions created under the Crimes (Sexual Assault) Amendment Act, 1981. Those provisions include penalties of seven years for rape and fourteen years for consenting homosexual acts. Those provisions should be sufficient reason to reject the bill outright. Moreover, the soliciting provisions would remain and the laws violating individual privacy would continue. That legislation is simply one more cosmetic exercise. It might be worse than the existing legislation, which is so Draconic that it is seldom applied.

It is tempting to regard the present debate as being between the forces of light and the forces of darkness; that we should see the main enemies as the Leader of the Country Party, the honourable member for Northcott and those whose morality obviously is derived from Torquemada and Matthew Hopkins rather than from genuine religious practice. It is not enough to go that far. I am concerned about reformers in this place who want a little reform, like those fake liberals in South Africa who want to get rid of petty apartheid but not to get rid of apartheid as such. By removing petty apartheid, one makes the basic principles of apartheid more acceptable.

I suggest that we should be concerned with actual reform. We should get rid of discrimination against homosexuals. There is only one way to do that, and that is by introducing legislation that provides that the same laws should apply to homosexuals as apply to heterosexuals. Let us have an end to compromises that would make the

position worse. Whereas the existing law is largely inoperable because it is so bad and is applied only in extreme cases, we should have a situation similar to that in Great Britain where the gay movement is strongly opposed to the existing law because it invades privacy and gives authority to arrest homosexuals if they do anything more than have consenting relations between adults in private.

In this debate much has been said by my opponents about morality. They fail conspicuously to distinguish between personal morality and public morality. Whatever people think about personal morality, it is a fundamental tenet of our political philosophy that public morality should not interfere with such matters. It is immoral for a society to impose one set of religious views upon others with different views. An adequate parallel is the fundamental Islamic regimes outlawing Christianity, or vice versa. In my second reading speech I made a point about freedom of conscience. It is immoral and objectionable for this Parliament to impose on others that set of views which their exponents call Christian.

Private members' legislation is not common in this Parliament. I believe that this measure is the first private members bill in twenty-four years to reach the second reading stage. It is an even more rare occasion when the Parliament has to speak seriously about sex, which is not easy in our society, and a particular form of sexual activity that they find even more difficult to discuss. I thank all honourable members who have contributed to the debate for their contributions. In particular I thank those of my colleagues who have given their support to what I have already said is an important reform. I repeat, this bill seeks to effect a small reform; in fact it is a conservative, rather than being a radical change. It is probably slightly more radical than the South Australian legislation and slightly less radical than the Victorian legislation. If two Parliaments in this country can introduce legislation that says, in effect, that the persecution and discrimination against homosexuals is wrong, I want to know why this Parliament cannot do the same.

I ask my colleagues in the Labor Party, which has a policy of objecting to discrimination against people on the grounds of homosexuality, why we cannot follow that policy and pass this bill. Today this Parliament has the chance to right a historic injustice and to show that it is worthy of public respect or conversely to show how irrational the law-making process and this place can be. This is the chance for members of the Parliament to display their humanity and to exercise their consciences in order to right a great wrong that has been done over thousands of years. I do not want to go into detail—in fact I cannot—about why that wrong came about in history. We have a chance now to enter the civilized world and to demonstrate that in New South Wales we can right a great wrong and cease persecution and discrimination on the grounds of sexual preference. I commend the bill to the House. I suggest that honourable members pass the bill, with the clear understanding that they support also the amendment to be moved by the honourable member for Campbelltown.

Mr SPEAKER: Order! The question is, That this bill be now read a second time. All of that opinion say, aye; to the contrary, no. As a division is required, I should say that for the purpose of this division I ask the honourable members to leave the cross-benches vacant. Once it is evident on which side there are the most members I shall ask those honourable members who are standing to occupy the cross-benches and their names will be recorded as voting with the side on which they were standing.

The House divided.

Mr SPEAKER: Order! It is evident to the Chair that those who are standing are voting with the noes. I ask them to sit on the cross-benches and they will be counted as voting with the side on which they were standing.

Ayes, 28

Mr Booth	Mr Knight	Mr Rogan
Mr Bowman	Mr Knott	Mr Ryan
Mr Brading	Mr McCarthy	Mr A. G. Stewart
Mr Brereton	Mr McGowan	Mr Walker
Mr Debus	Mr Mack	Mr Webster
Mr Degen	Mr Miller	Mr Wran
Mr Ferguson	Mr O'Connell	
Mr Hatton	Mr Page	*Tellers,*
Mr Jackson	Mr Petersen	Mr Cavalier
Mr Keane	Mr Quinn	Mr Gabb

Noes, 67

Mr Akister	Mr Dowd	Mr Neilly
Mr Anderson	Mr Duncan	Mr Paciullo
Mr Aquilina	Mr Durick	Mr Park
Mr Arblaster	Mr Egan	Mr Peacocke
Mr Armstrong	Mr Face	Mr Pickard
Mr Bannon	Mr Fischer	Mr Punch
Mr Beckroge	Mr Fisher	Mr Ramsay
Mr Bedford	Mrs Foot	Mr Robb
Mr Boyd	Mr Gordon	Mr Rozzoli
Mr Brewer	Mr Greiner	Mr Schipp
Mr J. H. Brown	Mr Haigh	Mr Sheahan
Mr Cahill	Mr Hills	Mr Singleton
Mr Cameron	Mr Hunter	Mr Smith
Mr Caterson	Mr Johnson	Mr K. J. Stewart
Mr Christie	Mr Knowles	Mr Walsh
Mr Cleary	Mr McIlwaine	Mr West
Mr J. A. Clough	Mr Maher	Mr Whelan
Mr R. J. Clough	Mr Mair	Mr Wilde
Mr Collins	Dr Metherell	Mr Wotton
Mr Cox	Mr Mochalski	
Mr Crabtree	Mr H. F. Moore	*Tellers,*
Mrs Crosio	Mr Mulock	Mr T. J. Moore
Mr Day	Mr Murray	Mr Wade

Question so resolved in the negative.

Motion negatived.

CRIMES (ADULT SEXUAL BEHAVIOUR) AMENDMENT BILL

Urgency

Mr WALKER (Georges River), Attorney-General, Minister of Justice and Minister for Aboriginal Affairs [4.31]: I move:

> That it is a matter of urgent necessity this House should forthwith consider Notice of Motion No. 2 of General Business on the Notice Paper for Today and the passage of the Crimes (Adult Sexual Behaviour) Amendment Bill through all stages at this sitting.

Mr DOWD (Lane Cove), Leader of the Opposition [4.32]: Those who will vote against urgency will do so for various reasons. Some will vote against it because they are against the principles announced in the short title of the bill. Others will vote against it because they are appalled at the way the Government has handled this matter over the past few sitting days. No matter what members do, when the bill is debated the Government will stand condemned, after this length of time, for the appalling way in which it has conducted the matter. Although I have had the courtesy of receiving a copy of the bill from the honourable member who will be introducing it, other members have not. That is not a proper way in which a matter of such social significance should be debated.

Question of urgency put.

The House divided.

Ayes, 67

Mr Akister	Mr Face	Mr Neilly
Mr Anderson	Mr Ferguson	Mr O'Connell
Mr Aquilina	Mr Gabb	Mr Page
Mr Bannon	Mr Gordon	Mr Paciullo
Mr Beckroge	Mr Haigh	Mr Petersen
Mr Bedford	Mr Hatton	Mr Quinn
Mr Booth	Mr Hills	Mr Ramsay
Mr Bowman	Mr Hunter	Mr Rogan
Mr Brading	Mr Jackson	Mr Robb
Mr Brereton	Mr Johnson	Mr Ryan
Mr Cahill	Mr Keane	Mr Sheahan
Mr Cavalier	Mr Knight	Mr A. G. Stewart
Mr Christie	Mr Knott	Mr K. J. Stewart
Mr Cleary	Mr Knowles	Mr Walker
Mr R. J. Clough	Mr McCarthy	Mr Walsh
Mr Cox	Mr McGowan	Mr Webster
Mr Crabtree	Mr McIlwaine	Mr Whelan
Mrs Crosio	Mr Mack	Mr Wilde
Mr Day	Mr Maher	Mr Wran
Mr Debus	Mr Mair	
Mr Degen	Mr Miller	*Tellers,*
Mr Durick	Mr H. F. Moore	Mr Mochalski
Mr Egan	Mr Mulock	Mr Wade

Noes, 28

Mr Arblaster	Mr Duncan	Mr Rozzoli
Mr Armstrong	Mr Fisher	Mr Schipp
Mr Boyd	Mrs Foot	Mr Singleton
Mr Brewer	Mr Greiner	Mr Smith
Mr J. H. Brown	Dr Metherell	Mr West
Mr Cameron	Mr Murray	Mr Wotton
Mr Caterson	Mr Park	
Mr J. A. Clough	Mr Peacocke	*Tellers,*
Mr Collins	Mr Pickard	Mr Fischer
Mr Dowd	Mr Punch	Mr T. J. Moore

Question so resolved in the affirmative.

Motion of urgency agreed to.

Suspension of Standing Orders

Mr WALKER (Georges River), Attorney-General, Minister of Justice and Minister for Aboriginal Affairs [4.42]: I move:

> That so much of the Standing Orders be suspended as would preclude the consideration forthwith of Notice of Motion No. 2 of General Business on the Notice Paper for Today and the passing of the Crimes (Adult Sexual Behaviour) Amendment Bill through all stages at this sitting.

Mr PUNCH (Gloucester), Leader of the Country Party [4.43]: This afternoon the Government has given an indication of its priorities. A few moments ago honourable members registered what was really a government vote on a big issue. In the space of four days, or part thereof, honourable members have heard thirty-nine speeches on the bill introduced by the honourable member for Illawarra. That compares rather strikingly with the amount of time the Government allowed on the Budget. I read the other day that the State is bankrupt; the hollow logs have been emptied out; the sick, the old, the young and the mentally handicapped—the last category might include the Attorney-General, Minister of Justice and Minister for Aboriginal Affairs——

Mr Walker: Just watch it, Leon. I will not vote for you if you annoy me.

Mr PUNCH: This is not a matter for hilarity by the Attorney-General, Minister of Justice and Minister for Aboriginal Affairs. I find it strange that, with important issues confronting the State, there should be a vote by all the Premier's men—at least the large number that left the Government side of the House and voted with the Opposition—to reject a bill that has been debated at length in the House. To pursue the matter as the Attorney-General is attempting to do is to trifle with the House. This issue is minor compared with many other matters that should be dealt with. The Opposition opposed the Petersen bill in relation to the age of consent. My colleagues in the National Country Party do not care whether the age proposed is 16, 18 or 88; we will still oppose it.

[*Interruption*]

Mr SPEAKER: Order!

Mr PUNCH: Honourable members hear continually of the problems confronting the State. The State is short of money. The Premier bleats about that from time to time. The streets of Sydney have been littered with rubbish for a fortnight. Disease is threatening its citizens but the Premier has done nothing about that. A major power crisis is looming and there is the possibility of blackouts even in the middle of summer, let alone when the heavy load comes on in the winter months. There is evidence of intense corruption at high levels of the police force. Yet all this Parliament can do is debate, day after day, a bill to legalize homosexuality. That reflects the intentions and the priorities of the Government.

My colleagues and I register our strong opposition to the bill that has already been defeated by a solid vote of many members of the Labor Party and all members of the Liberal Party and the Country Party. We express our strong opposition at the pursuit of this matter by the Attorney-General ,Minister of Justice and Minister for Aboriginal Affairs. It is all very well for members on the Government side to cross the floor and vote against a bill, holding up their heads and professing to be saintly with a halo shining over their heads. They have been party to prolonging the debate. Now they are party to suspending standing orders for the purpose of bringing in another means by which the Government might succeed. An amendment to the previous bill

by the honourable member for Cronulla was rejected by his own party. Other amendments by the honourable member for Campbelltown were rejected also by his own party. We shall wait and see whether other amendments from the honourable member for Cronulla are rejected. The Opposition will oppose them strongly. How much longer will honourable members be called on to debate this issue? It is opposed by all honourable members and by all decent and reasonable people in this State.

Question—That standing orders be suspended—put.

The House divided.

Ayes, 67

Mr Akister	Mr Face	Mr Neilly
Mr Anderson	Mr Ferguson	Mr O'Connell
Mr Aquilina	Mr Gabb	Mr Paciullo
Mr Bannon	Mr Gordon	Mr Page
Mr Beckroge	Mr Haigh	Mr Petersen
Mr Bedford	Mr Hatton	Mr Quinn
Mr Booth	Mr Hills	Mr Ramsay
Mr Bowman	Mr Hunter	Mr Robb
Mr Brading	Mr Jackson	Mr Rogan
Mr Brereton	Mr Johnson	Mr Ryan
Mr Cahill	Mr Keane	Mr Sheahan
Mr Cavalier	Mr Knight	Mr A. G. Stewart
Mr Christie	Mr Knott	Mr K. J. Stewart
Mr Cleary	Mr Knowles	Mr Walker
Mr R. J. Clough	Mr McCarthy	Mr Walsh
Mr Cox	Mr McGowan	Mr Webster
Mr Crabtree	Mr McIlwaine	Mr Whelan
Mrs Crosio	Mr Mack	Mr Wilde
Mr Day	Mr Maher	Mr Wran
Mr Debus	Mr Mair	
Mr Degen	Mr Miller	*Tellers,*
Mr Durick	Mr H. F. Moore	Mr Mochalski
Mr Egan	Mr Mulock	Mr Wade

Noes, 28

Mr Arblaster	Mr Duncan	Mr Rozzoli
Mr Armstrong	Mr Fisher	Mr Schipp
Mr Boyd	Mrs Foot	Mr Singleton
Mr Brewer	Mr Greiner	Mr Smith
Mr J. H. Brown	Dr Metherell	Mr West
Mr Cameron	Mr Murray	Mr Wotton
Mr Caterson	Mr Park	
Mr J. A. Clough	Mr Peacocke	*Tellers,*
Mr Collins	Mr Pickard	Mr Fischer
Mr Dowd	Mr Punch	Mr T. J. Moore

Question resolved in the affirmative.

Motion for suspension of standing orders agreed to.

Introduction

Mr EGAN (Cronulla) [4.50]: I move:

That leave be given to bring in a Bill for an Act to amend the Crimes Act, 1900, with respect to the matters to be proved in proceedings for offences relating to certain adult sexual behaviour; and for certain other purposes.

Question—That leave be given—put.

The House divided.

Ayes, 67

Mr Akister	Mr Face	Mr Neilly
Mr Anderson	Mr Ferguson	Mr O'Connell
Mr Aquilina	Mr Gabb	Mr Paciullo
Mr Bannon	Mr Gordon	Mr Page
Mr Beckroge	Mr Haigh	Mr Petersen
Mr Bedford	Mr Hatton	Mr Quinn
Mr Booth	Mr Hills	Mr Ramsay
Mr Bowman	Mr Hunter	Mr Robb
Mr Brading	Mr Jackson	Mr Rogan
Mr Brereton	Mr Johnson	Mr Ryan
Mr Cahill	Mr Keane	Mr Sheahan
Mr Cavalier	Mr Knight	Mr A. G. Stewart
Mr Christie	Mr Knott	Mr K. J. Stewart
Mr Cleary	Mr Knowles	Mr Walker
Mr R. J. Clough	Mr McCarthy	Mr Walsh
Mr Cox	Mr McGowan	Mr Webster
Mr Crabtree	Mr McIlwaine	Mr Whelan
Mrs Crosio	Mr Mack	Mr Wilde
Mr Day	Mr Maher	Mr Wran
Mr Debus	Mr Mair	
Mr Degen	Mr Miller	*Tellers,*
Mr Durick	Mr H. F. Moore	Mr Mochalski
Mr Egan	Mr Mulock	Mr Wade

Noes, 28

Mr Arblaster	Mr Duncan	Mr Rozzoli
Mr Armstrong	Mr Fisher	Mr Schipp
Mr Boyd	Mrs Foot	Mr Singleton
Mr Brewer	Mr Greiner	Mr Smith
Mr J. H. Brown	Dr Metherell	Mr West
Mr Cameron	Mr Murray	Mr Wotton
Mr Caterson	Mr Park	
Mr J. A. Clough	Mr Peacocke	*Tellers,*
Mr Collins	Mr Pickard	Mr Fischer
Mr Dowd	Mr Punch	Mr T. J. Moore

Question so resolved in the affirmative.

Motion agreed to.

Bill presented and read a first time.

Second Reading

Mr EGAN (Cronulla) [4.55]: I move:

That this Bill be now read a second time.

In my speech on the Crimes (Sexual Offences) Amendment Bill, or the Petersen bill as it is better known, I stated my conviction that change in the law relating to private homosexual activity between consenting adults is necessary, and I spoke of the principles and bases on which such change should be effected. I emphasize that my belief is not merely that change is appropriate; it is necessary because of the obligation on honourable members to show compassion to all mankind, including those who, for whatever reason, happen to have a sexual orientation that is homosexual. To fail to fulfil this obligation would be unconscionable.

For a number reasons, some valid and others perhaps not so valid, the Petersen bill was doomed from the start. Initially, it suffered the defect of setting an age of consent at 16 years, giving rise to fears both within the Parliament and the community generally that homosexual activity by youths would encourage them in a sexual orientation that may otherwise not occur. Other difficulties for the Petersen bill arose from the fact that it attempted to create legal equality between homosexuals and heterosexuals in relation to sexual offences generally. That led to two problems. First, it clouded what I, at least, believe to be the central issue: whether it is appropriate and just that adults should be punished—indeed savagely punished—by the law for private, consensual sexual behaviour. Second, it led to fears that such a wide-ranging change in the law would amount to a legislative seal of approval for homosexual lifestyles.

I must concede that to me these fears were ill-founded, but to have ignored them indicated an insensitivity to the sincere concern of many people and a failure to recognize political reality. The bill I have introduced involves none of these complications and will enable the House to address its intention exclusively to the central issue. Essentially, while retaining all the existing homosexual offences, the bill seeks to include a new section into the Crimes Act that provides that sexual acts between consenting adults in private will no longer be subject to criminal sanctions. This approach will achieve a significant, just and humane reform, but in such a way that no one can argue that it implies legislative approval of homosexual acts.

The bill maintains the classification of adult homosexual activity as an unnatural offence and thus serves the purpose of indicating society's disapproval of it. The bill is in keeping with two views that are overwhelmingly held by the community: The first is that homosexual conduct is objectively wrong; the second is that it is inappropriate that adults should be gaoled or otherwise punished by the law for private, consensual, sexual behaviour. The other advantage of my bill for those who are in favour of reform is that it is the only proposal of all those that have been put forward in recent weeks that has any prospect of being passed by both Houses of Parliament. The biggest danger to its passage is that some of the strongest supporters of the Petersen bill are threatening to vote against it. Their attitude beggars belief and I ask them to think again. If they do not support the bill, they will jeopardize the achievement of their central objective, which is a thoroughly reasonable, rational and humane objective.

During my speech on the Petersen bill I dealt at some length with the vexed question of the proper scope of the criminal law in respect of moral questions. I wish now to briefly restate my position. Put simply, a distinction has always been recognized between crime and sin and between the criminal law and moral codes. That distinction has been generally recognized by citizens, lawmakers and the churches.

Fornication, adultery and lesbianism have never been criminal offences and no one, to my knowledge, has ever argued that they should. On the specific question of the appropriateness of the criminal law forbidding and penalizing homosexual acts, there is, as the recent debate in this House has indicated, considerable controversy. But the argument that the criminal law should punish them surely cannot be based on the ground that the criminal law and moral codes should be identical, for that ground is clearly not applied in other areas.

As I said in my speech on the Petersen bill, I believe conduct which is sinful or immoral is any conduct which contravenes the Christian code of proper behaviour. That code applies to all aspects of one's life, from personal behaviour to social, economic and political relationships. It is an entirely separate question, and an entirely ludicrous contention, to say that the criminal law must reach into all aspects of life in the way in which Christian morality does. I should remind the House also that the controversy over the appropriateness of the criminal law applying to homosexual activity is not a controversy between Christians and others. The controversy exists among Christians, just as much as it exists among others. In 1977, the Catholic Archbishop of Perth, The Most Reverend Sir Lancelot Goody, said:

> Homosexual acts are abnormalities which if deliberate are, I believe, perversions of the moral law and objectively gravely sinful, but if they are performed in private by consenting adults I do not believe that the persons concerned should be investigated, pried upon and prosecuted as criminals.

If the argument that the criminal law should apply to private, consensual adult sexual behaviour cannot be based on a claim that the criminal law and the moral code should be in unison, upon what can it be based? I am aware that some members of the community fear that the removal of criminal sanctions will encourage the growth of homosexual activity. I understand this fear, but I consider the experience is otherwise. In other jurisdictions in this country and other oversea countries where homosexual activity between consenting adults is not penalized, there is no evidence to suggest that the modification of criminal sanctions encouraged homosexual activity. Nor has the severity of the existing law in New South Wales stamped out homosexual practices, or, it would appear, reduced them. There is certainly no evidence to suggest that homosexual practices are more prevalent in Victoria or the Australian Capital Territory where, under Liberal governments, criminal penalties have been removed, than in New South Wales where severe penalties still exist. As the social questions committee of the Anglican diocese of Melbourne said in 1971:

> On the evidence, we are not satisfied . . . that a general decline in moral standards would inevitably result. Nor does the evidence establish that the existence of criminal penalties is an effective deterrent or has a reformative effect on homosexuals who act in private.

Much of the correspondence I have received in the last few weeks has argued along the lines that homosexual conduct is a deliberate, wilful attack on the moral standards of the community and should be punished on those grounds alone. That attitude assumes that sexual orientation is a matter of choice and that homosexuals have perversely chosen to indulge their desires, in order to flaunt the ordinary values of society. As the social questions committee of the Melbourne Anglican diocese has found, in the majority of cases this view is misguided. It certainly ignores the most widely espoused and supported theories explaining the cause of sexual orientation and the fact that despite medical, psychiatric and other counselling assistance, most homosexuals find heterosexual adjustment impossible. It is one thing to say that an act

is objectively wrong but, as the Christian churches have long maintained, quite another to say that an act is subjectively wrong. Subjective right and wrong depend, of course, on the conscience of the individual. The moral theologian, Genicot, points out:

> When conscience feels certain, whether it be correct or mistaken, one is always obliged to follow it when it enjoins or forbids; and one is always entitled to follow it, when it recommends or permits.

The only remaining reason for wanting the law to punish consenting, adult private sexual behaviour is vengeance. My belief is that only our creator has the right to vengeance. We as human beings, as imperfect beings, have no such right. We do, however, have a duty to show compassion. That duty demands that we remove injustice. It demands that we remove, as far as possible, the legal and psychological pressures to which homosexuals are now subjected. At present, they must live their lives and establish their personal relationships under the threat of criminal prosecution and penalty. Such pressures are nothing short of victimization by the criminal law.

This victimization is direct, in that homosexuals can be imprisoned for their private sexual activities, and is indirect in that they can be and, indeed are, exposed to intimidation, harassment and blackmail. For those reasons we are compelled to change the law. I shall now proceed to explain in detail the provisions of the bill. Clause 1 of the bill contains the short title. Clause 2 provides for its commencement. Clause 3 provides for the amendment of the Crimes Act, 1900, in the manner set forth in schedule 1. Clause 4 provides that proceedings in relation to acts committed before the commencement of the Crimes (Adult Sexual Behaviour) Amendment Act, 1981, will not be affected. Schedule 1 will amend the Crimes Act to provide that the offences of buggery, attempted buggery, indecent assault upon a male and an act of indecency with a male shall not be deemed to have been committed unless it is proved that: the person upon or with whom the offence is alleged to have been committed did not consent; or had not attained the age of 18 years; the accused had not attained the age of 18 years; or the act constituting the alleged offence was committed otherwise than in private. I believe the bill before the House is a just and humane measure, and I look to all honourable members to support it.

Mr FERGUSON (Merrylands), Deputy Premier, Minister for Public Works and Minister for Ports [5.8]: I shall not delay the House inordinately in referring my parliamentary colleagues to the Egan bill mark II. The honourable member for Cronulla has said that anyone who opposes the proposition contained in it should think again. I say positively that I oppose this proposal. Having had the opportunity to examine it, I reject it totally. The honourable member for Cronulla said that it is a reasonable bill. Frankly it will put back the cause of reform many years. During the debate on the previous bill the honourable member spoke about Christian morality. The House has heard a lot said about Christian morality. If I were to indulge myself in speaking to that subject one could say that it would be like the Devil quoting scripture; so I shall not do so.

I was shocked when I heard some of the utterances of those who, in the debate on the Petersen bill, profess Christian morality. Some outrageous propositions were put forward. I remind honourable members that I was a member of the Parliament when people were defending the sending of troops to Vietnam, and doing it on the basis of Christian morality. One can twist the phrases Christian morality and Christian ethics to suit the occasion. I was impressed by both contributions of the honourable member for Cronulla—on this bill and the other one. I pay him that tribute. In both debates he has put forward a profound, articulate and intelligent case in support of the propositions enunciated by the honourable member for Illawarra. I was rather surprised when I heard that he intended to bring forward this bill.

The main objection to the bill introduced by the honourable member for Cronulla is that it is not a true homosexual law reform bill. It is not an attempt to repeal unjust discriminatory laws against consenting homosexuals in the way that the bill introduced by the honourable member for Illawarra sought to do. The bill retains the anomaly that homosexual intercourse with consent with persons under the age of 18 should be punishable by fourteen years' imprisonment though for non-consenting violent sexual assault the punishment is only seven years' imprisonment. That anomaly would have been corrected by the bill introduced by the honourable member for Illawarra.

Mr T. J. Moore: That anomaly was created by this Government.

Mr FERGUSON: I am surprised that the honourable member for Gordon should interject for he made a clever speech in support of the bill introduced by the honourable member for Illawarra and then proceeded to indulge in hypocrisy. On this issue he should stand up, be counted and not be such a hypocrite. The bill does not give young males under the age of 10 equal protection to that afforded to females under the age of 10. By the bill introduced by the honourable member for Illawarra the penalty for assaults on young males would have been twenty years' imprisonment, the same as it is for assaults on young females. This bill does not provide any defence to the effect that the parties may consent to an act if they are between 16 and 18 years of age, or of similar age, or if one party has reasonable grounds to believe that the other is 18 years or over. The Petersen bill provided a defence for those cases. The honourable member for Cronulla should think again about the bill. In effect, he voted against the bill introduced by the honourable member for Illawarra, which contained those two important innovations, but he has not included them in this bill.

The bill retains the offensive language of the old Act. It continues to use such terminology as the abominable crime of buggery. That term is offensive and it makes New South Wales the laughing stock of Australia and of the world.

Mr Punch: The whole issue does.

Mr FERGUSON: The Leader of the Country Party and his colleagues sit there like a blind bloc. They have a collective conscience that operates only on the Leader of the Country Party. During the debate members of the Country Party said that they would be voting in accordance with their consciences, and each time they said that they used the word we. In the same way, the Liberal Party wrestled with its conscience. Members of the Opposition stand condemned because they do not want any reform.

This bill is completely unacceptable to the homosexual community—in fact, to the majority of people in the community. Those persons have expressed a wish for homosexual law reform, not some botched up system of defence. That cannot in any way be dressed up as reform of the existing law on homosexuality. I shall not vote for what is claimed to be reform, when it is not reform. I will vote against this bill. I am confident that, next year, the honourable member for Illawarra will bring forward another bill, when wisdom and justice will prevail in the party to which I belong and that measure will be passed by the Parliament.

Mr PUNCH (Gloucester), Leader of the Country Party [5.15]: The Deputy Premier, Minister for Public Works and Minister for Ports has clearly shown why both the bills honourable members have been debating are defective.

Mr Ferguson: Do not tell me that the Leader of the Country Party is on my side.

Mr PUNCH: No, I am not on your side; you are on my side. I have never given ground on this issue but the Deputy Premier has done a big switch. He is welcome to come over to this side of the House on this occasion, and so are other members of the Labor Party. It has been a long debate and I shall not go into all the issues. The comments of the Deputy Premier were extremely informative. He said clearly that the bills, the first bill introduced by the honourable member for Illawarra and both bills put forward by the honourable member for Cronulla are defective—as are a number of other Labor Party bills.

The Country Party is opposed to the legalization of acts of buggery for people aged 16, 18, 88 or any other age. The whole issue is a devious way to bring in a bill to try to salve the conscience of some Labor Party members, including the Deputy Premier, who have been embarrassed and embittered about the bill that was introduced by the honourable member for Illawarra. The debates have given the Labor Party a forum to reveal again—this time more openly than on previous occasions—the deep divisions that exist in its ranks on so many issues. The Country Party will continue to oppose the bill at all stages.

Mr SHEAHAN (Burrinjuck), Minister for Housing, Minister for Co-operative Societies and Minister Assisting the Premier [5.18]: I have been fascinated by what has occurred in the House over the past few days, particularly by what has just occurred. The Leader of the Country Party, in line with the attitude he has adopted throughout this controversy, has intimated that his only interest in the proposed legislation is as a vehicle for him to divide, in his view, a government that has given a conscience vote to its members and has given the Parliament a free opportunity to debate a matter of great importance.

As a practising Christian and a happily married heterosexual, who is the father of six young children, I have given conscientious consideration to the issues involved in the question of homosexual law reform and have decided to support the bill presented by the honourable member for Cronulla. I endorse that honourable member's remarks, and I wish to make my own position abundantly clear to the House, to my party colleagues, and my electorate.

I do not, cannot, and will not endorse or condone homosexual behaviour as morally right, as a normal lifestyle or even as an occasional aberration. I hope that none of my children ever has such tendencies but I hope much more fervently that if any one of them manifests such traits, his fellow citizens will treat him with genuine compassion and understanding, not victimization and certainly not judicial punishment.

The bill sponsored by the honourable member for Illawarra and defeated earlier today begged a few major peripheral questions which add up in my conscience to insurmountable hurdles in respect of my supporting it in preference to the bill now before the House. The first hurdle is that genuine equality between homosexuals and heterosexuals is a fallacy that cannot be established. Second, the age of consent for normal heterosexual relationships must be lower than the age at which young citizens are exposed to the alternative. If there is not a different age of consent, some limitation on age differences would have to be imported into the legislation. Third, members of the Parliament have the responsibility to see that special precautions are taken to protect vulnerable persons, or persons in relationships where exploitation or undue influence is possible—whether it is in the context of the family, employment, schools or educational institutions or in the doctor-patient or nurse-patient relationship, to give some examples.

I shall deal now with the fourth hurdle. I consider that we must apply conservative standards to both public behaviour and the solicitation mentioned by the honourable member for Bankstown in the previous debate. We must deal with the question of advertising in line with the experience of Britain following the sexual reform legislation enacted there. Homosexuals have been and, to an extent, still are variously regarded as being either sexual deviates or sick. History demonstrates this minority group has always existed in cultures of all types, at all times, throughout the world. Because of their sexual orientation they have been, and are, the subject of prejudice: they have been abused physically and verbally, exploited, discriminated against and isolated by family and friends. It is little wonder to me that many homosexuals may come to suffer psychological conflict and disability. On the other hand, in my view their way of life should not be recommended, encouraged, glamorized, publicized, advertised or imposed upon the public, particularly those who are young, at some relative disadvantage, or in a situation of inequality. Nor, in my belief, should their way of life or sexual orientation be made manifest in public places unless, or until, the courts are willing to say that such conduct is no longer objectionable.

Legislation that may be construed as exhibiting a tolerance rather than a possible promotion of homosexuality is obviously to be preferred. The law should proscribe the commission of homosexual acts or behaviour in circumstances amounting to public indecency. Contravention should be punishable in cases of gross indecency. The age of consent should be 18, but the law should proscribe sexual abuse in relation to persons of any age, and either sex, being perpetrated by another person through abuse of an emergency, an official status, or a situation of dependency whether arising from employment or other relationships involving the opportunity for the exercise of undue influence. The law should prevent the promotion of homosexual practices, by placing prohibitions upon publications directed to that purpose.

Adoption of a moral code in our own lives does not imply support for the view that the criminal law must reflect that code. The attachment of discriminatory criminality to the private life and conduct of an adult male homosexual serves no good purpose. One cannot legislate for strength in the face of challenge or temptation. While such an archaic and discriminatory regime remains in our criminal law noisy demonstrative protests and campaigns will flourish, highlighting an alternative lifestyle that practising homosexuals enjoy or endure, but of which the vast majority of our citizens disapprove.

This bill has some admitted faults. It is considered too limited for some champions of reform in this field but, as the honourable member for Cronulla said, it is a significant, just and humane reform, falling short of any legislative approval of homosexual behaviour. I hope those members who believe this bill does not go far enough will accept it as the degree of reform generally acceptable to the community we represent in this place. The community thinks that homosexual behaviour is wrong, but thinks that those who cause no concern should not be dealt with at law. My attitude is summed up by the passage of Catholic literature quoted by the honourable member for Cronulla in this debate and in the debate on the earlier bill. In 1977 the Catholic Archbishop of Perth, the most Reverend Sir Lancelot Goody, said:

> Homosexual acts are abnormalities which if deliberate are, I believe, perversions of the moral law and objectively gravely sinful, but if they are performed in private by consenting adults I do not believe that the persons concerned should be investigated, pried upon and prosecuted as criminals.

In the earlier debate reference was made to the pronouncements of the Catholic Commission for Justice and Peace in 1976. I support the quotation that was used largely in the earlier debate. The passage of this bill will leave some anomalies in

the Crimes Act but they are not of the type that attracts a conscience vote. Most, if not all, of those anomalies could be expected to be tidied up in the normal continuing process of revision of the criminal law. My colleague the Deputy Premier, Minister for Public Works and Minister for Ports has said that the shortcomings in the bill are sufficient to cause him to oppose it. I take the opposite view. If the shortcomings can be cleared up as a matter of government policy—no matter what administration may be in office in this State—and not as a matter of conscience, which might cause acrimony such as has occurred within this Parliament in recent days, then I believe the bill should be supported.

No evidence has come forward to suggest that the modification of criminal sanctions encourages homosexual activity. Moreover, there is no evidence to suggest that retaining those sanctions will discourage a person's capitulation to homosexual tendencies. The Wolfenden committee found that the law itself probably makes little difference to the amount of homosexual behaviour that actually occurs. In the heat of argument many members have lost sight of the fact that legal recognition of homosexual behaviour does not signify approval, and that tolerance falls short of promotion or sponsorship. We should not discriminate against any group in society because of inclinations personal to that group which constitute no threat or harm to any other person. As the Wolfenden committee observed:

> Moral conviction or instinctive feeling, however strong, is not a valid basis for overriding the individual's privacy and for bringing within the ambit of the criminal law private sexual behaviour of this kind.

It is important that we make a distinction between decriminalization and legalizing acts of homosexual behaviour. To legalize an activity is to give statutory recognition to something that had no legal status beforehand. In this case it may be valid to speak of giving this activity official approval. In decriminalizing an activity, the State is putting forward the belief that the criminal law should not have any say in the matter, that the law should be silent. For example, if it were a criminal offence to drive at 100 kilometres an hour and the Government then decided to decriminalize this practice, the implication is that it is no longer considered a crime punishable by law: the implication would not be that driving at 100 kilometres an hour was socially condoned or even a respectable activity. I conclude by quoting the following passage from the Wolfenden report:

> Unless a deliberate attempt is to be made by society, acting through the agency of the law, to equate the sphere of crime with that of sin, there must remain a realm of private morality and immorality which is, in brief and in crude terms, not the law's business. To say this is not to condone or encourage private immorality. On the contrary, to emphasize the personal and private nature of moral or immoral conduct is to emphasize the personal and private responsibility of the individual for his own actions, and that is a responsibility which a mature agent can properly be expected to carry for himself without the threat of punishment from the law.

I commend the bill to the House.

Mr. T. J. MOORE (Gordon) [5.28]: The bill before the House has been presented as a private member's bill by the honourable member for Cronulla. As circulated, it contains a number of defects. I had looked forward to voting in opposition to the honourable member for Illawarra on this piece of legislation as on the previous one, but I may not do so. The bill before the House has a number of

admitted defects, particularly relating to comparative sentencing in respect of heterosexual and homosexual assaults—a difference that has been described as the 14-year and 7-year sentencing problem. I am encouraged by the remarks made by the Minister for Housing, Minister for Co-operative Societies and Minister Assisting the Premier. I trust I shall not offend him by saying I find myself very much in agreement with what he has said to the House. If this bill passes the second reading stage and is discussed in Committee a number of matters may warrant amendment. However, I do not find this bill as offensive as the measure introduced by the honourable member for Illawarra, and I am willing to support it.

Mr PETERSEN (Illawarra) [5.30]: I oppose the bill, which is not capable of amendment in Committee. It is a cosmetic bill and it contains major defects. First, it retains the incredible term abominable crime of buggery. The origin of that crime is interesting. I have received correspondence from the pseudo-religious humbugs in our midst who quoted Leviticus at length. They did not say how the term came to be incorporated in British law. It was introduced by Henry VIII to justify a political decision. That political decision was the suppression of the monasteries. The King wanted to distribute monastery lands to his followers. It was from that piece of hypocrisy that the abominable crime of buggery came to be incorporated in British law. I have no doubt that buggery took place in the monasteries, but that is not why they were suppressed. The characteristic hypocrisy that that statute of Henry VIII legitimized has been continued ever since. It is incredible that anyone with any sort of pretension to a reform programme cannot find a better phrase than that. In the preparation of my bill I degendered the concept of sexual offences. I was not concerned with morality but with violence and exploitation. The only way I could put that concept into effect was to degender existing legislation and provide that the same rules apply to homosexuality as to heterosexuality—that is, the laws relating to incest, rape, age of consent, seduction of minors, seduction of pupils and the like. Anyone who leaves phrases such as the abominable crime of buggery in legislation is not interested in reform.

My second reason for opposing the bill is that it leaves in sections 81A and 81B of the Crimes Act which, as I said in my second reading speech on my bill, were introduced some thirty years ago to meet the wishes of a certain hotel owner who did not want homosexuals to drink in his hotel. At that time, under the legislation, homosexuals were regarded as nasty and undesirable persons to be kept away from decent people. I suggest there is no reason why the Offences in Public Places Act, which deals with conduct contrary to good taste and conduct that offends citizens, should not be adequate to deal with such matters. The fact that the bill retains sections 81A and 81B is a clear indication that we still allow homosexuals to be harassed in public or arrested by the police for behaviour that would be completely acceptable between two females or between a male and a female. The Offences in Public Places Act is adequate to protect citizens from offensive behaviour in public places.

My third reason relates to the 7-year and 14-year anomaly to which the honourable member for Gordon referred. Clearly, as I said in my second reading speech on the previous bill, and as I said last March when I attempted to move an amendment to the legislation dealing with rape—that progressive legislation introduced by the Attorney-General, Minister of Justice and Minister for Aboriginal Affairs—this is not just an anomaly. It arises because nothing has been done to degender the rape laws. Though I congratulate the Attorney-General on the action he took to

amend the rape laws, he was bound by the unfortunate position that the question of homosexuality is a matter of individual conscience within the parliamentary Labor Party.

The recent debate showed that conscience legislation is not only unconscionable because it puts too great a responsibility on parliamentarians who come into this Parliament as representatives of a party; also it is unworkable. The debate that took place over the past three days on the bill that I introduced can be described only as a muck-up. In fact, from my experience in that debate, I shall be arguing within the Labor Party, once again, that conscience voting be abolished. I suggest that when anomalies exist such as a penalty of 7 years for rape and 14 years for consenting behaviour between eighteen years olds, that is a pretty fair indication that the bill before the House is not a reform at all, but it merely attempts to take away some of the worst provisions so that the law will be workable.

My fourth reason for opposing the bill—and this is probably the most important reason—is new section 81B (a) in which a prescribed offence is not an offence if the act constituting the alleged offence was committed in private. I have asked a legal colleague for a definition of private. He has advised me that there is no definition of private in the Act. The only definition is in the dictionary. There is a legal definition of what constitutes a public place. Apparently private means something more than not a public place. Obviously the proposed section would be a lawyer's paradise. The police can administer the Offences in Public Places Act towards homosexuals in a way that is obviously quite offensive and would not be tolerated if they were dealing with heterosexuals.

An article in the British newspaper the *Guardian,* a Liberal newspaper, by Mr Peter Campbell, membership secretary of the Conservative Party group for homosexual equality, criticized the British legislation as it applies to privacy. The article stated that in the definition of privacy the criminal law discriminates unnecessarily. If it included homosexual and heterosexual relations alike, the police, the courts, and penal institutions would have much less to do in the delicate area of sexual behaviour, yet there would still be adequate protection for those who did not consent to sexual relations or were too immature to give valid consent. The same criticism can be made of the bill before the House. In dealing with homosexual law reform I have found it not difficult to resist the temptation on occasions to ignore the pseudo-religious humbugs of the Festival of Light who shower their printed material on us and quote the Bible endlessly, and represent nothing. They are the spiritual descendants of Torquemada and Matthew Hopkins.

Mr Punch: Who is Matthew Hopkins?

Mr PETERSEN: Matthew Hopkins was the witch finder in England at the time of the English civil war. They really represent a hangover from feudalism that still exists in our society, which does not have the support of the great majority of people in the community. At times various speakers quoted public opinion polls which show that homosexual law reform and equality between heterosexuals and homosexuals has the support of the majority of the Australian community. Those persons represent a group that say they will change their vote on a particular issue if the vote is made in such a way. For example, the Reverend the Hon. F. J. Nile received 2 900 votes in my electorate, which were derived equally from Labor and Liberal voters. It is worth noting that during the recent elections my Liberal opponent tracked round the electorate saying that he was not going to march in Queensland and not defend prisoners and homosexuals. but he stood for family life. It is obvious from those

figures that some 1 450 people who voted for the Reverend the Hon. F. J. Nile voted also for me for a seat in the lower House. There is not much to be feared from the Reverend the Hon. F. J. Nile in my electorate.

The division that exists among people who are parties to reform is clear. There are those who say that we must carry out reform. Other members fear the pseudo-religious humbugs; they think that those pseudo-religious humbugs can win sufficient votes to affect them in their electorates. When I introduced my bill, which was slightly more radical than the South Australian legislation and slightly less radical than the Victorian legislation, suddenly a great number of people found that what I was putting was too radical to be accepted by the electorate. Without indicating where my legislation was too radical, these people made all sorts of suggestions that I should withdraw the bill and present a less radical measure.

Honourable members who opposed my bill did not deal with it. Few speakers drew attention to the clauses of the bill. The sole exception was the clause dealing with the age of consent of sixteen years. They proposed that it should be eighteen years. When I sought support for a proposal to increase the consent age to 18 years honourable members found suddenly other things that were wrong with the bill. For example, they suggested to me there was something wrong with the penalties. I do not know what the hell else I could have done and still preserve equality between hetero-sexuals and homosexuals, but certainly I got no help on the matter. I suggest that the basic ideology behind the bill introduced by the honourable member for Cronulla is two kinds of reforms. Genuine reforms have been made in most of the western world and in South Australia and Victoria. In England and the Australian Capital Territory homosexual law reform is confined to homosexual acts between consenting adults in private. That means that the police can now wander round the gay bars. They can continue to harass homosexuals. I refer honourable members to an article by Peter Campbell in the *Guardian* on 14th October in which he wrote:

> Every week cases are reported of youths and men violently attacking people who are believed to be homosexual; some attacks culminate in murder. Queer-bashing is a sport widely practised by young thugs, often tolerated by their parents and sometimes stimulated by emotional reports in news-papers. Indiscriminate hostility to homosexuals is sometimes expressed by people in authority, such as judges, police chiefs, and politicians, including the deputy mayor of a northern town who declared at a council meeting this year homosexuals were sick people whose sickness could be cured by a .303 bullet through the head.
>
> The effort to get more humane attitudes is no easy task for the advocates of the right of homosexuals to be regarded as ordinary fellow human beings. That is why they welcome the support of the Parliamentary Assembly.

The article also stated:

> British homosexuals are welcoming the recent decision by the Parlia-mentary Assembly of the Council of Europe that the 21 member states should stop discriminating against homosexuals.

Because I believe that to be the just position, I endorse those remarks. The British-type law and the Egan-type bill are unacceptable to anyone concerned with genuine equality. In a statement by the gay rights lobby it was said that they want full equality and nothing else. What they want is summed up in this paragraph of their statement:

> Male homosexuals must have the same freedom to meet in public or private and to arrange their own sexual lives as lesbians and heterosexuals.

This bill before the House is designed to present an authoritarian paternalistic attitude which says that homosexuals are unfortunate people who must be protected. It is not much different from the attitude that was evident in this country towards Aborigines. Homosexual people will not accept this approach. The thirty-three gay community organizations that came together to support unanimously the bill I presented will not be satisfied with these paternalistic attitudes. When most of the world living in democratic societies accepts the principle that persecution of homosexuals should cease and one of the objectives of my own party is to cease discrimination, the introduction of this bill is an absolute disaster.

The bill invites persecution of and discrimination against homosexuals, and also continuance of a community attitude that provided homosexuals do not do anything to frighten horses, they should be accepted as nice people who have something terribly wrong with them that ordinary people do not want to know about. Provided that they keep behind closed doors and do not do anything that indicates that they exist, everything will be all right. In other words, the attitude is that homosexuals can live their life provided that when they go out in public they shall walk gently at a steady pace, breathing through the nose. That is not good enough. I confirm the remarks of the Deputy Premier, Minister for Public Works and Minister for Ports that I shall not be content with this cosmetic exercise. Neither will the gay community. I shall vote against the bill.

Mr Sheahan: And the Country Party?

Mr PETERSEN: I shall vote with the Country Party on this occasion. At a future session of the Parliament I shall bring forward a decent bill that will include the Knight amendment. I hope that then I shall shame the majority of my colleagues into accepting the fact that they live, in the twentieth century, in a democratic society that will not accept the continued persecution of and discrimination against homosexuals. I reject the bill.

Mr MOCHALSKI (Bankstown) [5.48]: This afternoon honourable members listened to speeches made by the Deputy Leader of the Opposition and the honourable member for Illawarra. Other points of view have been considered that relate basically to the sensitive area of how one arrives at a consensus on this matter. On the one hand there is the approach of the honourable member for Illawarra, and on the other hand the Egan approach. Some honourable members have said that the bill is the mark II version of the Petersen bill. My view is that it is probably the mark III version and will not see the light of day.

There has been too much shilly-shallying and compromise on this issue. My basic criticism of the proposed legislation is that it does not define explicitly the terms private and public. Matters of such a sensitive nature that will have important sociological implications should not be left open to criticism. In the debate on the previous bill honourable members heard that the judiciary had said that Parliament should have expanded on the provisions of other measures to provide some leadership and explanation of the legislation. That has not been done in this bill. The term private has not been defined to my satisfaction. Other honourable members can make up their own minds about that.

I do not intend to reflect in any way on any of the other speakers in the debate. All honourable members have a conscience and motivation, and their own ideas on what is right or wrong. I do not want to preach on those matters. I am willing to accept that if someone has a Christian attitude on a subject, so be it; that is a matter between him and his maker. I shall not support the bill for the reasons I have given.

Once again, the bill leaves the area wide open. The measure does not do justice to the fine oratory honourable members have heard from the honourable member for Cronulla. This is the second or third attempt that the honourable member has made to bring the measure before the House in this form. It demonstrates that insufficient time has been allowed for honourable members to prepare adequately for the debate, to have it clarified and publicly aired. I would have preferred to support the amendments to the bill that was introduced by the honourable member for Illawarra.

Mr CAMERON (Northcott) [5.53]: I strongly exhort the House to repudiate half measures. The bill of the honourable member for Cronulla is a half measure that will satisfy no one. It is ironic that it should neither satisfy the gay rights lobby and its supporters in this House nor satisfy me and those who are the upholders of what could be described as a conservative morality. Why present to the community something that clearly satisfies no one? Why deal with the matter in a half-hearted manner? I put it strongly that when a large segment of the community read tomorrow or hear on the television tonight that the Petersen bill has been defeated overwhelmingly, they will take heart. They will say that the legislators of New South Wales have had courage, have transcended party-political divisions and have come together to demonstrate a firm and awakening renewal of morality in the community. What good is there in affirming that we shall have no truck with what is, after all, dirty legislation, and then get bogged down with another bill that amounts to a pathetic half measure?

I put it strongly that now is the time for the bold approach that affirms a traditional Christian morality and shows that we are on the way back to the old values, that we will not have anything to do with the kind of measures that are being brought before the House in this way. That does not gainsay the fact that I do affirm and uphold the honourable member for Cronulla as a sincere person who has made a bona fide approach. I could actually live with his amendment, if it were agreed to. To me it is not offensive, in the way that it is offensive to the honourable member for Illawarra and his supporters. To me it is a pathetic and tragic little-bit-of-this, little-bit-of-that approach at a time when the community is looking for clear-cut stances one way or the other.

Similarly, I do not want to associate myself with the sort of criticism of the Government that has come from honourable members on this side of the House for having given time to this bill. I believe overwhelmingly that this sort of bill should have the kind of time that has been devoted to it. I commend the Government for that approach. I say simply that a wide range of other measures ought to have time equally generously bestowed upon them. I shall have no part in the criticism of the Government for facilitating the kind of debate that should always occur.

I do not want to engage in condemnation of honourable members who take a different stand from me on the bill, or on the bill with which the House has just dealt. I believe that honourable members approached the various proposals sincerely. I commend them and uphold them for it. Nonetheless, the blunt truth is that in many respects the bill is intrinsically unsatisfying. It is true to say that the bill is in the mould of the Wolfenden report. It is equally plain that today in Great Britain the Wolfenden report has by no means the same popularity that it enjoyed when it was first introduced. Those who say that no adverse consequences have flowed from the Wolfenden report are refuted by fact. The honourable member for Cronulla said that there is no evidence to suggest that the removal of criminal sanctions increases homosexual activity. That claim is wrong. I invite honourable members to read at page 400 of the 1978 *Criminal Law Review* an article by R. Walmsley which indicates that in the 10-year period following the 1967 United Kingdom Sexual

Offences Act the number of reported cases of male indecency doubled and the number of prosecutions for such offences trebled. In Great Britain there is a disenchantment with the Wolfenden report and the legislative changes that flowed from it.

It is equally true to say, as was said by the honourable member for Bankstown, and I believe will be said by others in this debate, that the definition clauses of the bill are entirely unsatisfactory. The United Kingdom legislation that flowed from the Wolfenden report dealt with what is private and what is not private. This bill ignores the problem and leaves a hideous void. The honourable member for Illawarra said that if carried it would be a veritable bonanza for the lawyers. He is right. For all its good intentions, the bill would introduce a quagmire of legal uncertainty. Honourable members should have nothing to do with it. Ironically, I subscribe to the view honourable members heard from the Deputy Premier, Minister for Public Works and Minister for Ports and subsequently from the honourable member for Illawarra. It would be much better to have no truck with this kind of confused half measure; it is much better to leave it to the honourable member for Illawarra to return next year with a brand new bill that will be terminologically sound and well drafted.

If honourable members have a view that is opposed to mine and want homosexuality to be decriminalized, I agree that such a measure should contain a provision that would make the minimum age 18 years, rather than 16 years. At least we should begin afresh next year with a bona fide, well considered officially-backed proposal, rather than a measure of this kind that will please no one. It will not satisfy even the gay rights lobby, which must accept what is for them a source of chagrin, that the bill still carries the stigma that goes with criminality, removes none of that and still has the offensive language, and the grossly disproportionate penalties ranging between seven years and fourteen years' penal servitude—an anomaly created by the Government, but nonetheless an anomaly that is still lodged in legislation.

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

Mr CAMERON: One should beware of half measures, for one may have the wrong half. That is the basic message I give to honourable members. This bill is an unsatisfactory half answer. It will please no one apart from my professional brethren, the lawyers. Its practical consequence is fractionally to dignify and to uplift homosexuality. It gives at least half credibility and half respectability to that sterile, unnatural, other sexual lifestyle. I ask honourable members to put themselves in the position of members of the press gallery, trying to report what the House has been doing in the three days devoted to the measures. A confused, part concession to the gay rights lobby is all that would be involved in the passage of this small bill. The gay rights lobby would spurn and repudiate that concession, which will present the community with a legal morass, a lawyer's bonanza.

How much more satisfying it would be for honourable members to give to the community a visible demonstration of resurgence of Christian morality within the community, a clear sign—not confused—of renaissance, renewal, rebirth and agiornamento. The bill adopts the approach of section 1 of the United Kingdom Sexual Offences Act of 1967, which adopted the Wolfenden report. Also, it parallels sections 3 to 5 of the Australian Capital Territory Law Reform (Sexual Behaviour) Ordinance of 1976. But against those parallel statutes it is defective in that they define the words "in private". The bill leaves a void there.

The United Kingdom and the Australian Capital Territory provisions declare that buggery committed in a public lavatory is not done in private. The bill leaves the whole difficult issue undealt with. The Minister for Police and Minister for Services

would know from his experience that it is the scene of some offences involving the highest people in the land, as the honourable member for Illawarra suggested. One of the world's best musicians was apprehended in Sydney in a public lavatory in those circumstances. That very thing will be left uncertain.

The United Kingdom Act clarifies the term private by declaring that, where more than two persons take part in an act, or are present at that time, the act is not done in private. That aspect will not be covered by the proposed legislation. If in a private home five or ten people engage in homosexual conduct *en masse* there will be a vague, indeterminate area whether or not it is homosexual behaviour in private. The Minister for Police and Minister for Services, with his police prosecution experience, and a quizzical expression on his face, may venture to offer an opinion whether that situation is in private or in public, within the terms of the bill presented by the honourable member for Cronulla. The wider United Kingdom approach would have given more public protection but if this small bill is passed there will be nothing but confusion. We would need to wait for decided cases to cover public lavatories and mass homosexual behaviour in a private home and matters of that nature.

There is considerable uncertainty about the age of consent. This bill will provide for an age of consent of 18 years. That will not satisfy the gay rights lobby. The Australian Capital Territory ordinance provides for an age of consent of 16 years provided that the accused person proves that he reasonably believed that the victim was 18 or more. I understand that the United Kingdom age of consent went up as high as 21 years.

I join with the Leader of the Country Party in saying that it does not matter whether the age of consent is 16, 18 or 88, for what is wrong remains wrong, regardless of considerations of age. Though it is no problem to me or to honourable members who think as I do, naturally it is a source of frustration to the gay rights lobby, that the bill does not change the existing offence relating to soliciting or inciting. The honourable member for Cronulla ventilated—I thought intelligently, for he is an intelligent man—the law-morality-crime-sin debate. That philosophical question has been debated for centuries. It is true that there is no unanimity of opinion on that question. However, two great contemporary English lawyers, who attract enormous respect within their profession, Lord Denning and Lord Devlin, have presented views contrary to those put to the House by the honourable member for Cronulla. In his magnificent tome "The Enforcement of Morals," a true exercise in scholarship, Lord Devlin intimated that the philosophical question carries vital, practical consequences for any society. He goes so far as to argue that the enforcement of moral standards is necessary for the survival of a society. Lord Denning argues that it is the business of the criminal law to enforce a community's particular morality. That is what the criminal law has done everywhere, in every continent, throughout history. Lord Denning is a reformer. He is hailed as probably the great reformer of the English judiciary in recent times. Lord Denning puts the matter clearly in these terms:

> Criminal law is concerned with laying down in its own sphere proper standards of behaviour. And where do we get our proper standards from? From our own moral standards. Are these born with us? Surely they have been inherited through the centuries and are determined by the precepts of religion and of good itself. I would say without religion there can be no morality and without morality there can be no law.

I repeat, this is dirty legislation and the Parliament ought to wash its hands of it completely. The focus of the legislation is the human rectum, the natural sewer point of the human body. This legislation is dedicated to dignifying intercourse per anum. Let the Parliament get rid of the bill in all its forms. It has washed its hands

of the Petersen bill; let it now wash its hands of the Egan measure No. 3. I say nothing detrimental about the honourable member for Cronulla, for he has introduced the bill in a dignified way and with what I believe to be complete sincerity.

The attitude of the Christian church has been misrepresented in this debate, predictably, as always. There will be always sliver groups in every church; there will always be a liberal group that comes up with some bizarre recommendation in some particular circumstances. The media, the progressives and the trendies will always pick upon a sliver of opinion, and the great uniform, solid, bulk, consistent view of the churches will be ignored. Once more, that is the position here. The simple fact is that in very recent days both the Anglican Archbishop of Sydney and Primate of Australia, Sir Marcus Loane, and the Catholic Archbishop of Sydney, have opposed legalization of homosexual acts. Such a position is not inconsistent with a genuine compassion for the plight of homosexuals as individuals. Notwithstanding that, it does involve a firm and clear judgment adverse to their conduct.

It is a confused or misdirected compassion which regards the homosexuals' plight and needs as deriving from the criminal law. Compassion should be directed to the real needs of homosexuals as people. Even more important, it should be directed to the needs of those whom they may wittingly or unwittingly influence or corrupt. I speak with a considerable amount of compassionate experience in dealing with homosexuals. For many years it was my great privilege at the Bar to work in close personal partnership with the Reverend Ralph Maidment, the prison chaplain of the Presbyterian church. Again and again, instructed by Messrs Hunt and Hunt, solicitors for the Presbyterian church, I went to court to defend homosexuals. I believe I performed that role effectively in representing some well-known homosexuals who attracted a great deal of media attention. I was interested in the human needs of those people and their personal problems. I can claim, without any shame or apology, to have performed that role particularly well. I put it strongly that there is in every community like ours a lot of hidden——

Mr WALKER (Georges River), Attorney-General, Minister of Justice and Minister for Aboriginal Affairs [7.45]: I move:

That the Question be now put.

The House divided.

Ayes, 64

Mr Akister	Mrs Crosio	Mr Jones
Mr Anderson	Mr Day	Mr Keane
Mr Aquilina	Mr Debus	Mr Knight
Mr Bannon	Mr Degen	Mr Knott
Mr Beckroge	Mr Durick	Mr Knowles
Mr Bedford	Mr Egan	Mr McCarthy
Mr Booth	Mr Face	Mr McGowan
Mr Bowman	Mr Gabb	Mr McIlwaine
Mr Brading	Mr Gordon	Mr Mack
Mr Cahill	Mr Haigh	Mr Maher
Mr Cavalier	Mr Hatton	Mr Mair
Mr Christie	Mr Hills	Mr Miller
Mr Cleary	Mr Hunter	Mr H. F. Moore
Mr R. J. Clough	Mr Jackson	Mr Mulock
Mr Crabtree	Mr Johnson	Mr Neilly

Mr O'Connell	Mr Rogan	Mr Whelan
Mr Paciullo	Mr Ryan	Mr Wilde
Mr Page	Mr Sheahan	Mr Wran
Mr Petersen	Mr A. G. Stewart	
Mr Quinn	Mr Walker	*Tellers,*
Mr Ramsay	Mr Walsh	Mr Mochalski
Mr Robb	Mr Webster	Mr Wade

Noes, 28

Mr Arblaster	Mr Duncan	Mr Rozzoli
Mr Armstrong	Mr Fisher	Mr Schipp
Mr Boyd	Mrs Foot	Mr Singleton
Mr Brewer	Mr Greiner	Mr Smith
Mr J. H. Brown	Dr Metherell	Mr West
Mr Cameron	Mr Murray	Mr Wotton
Mr Caterson	Mr Park	
Mr J. A. Clough	Mr Peacocke	*Tellers,*
Mr Collins	Mr Pickard	Mr Fischer
Mr Dowd	Mr Punch	Mr T. J. Moore

Resolved in the affirmative.

Question—That this bill be now read a second time—proposed.

Mr EGAN (Cronulla) [7.54], in reply: I shall make a few brief comments in reply to the debate. The purpose of the bill is to ensure that the law can no longer punish private consensual sexual behaviour. It attempts to do no more than that, and it attempts to do no less. Honourable members are faced with a situation where an overwhelming majority of the community believes that the law should do that in respect of private adult consensual sexual behaviour. A majority of honourable members believe that the law should no longer punish private consensual sexual behaviour.

[*Interruption*]

Mr EGAN: It is ludicrous that, despite overwhelming support by the community and by honourable members, that prospect is in danger of defeat not by a vote of conscience, by by a vote of spite.

[*Interruption*]

Mr SPEAKER: Order! I am sure all honourable members would like to cast a vote. Some of them might not have the opportunity to do so if they continue to interject.

Mr EGAN: Outside the Chamber the bill is opposed by an unholy alliance of the Festival of Light and the gay rights lobby. In this Chamber there are three groups with differing views. The first group believes that there should be no change to the law. The second group, to which I belong, believes that adults should no longer be punished by the law for their private sexual behaviour. The third group believes not only that, but also that the law should go further. A combination of the first group and the third group will deny the basic humane reform which is long overdue and overwhelmingly supported. Honourable members have heard what the bill does not seek to do. It does not seek to remove certain anomalies. I have not attempted to do things that I believe ought to be done by the Government. I have restricted the bill to the issue of homosexual law reform. The rules of the party to which I belong allow members a conscience vote on this issue. No member has been able to point to any defect in the bill.

The bill seeks to remove from sections 80 and 81 the words "with or without consent". It seeks to insert a new section to provide that, if persons engage in homosexual behaviour privately and consensually, and they are adults, they shall not be punished for it. Although there is nothing objectionable in that provision, some members who say they support the proposition will vote with the honourable member for Lachlan, the honourable member for Byron, and the honourable member for Oxley. They will vote on the basis that, if the bill is carried, it will preclude or prejudice further reform of the law at a later stage.

The passage or defeat of the bill will have no effect on what happens in this Parliament in 3 years, 6 years, 9 years, or 20 years. The vote on the bill introduced by the honourable member for Illawarra indicated that it will be a long time before the composition of this Chamber changes sufficiently to allow the passage of a similar measure. In the meantime, apparently we shall have to put up with a law that sends people to gaol for fourteeen years for what they do as consenting adults in private. That is not good enough. I urge honourable members to support the bill.

Mr SPEAKER: Order! The question is, That this bill be now read a second time. All of that opinion say, aye. To the contrary, no. As a division is called for, I ask honourable members to leave the cross-benches vacant. Once it is evident on which side most honourable members will be voting, I shall ask those honourable members standing to use the cross-benches, and their names will be recorded as voting on the side on which they were standing.

The House divided.

Ayes, 28

Mr Akister	Mr Durick	Mr Sheahan
Mr Anderson	Mr Egan	Mr K. J. Stewart
Mr Aquilina	Mrs Foot	Mr Walsh
Mr Beckroge	Mr Greiner	Mr Webster
Mr Cleary	Mr Hills	Mr Wilde
Mr Collins	Mr McIlwaine	Mr Wran
Mr Cox	Dr Metherell	
Mr Crabtree	Mr Neilly	*Tellers,*
Mrs Crosio	Mr Paciullo	Mr Maher
Mr Dowd	Mr Quinn	Mr T. J. Moore

Noes, 65

Mr Arblaster	Mr Christie	Mr Jackson
Mr Armstrong	Mr J. A. Clough	Mr Johnson
Mr Bannon	Mr R. J. Clough	Mr Keane
Mr Bedford	Mr Day	Mr Knight
Mr Booth	Mr Debus	Mr Knott
Mr Bowman	Mr Degen	Mr Knowles
Mr Boyd	Mr Duncan	Mr McCarthy
Mr Brading	Mr Face	Mr McGowan
Mr Brewer	Mr Fisher	Mr Mack
Mr J. H. Brown	Mr Gabb	Mr Mair
Mr Cahill	Mr Gordon	Mr Miller
Mr Cameron	Mr Haigh	Mr Mochalski
Mr Caterson	Mr Hatton	Mr H. F. Moore
Mr Cavalier	Mr Hunter	Mr Mulock

Mr Murray	Mr Ramsay	Mr A. G. Stewart
Mr O'Connell	Mr Robb	Mr Walker
Mr Page	Mr Rogan	Mr West
Mr Park	Mr Rozzoli	Mr Whelan
Mr Peacocke	Mr Ryan	Mr Wotton
Mr Petersen	Mr Schipp	*Tellers,*
Mr Pickard	Mr Singleton	Mr Fischer
Mr Punch	Mr Smith	Mr Wade

[*In Division*]

Mr Punch: Who will put up the third version?

Mr SPEAKER: Order! I remind the Leader of the Country Party that standing orders apply in divisions.

Question so resolved in the negative.

Motion negatived.

BILL RETURNED

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

Housing Agreement Bill

JOINT COMMITTEE ON THE WESTERN DIVISION OF NEW SOUTH WALES

Message

Mr Speaker reported the receipt of the following message from the Legislative Council:

Mr Speaker—

The Legislative Council has this day agreed to the following Resolution—

(1) That a Joint Committee be established to enquire into and report upon—

(a) Land use in the Western Division including relevant historical matters, land management, land tenure and administration, also having regard to the management and administration of arid lands elsewhere in Australia.

(b) Matters relating to the environment and strategies for the conservation and utilization of natural resources within the Division.

(c) The needs of the community generally, and the relevance and effectiveness of government structures and schemes of assistance within the Division.

(2) That such Committee consist of four Members of the Legislative Council and six Members of the Legislative Assembly.

(3) That at any meeting of the Committee any five Members shall constitute a quorum, provided that the Committee shall meet as a Joint Committee at all times.

(4) That Mr Doohan, Mrs Fisher, Mr Solomons and Mr Vaughan be appointed to serve on such Committee as the Members of the Legislative Council.

(5) That the Committee have leave to sit during the sittings or any adjournment of either or both Houses; to adjourn from place to place; to make visits of inspection within the State of New South Wales and other States and Territories of the Commonwealth; and have power to take evidence and send for persons and papers; and to report from time to time.

And the Legislative Council requests that the Legislative Assembly shall appoint six of its Members to serve with the Members of the Legislative Council upon such Committee.

Legislative Council Chamber, JOHN JOHNSON,
Sydney, 2 December, 1981. PRESIDENT.

ELECTRICITY COMMISSION (AMENDMENT) BILL

Introduction

Motion (by Mr Booth) agreed to:

That leave be given to bring in a Bill for an Act to amend the Electricity Commission Act, 1950, to clarify the powers of The Electricity Commission of New South Wales to undertake, or to participate with others in undertaking, coal mining operations; and to validate certain matters.

Bill presented and read a first time.

Declaration of Urgency

Mr BOOTH (Wallsend), Treasurer [8.12]: I declare that this bill is urgent.

Question—That the Bill be considered an urgent bill—resolved in the affirmative.

Second Reading

Mr BOOTH (Wallsend), Treasurer [8.12]: I move:

That this Bill be now read a second time.

The objective of this bill is to extend and clarify the statutory power of the Electricity Commission of New South Wales in relation to mining and sale of coal. Certain reservations have been raised concerning the sufficiency of the Electricity Commission's existing coalmining powers, particularly in the context of joint venture coalmining activity. This legislation will amend the Electricity Commission Act, 1950, in order to place beyond doubt the Commission's power to undertake coalmining activities and to enter into joint ventures or other associations and arrangements with others for the purpose of mining and sale of coal. It is important at this juncture to emphasize that the coalmining operations of the commission as extended and modified will at all times be subject to ministerial direction and approval.

I propose now to outline briefly the provisions of the bill. The first clause refers to the short title. The second clause will insert into the principal Act a new division 4A dealing with coalmining. The proposed new division contains several sections. Clause 3 validates anything previously done by the commission or an affiliate of the commission which could have been validly done if the bill had been enacted at that time. This clause is necessary to prevent any confusion as to the scope of the commission's powers before and after amendment. The first section of the new division is new section 13A which sets out certain definitions. The two principal definitions dealt with are "affiliate" and "coalmining operations".

New section 13B empowers the commission subject to any directions of the Minister to undertake coalmining operations in connection with the generation of electricity or for profit and specifies the objectives of the commission in undertaking coalmining operations. It is important to note that these objectives encompass reduction of the cost of the generation and supply of electricity by utilizing profits earned by the commission in its coalmining activities. New section 13C authorizes the commission with the approval of the Minister to undertake coalmining operations through the agency of a company in which it has a controlling interest or in partnership, joint venture or other association with other persons or bodies. New section 13D provides that the commission may with the approval of the Minister join in the formation of or acquire shares in companies incorporated or to be incorporated in New South Wales. New section 13E is a most important section and authorizes the commission again with the approval of the Minister to guarantee the due performance of obligations or liabilities, including financial obligations or liabilities, incurred by an affiliate or other person or bodies with which it is in joint venture or other association. This section is a vital section because it is a basic requirement of any joint venture or like association that the parent body guarantee the performance of its affiliate within the venture or association.

New section 13F contains two main provisions. The first authorizes the commission with the approval of the Minister, in undertaking its coalmining operations to apply for a mining authority, lease or other concession and to do all things required to be done under any law regulating coalmining operations. The second main provision empowers the commission, again with the approval of the Minister, and in accordance with any law regulating coalmining operations to transfer a mining authority or to create, assign or otherwise deal with an interest in a mining authority. These provisions are obvious machinery provisions enabling the commission to deal with mining titles that it holds. New section 13G empowers the commission in connection with coalmining operations to do all things necessary or incidental to that purpose. I have no hesitation in commending the bill.

Mr SMITH (Pittwater) [8.18]: When a bill as important as is this measure is rushed into the House at the close of the sitting of the Parliament the Opposition does not have an opportunity to examine its provisions or to take into consideration the whole question of coalmining by the Electricity Commission.

Mr Mochalski: The Opposition has had six months to think about it.

Mr SMITH: I have considered the question of coalmining by the Electricity Commission for thirty years, not just six months. Many things must be taken into account. The whole point about this procedure is that the Government is short of funds. It has milked about $300 million from the reserves of the Electricity Commission and has problems with funding. The Electricity Commission has trouble providing power. The State is faced with the prospect of having blackouts even in

summer. That is a fair demonstration of the mismanagement of the Electricity Commission and its coalmines. All of the difficulties have been blamed on poor quality coal. That comes back to the problem that exists in the Electricity Commission. It has been burning Bayswater coal at 30 per cent ash at Vales Point and the commission has had to buy coal from private enterprise to take to Vales Point to overcome some of the difficulties.

The point is that the Electricity Commission of New South Wales should not be in the business of coalmining and trying to mix what it is doing in power generation with export and forced to take their own coal and burn it. It could go on to the open market, set a specification for coal and buy at market rates and be better off. The commission would not have the difficulties that have been encountered at Vales Point and Liddell, if it were getting coal to a guaranteed specification. That is what happens with all other power utilities throughout the world. The Japanese, the English Coal Board and the European nations that buy coal in Australia have set a specification and that is what they get. The commission has tried to enter into the export market but it is burning rubbish.

In July of this year I drove through the Hunter Valley past the Liddell power station. I saw stockpiles of coal at Liddell power station and at the Liddell colliery and Elcom colliery which were on fire because of spontaneous combustion. Reference has been made to the coal not having heat value but if it is allowed to burn on the ground before it is put in the boiler it will have no heat value. It is bad management to allow stockpiles to get out of control and become ignited. In 1962 in the Burragorang Valley, where I was superintendent of collieries, I had a stockpile of 40 000 tonnes of coal that was close to ignition point. We controlled that stockpile for two years before we finally got rid of it. The quality of the coal was maintained and the heat was kept down by judicious stockpile management. The commission should stand condemned for the fact that I, as a mining engineer, have seen stockpiles exuding smoke, polluting the area and destroying the value of the coal.

The Minister has said that the Electricity Commission should be empowered to go further into the coalmining business. I consider that the commission should get out of the coalmining business and allow private enterprise to take it over. The commission should concentrate on the job of generating power for New South Wales. The commission could readily get back its reserves. If the commission sold its coal operations it would get in excess of $350 million for its operations in New South Wales. Private enterprise would be willing to take on those operations and would do a better job as it would supply coal to specification. The Electricity Commission has bought coal from private enterprise over a long period but significant changes have been made in its operations and over the years it has slowly been trying to phase out private enterprise. The bill is part of the effort to nationalize the whole industry.

Last night I said I wondered why the Premier and the Leader of the Government in the upper House took on the portfolios of mineral resources and energy. There is something sinister in that. It is interesting to note that the honourable member for Elizabeth, a former Minister for Energy, stated in the House that the Electricity Commission of New South Wales was going into the export business and into joint ventures. He spoke of the great profits that would be gained from those ventures for the benefit of the people of New South Wales. As the honourable member for Wagga Wagga pointed out in his speech, the Government said that it would undertake coalmining operations in connection with the generation of electricity and for profit. It would be interesting to discuss the profit situation. How will the Government export the coal? New South Wales does not have the capacity in its ports and does not look

like having it for some time. The Premier and Minister for Mineral Resources misled the House on that point. Last week, in answer to a question, he said that by 1984 the capacity of the ports would be quadrupled. He then went to the Clarence colliery and said that in the next fifteen months the capacity of the ports will be raised by 60 per cent and, by 1984, by a further 30 per cent. That establishes clearly that there will be only a 200 per cent increase in port capacity, not a 400 per cent increase.

The Government has been trying to mislead the public over this whole business. I should like to mention one project that the Electricity Commission is entering, supposedly for profit—Birds Rock colliery, in the Lithgow area. I am thoroughly familiar with that area, having pegged and explored it. The one area that the company for which I was working left alone when it applied for leases in the area was Birds Rock, because it had no coal in it. We received the results of drilling there——

Mr Mochalski: That goes to show how much the honourable member for Pittwater knows about it.

Mr SMITH: The Premier and Minister for Mineral Resources knows nothing about it. The Electricity Commission is pulling the wool over our eyes and over the eyes of the Japanese. It is suggested that there are 25 million tonnes of reserves there in a narrow corridor. It is Katoomba seam coal, adjacent to Clarence colliery. The quality of the coal is deteriorating badly. We knew that in 1971 when we first drilled holes there and we wrote off the area. It will be interesting to see what profit comes from it, as it is a 50–50 deal with the Japanese. How will that reduce coal costs? Great losses, not profits, will result from that operation. That is a further reason why the Electricity Commission should get out of the business of mining coal.

Let me go back a little further and examine the operations of the Electricity Commission's collieries. They started off as two separate groups, the State mines and Elcom collieries. Huntley was operated for export and for Tallawarra power station. The commission had Newcom colliery in the west, and in the Lakes area Awaba was the first mine. There were then Newstan and Wyee State, and Newvale No. 1, which was followed by Newvale No. 2. It is significant that when Vales Point power station was built three mines were allocated, one to the State Mines, one to the Electricity Commission, and one to private enterprise. Honourable members will doubtless be able to guess who got the lousy leases—private enterprises. The one given to Coal and Allied had all the geological problems and difficulties. The Electricity Commission got the best areas for coal and had the best mining conditions. It boasts of its high productivity. It got high productivity from the mines because they had good working conditions, but it does not hold the record for productivity in New South Wales; that was achieved by private enterprise. Over the years the Electricity Commission has taken the best coal from its areas and it is now being forced to work the more difficult areas. There are special problems at Liddell colliery. Newstan is faced with having to drive arched driveways to try to get to some of the coal. The coal that the commission will have to use in the Lakes area is some of the Fassifern seam coal which is high ash, heavily banded and has a lot of siderite in it, and will play havoc with the boilers. No doubt the Electricity Commission will complain that it is bad coal.

I can accept that there is some bad coal in some areas but the Electricity Commission has never done much about coal preparation. It has never been involved with coal washing. Now it is having to do that and it is having to learn from private enterprise how to wash some of the more difficult coals. It has tried to take the cream of the coal all the time in order to keep electricity costs down. That was not good for the conservation of coal resources in our State. It has done it to keep costs down and to try to produce cheaper electricity, an aim I admire. As this policy has caught

up the commission, it is high time to question the wisdom of it. It is high time to ask whether we should buy coal from those who do the job better than the commission, to specification, so that the commission can do its job of generating power efficiently. The Electricity Commission should be free to concentrate on the job at which it is best. It should leave coalmining to the people who specialize in it, and allow them also to do the preparation of the coal and supply it to specification, as is done with coal for supply to power stations all over the world.

We in the Opposition have thrown at us, at short notice, a bill that amounts to a further step towards the nationalization of the coal industry. Once private incentive is taken out of the market, efficiency declines. The bill should be taken back to the drawing board. The Government should reconsider its position and phase out its coal operations by passing its mines over to private enterprise. It should buy coal from those who know how to provide it at a realistic price, and to specification.

Mr PICKARD (Hornsby) [8.32]: I draw the attention of the House to a bill introduced in 1973 by the then Minister for Mines, Minister for Power and Assistant Treasurer, the Hon. W. C. Fife. By it considerable quantities of coal were supplied to the Electricity Commission for the purpose of producing cheap electricity for the people of New South Wales. Much has been heard about the cost of electricity and how sales of coal to oversea companies will result in cheaper electricity for the people of New South Wales. We have heard oft repeated statements to that effect for something like two years, since the first of these companies was mooted. The Minister stated at the time that a profit would be made and that, in turn, would be used to subsidize the price of electricity to the consumer. But that has not happened. Indeed, it will not happen, for all the pointers seem to suggest that a move like this one would not be able to compensate for the tremendous rise in the cost of electricity.

If one totals the increases for a period covering a few years, one realizes that in the 2-year period from last year until next year there will be increases of probably between 60 and 70 per cent. We ought to recall also that the production and use of this coal for export overseas, as was rightly pointed out by the honourable member for Pittwater, has left coal with high ash content for local use. That was also contended last year and this year by the Minister for Energy. In November last year, in answer to a question concerning the possibility of a breakdown of power supply, it was stated that a generating problem had been caused by the ash content of coal. When the blackouts occurred in July it was said that one of the causes was the poor quality coal being used in the Electricity Commission's plants. I remind honourable members that the coal covered by the Act of 1973 provided the Electricity Commission with very high quality coal with which to produce cheap electricity for the people of New South Wales. That coal has been, and is being, diverted on to the market in competition with the free enterprise system. Thus the oversea market can be supplied from this source. As a consequence both the former Minister and the present Minister for Energy have advised that $60 million will have to be spent on establishing a washery to clean coal so that it can have its specifications improved to the point where its use will not interfere considerably—not that it will not interfere at all—with the operation of some of the turbines, particularly in the Liddell power station.

When the whole question of this coal arrangement is examined to see who will have priority with such government agencies as those that control the coal loaders, the port facilities and the maritime services facilities, and when the difficulties, holdups and delays by flags of convenience for some purpose are considered, one wonders whether the Government will always give to itself priority over private enterprise. There should be a clear statement from the Government or the Electricity Commission that no priority will be given to the commission in the loading of coal shipments

for overseas. Furthermore, it should be made clear by the Government to the companies which have entered into contracts and have installed heavy machinery for the purpose of winning coal for the Electricity Commission at a much cheaper rate than they can sell it overseas—and fairly good quality coal at that—that they will not be pushed aside when oversea contracts are being awarded. They should not have their profitability reduced; they should be enabled to carry the State's contracts at a fair price.

It was not overindulgent or overexorbitant prices that produced their large profits; they picked up their profits from what they sold overseas. It is hoped there will be some clear indication where private enterprise stands in relation to these contracts. It is hoped that the Government will take into account one of the great problems faced by the industry at this time. I am reliably informed that more coal is at grass in New South Wales than ever before. That coal cannot leave the State even though there is a market for it. Coal from other countries is being supplied in its stead to satisfy market demands. A large quantity of coal, worth some $80 million, went from the United States of America and Canada to replace contracts that we could not fulfil on the Japanese market.

The Government is now entering into competition with those companies. Although it has large volumes of coal at grass, it is constantly encouraging private enterprise to develop the Hunter Valley, or the Ruhr of New South Wales, as the Premier calls it.

Mr Booth: He never uses that term.

Mr PICKARD: The Minister does not read the same newspapers as I do. I am referring to the Newcastle newspapers.

Mr Ryan: Perhaps the honourable member does not read them correctly.

Mr PICKARD: A Newcastle newspaper reported in January that the Premier had called the Hunter Valley the Ruhr. Honourable members on the Government benches ought to read their local newspapers more thoroughly.

Mr Ryan: Will the honourable member swear that the term used was the Ruhr?

Mr PICKARD: It could have been the ruins of the Hunter Valley. Development in the Hunter Valley, with all of its potential for investment, is not being encouraged. How many oversea companies in the past eighteen years have been anxious to enter into arrangements with Australian firms in the Hunter Valley? I know that a good contract was made between an Italian company and the Miners' Federation, and the Government worked along with them. They were not altogether happy with that contract, considering the quality of coal the Government allowed them to have. The Ruhr of New South Wales—the Hunter Valley—is undergoing some stress in relation to investment and the production of electricity. To meet the normal 8 per cent State growth in industrial development and housing development as well as the requirements of the two or three—or is it still only one—smelters in that region, a vast volume of coal will be required. For every 100 units of coal taken from the mine, by the time it reaches the electricity switch in a building, only 25 per cent of the energy value remains. For every unit of aluminium produced, eleven units of electricity are required. There is a huge demand for coal to produce electricity for the aluminium smelters and for the steel work that will be required to enable the great Ruhr scheme to become a reality. Poor quality coal is no substitute for high quality coal such as that sold overseas in competition with private enterprise. Poor quality coal will not produce cheap electricity; it has not done so in the past.

The Government has a moral responsibility over the 1973 Act. The Government has the sole authority to issue licences to any person or company, no matter what amounts of coal they prove up. The Government will issue the licence and determine the quantity of coal, the quality, and who will get it. It is unfair that the Government should be able to determine the quantity and quality of coal its competitors will get either for shipment or for use in Australia. It can keep for itself the lion's share and then sell it in competition, holding the means of distribution in its hands. The reserves now become the Government's, as do the means of distribution. The market also becomes the Government's because of the preference it can show in granting licences and at the loading or transport ends of the operation. It can show preference also in the acquisition of money. For those reasons I oppose the bill. It attacks the basis of private enterprise.

Constantly the Premier and Minister for Mineral Resources says—not in this House but elsewhere—that he is interested in linking what he calls "this great Government" with private enterprise. He claims he wants to encourage private enterprise. Last night in this House he did nothing to encourage it. The widow that was then mentioned lives in penury in my electorate because of the actions of the Premier and the Government in taking away a right that is sacred to people under our system of government. The Government may want to change that system but it has not had a chance to do so. The Government disguises its actions. It grabs at one little thing, but the principle is the same. What happened in this House last night and is happening again today is a further attack on the private sector, which the Premier constantly says he wants to encourage. The Government's actions do nothing but discourage private enterprise.

Mr HUNTER (Lake Macquarie) [8.46]: When I came to the Chamber I had no intention of speaking to the bill, but after listening to the previous speech I could not refrain from getting to my feet. I wish the public gallery were chock-a-block full of people from the Hornsby electorate to hear the honourable member for Hornsby speak on the bill. If they knew anything about coalmining or electricity generation or development, they would have laughed him right out of the Parliament. Never before have I heard such a stupid speech.

The Minister has my full support on this measure. I congratulate him on bringing it in. I understand that there was no need for the bill to be introduced, for the Electricity Commission already has the power that the bill will give it. I remind honourable members that the former coalition Government was party to restraining State mines from producing the quality of coal that they should have been producing for power generation. The Newstan colliery at Fassifern, when the Labor Party was in office prior to 1965, produced steaming coal for the power stations in the Newcastle–Lake Macquarie area. When the Liberal Party–Country Party came to power in 1965, it phased out the northern seam, which was producing steaming coal. That Government cost the State millions of dollars by banding the seam which was producing the best steaming coal in the area. It supplied Wangi power station, Vales Point power station, and Munmorah power station.

In recent years the present Government has been compelled to sink millions of dollars into reopening the great northern seam at Newstan colliery. That is an Electricity Commission mine, in case members of the Opposition do not know it. When the steaming coal was phased out the previous Government switched into a lower seam, and that cost the State millions of dollars. The Government ran into all the trouble imaginable. The colliery then began to produce coking coal. The honourable member

for Hornsby spoke of selling coal for profit. The Electricity Commission had no reason to produce coking coal. The previous Government negotiated a deal with Broken Hill Proprietary Company Limited to sell it coking coal at pit price.

Mr Fisher: What is wrong with that?

Mr HUNTER: The honourable member for Upper Hunter does not know what went on. At that time Broken Hill Proprietary Company Limited was in difficulties with the Stockton colliery, which is a few miles from Newstan. It could not get enough coking coal for their coke ovens. Eventually things got going again. The Electricity Commission then found difficulty mining coking coal. The commission had put itself in that position, so it looked for other markets. Opposition members are continually saying that the Government acts in an underhand fashion but, if my memory serves me correctly, the former Government, through the Electricity Commission, came up with an agreement with private enterprise to keep mining the coking coal and selling it at pit top. If I am not wrong, that coal went overseas. In other words, a middleman who did not have to do anything, except cart the coal from the mine to the ships to go overseas, made a packet of money. Opposition members attempt to say that they know how to mine coal for power generation in New South Wales. I am surprised at the honourable member for Pittwater. I acknowledge the honourable member's experience; it is greater than mine and I do not have his qualifications. I was a fitter and turner in a power station.

The Hon. E. P. Pickering and the honourable member for Upper Hunter are attempting to tell the people of New South Wales how to resolve the problems of the power industry. I wonder whether those Opposition members have ever been down an underground mine. I wonder also whether until recently any Opposition members had been to a power station to see it in operation apart from wandering round, wearing a tin hat, with senior officers of the Electricity Commission. I read in a newspaper today that a person in another place is said to be a top power station engineer. Less than twelve months ago that honourable member was said to be a top coalmining engineer. He has now switched specialty. As well, he is said to be the brains of the Liberal Party–Country Party in the upper House. I doubt that that honourable member has been to a power station. Perhaps he went to Wallerawang once to have an inspection of it. The honourable member for Upper Hunter would have been to Liddell power station because it is in his electorate.

There has been much talk of maintenance procedures. For a time I was an employee at the Wangi power station. I have heard Government supporters say that it is off base load and is now only a stand-by power station. Honourable members should go through the records, which will reveal that that power station is still operating as well as it was in the late 1950's or early 1960's when it went into production. The men at that power station should be congratulated not condemned by the Hon. E. P. Pickering and the honourable member for Upper Hunter for the work they have done there.

Mr Fisher: On a point of order. It is impertinent of the honourable member for Lake Macquarie to say that I condemned any workers in a power station. I take exception to the remark and ask that it be withdrawn.

Mr SPEAKER: Order! As the honourable member for Upper Hunter is to speak in this debate he will have the opportunity to reply to the matters raised by the honourable member for Lake Macquarie. There is no point of order.

Mr HUNTER: Though I do not wish to condemn the Hon. E. P. Pickering or the honourable member for Upper Hunter, the members of both Houses of the Parliament should be made aware that the comments of those honourable members are

absolute rot. I recall the Liberal Party–Country Party Government assuming office in 1965. I can speak personally only about Wangi power station, but my remarks have application to the position at metropolitan power stations and those at Wallerawang and Tullawarra. In those days employees operated on a maintenance system that involved reference to data on blue and yellow cards. From the time the Liberal Party–Country Party Government assumed the Treasury benches those card systems were gradually phased out. Without the cards it was impossible for an employee to perform routine maintenance tasks. When I arrived at work on a Monday I was allocated duties that were to be carried out in accordance with the card system. An employee would retain the card until a task was completed. It is a wonder that more than one power station has not fallen to pieces long ago because of lack of maintenance for which the Government must accept some responsibility.

Mr Fisher: The honourable member for Lake Macquarie is a genius.

Mr HUNTER: The honourable member for Upper Hunter has a question on the notice paper about staff numbers at the Liddell power station. When the Liberal Party–Country Party Government assumed the responsibility for power stations in 1965 there was always insufficient staff. The former coalition government wanted to finance the manning of power stations with a threepenny bit instead of doing the correct maintenance. Prior to the assumption of office by the coalition Government, Wangi power station had a crusher and washery that removed all the sand and outside ash from the coal. I have been a member of this House for many years and it is difficult to remember these things, but within twelve months of the assumption to office of the Liberal Party–Country Party Government the crushers and washeries were no longer working.

I worked often on the coal plant. The watering system that kept the coal dust down and other systems were gradually phased out because they were costing too much money to maintain. The taxpayers of New South Wales will now pay dearly for that decision. Opposition members should be ashamed to put up token opposition to the legislation. When I was on the Opposition benches I congratulated the former Government when it introduced good legislation. Present Opposition members should follow suit, because they are elected by the people of New South Wales to protect their interests. Rather than continually condemn the Government, Opposition members should make constructive remarks, not gloat about a power blackout that may occur in the middle of summer.

The workers at the power stations should be given a fair go. Although power station workers have the capacity to make huge claims, I feel that they do not go beyond reasonable limits. If the huge surpluses—they no longer call them profits—of power generating authorities had been used to assist the workers when I was a delegate in the power industry, their employees would have received a fair go. I was more or less conned into speaking to the bill because it made me sick to listen to the honourable member for Hornsby, who does not know the first thing about the power industry. He probably gets someone else to replace light bulbs at his home. That is how much he knows about electricity. When the House is in recess some of the new members will visit power installations and mines in my electorate. After those visits I am sure they will support the Treasurer when he introduces bills of this type. The Government has gone out of its way to make sure that it is fair in its dealings with the Electricity Commission's coalmining establishments, and that nothing underhand is done. I hope I am still a member of Parliament when government-owned coalmines are producing export coal. That coal will be sold to private enterprise, and the people of New South Wales will receive some of the benefits from the profits made from those sales.

Mr FISHER: Mr Speaker——

Mr WADE (Newcastle), Deputy Government Whip [9.4]: I move:

That the Question be now put.

The House divided.

Ayes, 64

Mr Akister	Mr Face	Mr Neilly
Mr Anderson	Mr Ferguson	Mr O'Connell
Mr Aquilina	Mr Gabb	Mr Paciullo
Mr Bannon	Mr Gordon	Mr Page
Mr Beckroge	Mr Haigh	Mr Petersen
Mr Bedford	Mr Hills	Mr Quinn
Mr Booth	Mr Hunter	Mr Ramsay
Mr Bowman	Mr Jackson	Mr Robb
Mr Brading	Mr Johnson	Mr Rogan
Mr Brereton	Mr Jones	Mr Ryan
Mr Cavalier	Mr Keane	Mr Sheahan
Mr Christie	Mr Knight	Mr A. G. Stewart
Mr Cleary	Mr Knott	Mr Walker
Mr R. J. Clough	Mr Knowles	Mr Walsh
Mr Cox	Mr McCarthy	Mr Webster
Mr Crabtree	Mr McGowan	Mr Whelan
Mrs Crosio	Mr McIlwaine	Mr Wilde
Mr Day	Mr Maher	Mr Wran
Mr Debus	Mr Mair	
Mr Degen	Mr Miller	*Tellers,*
Mr Durick	Mr H. F. Moore	Mr Mochalski
Mr Egan	Mr Mulock	Mr Wade

Noes, 29

Mr Arblaster	Mr Duncan	Mr Punch
Mr Armstrong	Mr Fisher	Mr Rozzoli
Mr Boyd	Mrs Foot	Mr Schipp
Mr Brewer	Mr Greiner	Mr Singleton
Mr J. H. Brown	Mr Hatton	Mr Smith
Mr Cameron	Dr Metherell	Mr West
Mr Caterson	Mr Murray	Mr Wotton
Mr J. A. Clough	Mr Park	*Tellers,*
Mr Collins	Mr Peacocke	Mr Fischer
Mr Dowd	Mr Pickard	Mr T. J. Moore

Resolved in the affirmative.

Question—That this bill be now read a second time—put.

The House divided.

Ayes, 65

Mr Akister	Mr Beckroge	Mr Brading
Mr Anderson	Mr Bedford	Mr Brereton
Mr Aquilina	Mr Booth	Mr Cavalier
Mr Bannon	Mr Bowman	Mr Christie

Mr Cleary	Mr Jackson	Mr Page
Mr R. J. Clough	Mr Johnson	Mr Petersen
Mr Cox	Mr Jones	Mr Quinn
Mr Crabtree	Mr Keane	Mr Ramsay
Mrs Crosio	Mr Knight	Mr Robb
Mr Day	Mr Knott	Mr Rogan
Mr Debus	Mr Knowles	Mr Ryan
Mr Degen	Mr McCarthy	Mr Sheahan
Mr Durick	Mr McGowan	Mr A. G. Stewart
Mr Egan	Mr McIlwaine	Mr Walker
Mr Face	Mr Maher	Mr Walsh
Mr Ferguson	Mr Mair	Mr Webster
Mr Gabb	Mr Miller	Mr Whelan
Mr Gordon	Mr H. F. Moore	Mr Wilde
Mr Haigh	Mr Mulock	Mr Wran
Mr Hatton	Mr Neilly	*Tellers,*
Mr Hills	Mr O'Connell	Mr Mochalski
Mr Hunter	Mr Paciullo	Mr Wade

Noes, 28

Mr Arblaster	Mr Duncan	Mr Rozzoli
Mr Armstrong	Mr Fisher	Mr Schipp
Mr Boyd	Mrs Foot	Mr Singleton
Mr Brewer	Mr Greiner	Mr Smith
Mr J. H. Brown	Dr Metherell	Mr West
Mr Cameron	Mr Murray	Mr Wotton
Mr Caterson	Mr Park	
Mr J. A. Clough	Mr Peacocke	*Tellers,*
Mr Collins	Mr Pickard	Mr Fischer
Mr Dowd	Mr Punch	Mr T. J. Moore

Question so resolved in the affirmative.

Motion agreed to.

Bill read a second time.

In Committee

Clause 2

Question—That the clause stand—proposed.

Mr FISHER: Mr Temporary Chairman——

Mr WADE (Newcastle), Deputy Government Whip [9.14]: I move:

That the Question be now put.

The Committee divided.

Ayes, 63

Mr Akister	Mr Booth	Mr Cleary
Mr Anderson	Mr Bowman	Mr R. J. Clough
Mr Aquilina	Mr Brading	Mr Cox
Mr Bannon	Mr Brereton	Mr Crabtree
Mr Beckroge	Mr Cavalier	Mrs Crosio
Mr Bedford	Mr Christie	Mr Day

Mr Debus	Mr Knott	Mr Robb
Mr Degen	Mr Knowles	Mr Rogan
Mr Durick	Mr McCarthy	Mr Ryan
Mr Egan	Mr McGowan	Mr Sheahan
Mr Face	Mr McIlwaine	Mr A. G. Stewart
Mr Ferguson	Mr Maher	Mr Walker
Mr Gabb	Mr Mair	Mr Walsh
Mr Gordon	Mr Miller	Mr Webster
Mr Haigh	Mr H. F. Moore	Mr Whelan
Mr Hills	Mr Mulock	Mr Wilde
Mr Hunter	Mr Neilly	Mr Wran
Mr Jackson	Mr Paciullo	
Mr Johnson	Mr Page	
Mr Jones	Mr Petersen	*Tellers,*
Mr Keane	Mr Quinn	Mr Mochalski
Mr Knight	Mr Ramsay	Mr Wade

Noes, 29

Mr Arblaster	Mr Duncan	Mr Punch
Mr Armstrong	Mr Fisher	Mr Rozzoli
Mr Boyd	Mrs Foot	Mr Schipp
Mr Brewer	Mr Greiner	Mr Singleton
Mr J. H. Brown	Mr Hatton	Mr Smith
Mr Cameron	Dr Metherell	Mr West
Mr Caterson	Mr Murray	Mr Wotton
Mr J. A. Clough	Mr Park	*Tellers,*
Mr Collins	Mr Peacocke	Mr Fischer
Mr Dowd	Mr Pickard	Mr T. J. Moore

Resolved in the affirmative.

Question—That the clause stand—put.

Clause agreed to.

Clause 3

Question—That the clause stand—proposed.

Mr FISHER (Upper Hunter) [9.21]: Mr Temporary Chairman——

Mr WADE (Newcastle), Deputy Government Whip [9.21]: I move:

That the Question be now put.

The Committee divided.

Ayes, 63

Mr Akister	Mr Brereton	Mr Debus
Mr Anderson	Mr Cavalier	Mr Degen
Mr Aquilina	Mr Christie	Mr Durick
Mr Bannon	Mr Cleary	Mr Egan
Mr Beckroge	Mr R. J. Clough	Mr Face
Mr Bedford	Mr Cox	Mr Ferguson
Mr Booth	Mr Crabtree	Mr Gabb
Mr Bowman	Mrs Crosio	Mr Gordon
Mr Brading	Mr Day	Mr Haigh

Mr Hills	Mr Mair	Mr Sheahan
Mr Hunter	Mr Miller	Mr A. G. Stewart
Mr Jackson	Mr H. F. Moore	Mr Walker
Mr Johnson	Mr Mulock	Mr Walsh
Mr Jones	Mr Neilly	Mr Webster
Mr Keane	Mr Paciullo	Mr Whelan
Mr Knight	Mr Page	Mr Wilde
Mr Knott	Mr Petersen	Mr Wran
Mr Knowles	Mr Quinn	
Mr McCarthy	Mr Ramsay	
Mr McGowan	Mr Robb	*Tellers,*
Mr McIlwaine	Mr Rogan	Mr Mochalski
Mr Maher	Mr Ryan	Mr Wade

Noes, 29

Mr Arblaster	Mr Duncan	Mr Punch
Mr Armstrong	Mr Fisher	Mr Rozzoli
Mr Boyd	Mrs Foot	Mr Schipp
Mr Brewer	Mr Greiner	Mr Singleton
Mr J. H. Brown	Mr Hatton	Mr Smith
Mr Cameron	Dr Metherell	Mr West
Mr Caterson	Mr Murray	Mr Wotton
Mr J. A. Clough	Mr Park	*Tellers,*
Mr Collins	Mr Peacocke	Mr Fischer
Mr Dowd	Mr Pickard	Mr T. J. Moore

Resolved in the affirmative.

Question—That the clause stand—put.

Clause agreed to.

Adoption of Report

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

Third Reading

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

ERARING POWER STATION BILL

Introduction

Motion (by Mr Booth) agreed to:

That leave be given to bring in a Bill for an Act to enable The Electricity Commission of New South Wales to enter into certain agreements, arrangements and understandings relating to the Eraring Power Station and to exercise and perform certain functions in relation to that power station, and for associated purposes.

Bill presented and read a first time.

Declaration of Urgency

Mr BOOTH (Wallsend), Treasurer [9.26]: I declare that this bill is urgent.

Question—That the bill be considered an urgent bill—resolved in the affirmative.

Second Reading

Mr BOOTH (Wallsend), Treasurer [9.27]: I move:

That this Bill be now read a second time.

The object of this bill is to provide statutory power for the Electricity Commission of New South Wales to enter into what are defined in the legislation as special arrangements relating to the transferring of the Eraring power station to a private consortium. Before outlining the specific provisions of the bill it is important that I explain to the House the factors that have led to the need for this measure. It is now history that in November 1979 the Prime Minister wrote to all States calling on them to accelerate their programme of works for the installation of new electricity generation plant. The Prime Minister made it very clear that it was the firm view of the Commonwealth Government that States should ensure that the necessary facilities were available to take advantage of the resource development potential which was presented to this nation arising from the second oil shock price. At that time considerable publicity had been given by the Commonwealth to the so-called resource boom and to the potential this provided for the future growth and prospects of Australia.

The Labor Government in this State has already laid the groundwork for substantial expansion of the State's electricity generating capacity. It was decided in the light of the Prime Minister's invitation, to accelerate that programme in the firm belief that the Commonwealth would support the State's application for additional borrowing approvals to finance that acceleration. It is now public knowledge that at the June 1980 Premiers' Conference the Commonwealth deferred consideration of this State's programme, while at the same time approving specific proposals for two other States. However, it was indicated by the chairman of the Loan Council that it was accepted that a major part of the new works proposed by the State would have to proceed.

The State responded to the Commonwealth's request for additional information, but a further twelve months elapsed before the matter was again considered by Loan Council, notwithstanding urgings by this State for an early and favourable decision. By June 1981 the Commonwealth was taking a very different tack. It was now mesmerized by figures relating to public sector borrowing requirements, and it had become obsessed with monetary control measures to dampen down the growth in money supply. Once more New South Wales was the victim and no new infrastructure projects were approved for this State, and its request for funds under the accelerated electricity development programme was virtually ignored.

I make it absolutely clear to honourable members that the Government was—and still remains—committed to its programme of ensuring that adequate supplies of power are available to industry and the community in this State to meet requirements for the next decade. The Electricity Commission has greatly expanded its rate of expenditure on electricity facilities, its programme having risen from less than $250 million three years ago to well over $500 million in the current year.

The Electricity Commission has historically followed the policy of financing at least 50 per cent of its capital requirements from internally generated funds. It is irresponsible to argue that a similar percentage of the vastly expanded programme to which the commission is now committed should be financed from those sources. To do so would require increases in electricity charges of a magnitude that would have a severe impact on the community and be a major threat to existing and new industries in this State. Such a policy is indefensible on economic as well as social grounds.

As I have said the commission and the State is committed to the expanded capital works programme of the Electricity Commission. Given the extremely tight allocations that have been made to this State for the essential works and semi-government programmes, there is no scope for rearranging priorities to the extent needed to meet the increased expenditure from within those allocations. Again, the impact on the rest of the State would be so great as to be unacceptable. Accordingly, the State has actively pursued the possibility of providing finance through the private sector. That is in line with what the Commonwealth Government has been suggesting as a means of offsetting increased demands for public sector finance. I shall not enter into an economic debate on the pros and cons of that matter. I merely comment that if one is talking about real demand on resources it makes no difference economically whether a particular project is financed by the public or private sector. That is a position that the Commonwealth Government has so far failed to accept but for which informed commentators have expressed firm support. In his Budget Speech presented to this House on 26th August, 1981, the Treasurer commented that—

> The Government has had to consider alternative ways of providing finance for the power station construction programme. Negotiations are currently taking place with financial consultants with the objective of making arrangements for private sector funding of certain power station projects. The New South Wales Government will ensure that the programme for construction of power stations, essential to the development of the State, will proceed as planned.

This legislation is the result of those negotiations and will, as I have said previously, provide the legislative framework for the financial and other arrangements that have been developed to achieve that objective. I propose now to outline briefly the provisions of the bill. The first three clauses refer to the short title, commencement date, and interpretation. Clause 4 is one of the most important of all the clauses. Under the provisions of that clause the Electricity Commission will be given the power to enter into agreements, arrangements and understandings for the financing, erection, construction, development, disposition, sale, purchase, ownership, maintenance or management of the Eraring power station, its site or its associated facilities. The concurrence of the Treasurer and the approval of the Governor in Council is a necessary prerequisite.

The financial and other arrangements to be entered into will be comprehensive and oversea funds will be involved. It is therefore vital that there be no legal doubt as to the commission's powers in relation to those arrangements. I must emphasize that the bill is confined to the Eraring power station in its operation. Because of the nature of the arrangements it is envisaged that the Electricity Commission will form a company to carry out certain functions. Clause 5 will convey the necessary powers. The arrangements will impose a number of obligations on the commission or an affiliate, including power to enter into a take or pay contract. Clause 6 will provide the necessary authorities. Because of the large sums involved the relevant provisions have been drawn in such a way that the commission can waive immunity it may enjoy from legislation or rules of law or other means that might be available to avoid enforcement of contractual obligations. Clause 7 will empower the commission to make available staff to carry out the terms of special arrangements.

As the basic structure of the arrangements will involve the equity parties establishing a partnership, it will be necessary to make special provisions relating to such partnership. Clause 8 is the relevant clause. I draw attention to the fact that, as the number of members may exceed twenty, the necessary authority will be given for the Governor to issue a proclamation to allow an exemption as provided for in the

Companies Act. Clause 9 of the bill is the operative clause for the purposes of clause 4; that is, it provides power to carry out the special arrangements provided for in clause 4. Clause 10 enables the commission to charge its income and revenue for the purposes of any special arrangements entered into. Clause 11 specifies that any charge so created will rank *pari passu* with other obligations and liabilities of the commission.

Clause 12 provides for the form and contents of special arrangements to be approved by the Governor on the recommendation of the Minister and with the concurrence of the Treasurer. Under clause 13 the provisions of the Electricity Development Act will be excluded. Clause 14 provides an exemption from stamp duty for special arrangements. Clauses 15 to 18 contain receivership provisions. Clause 19 will confer various powers on the commission relating to the acquisition of land; clause 20 relates to easements; clause 21 to development of the site; clause 22 contains evidentiary provisions; and the final clause, clause 23, contains the normal regulation-making power.

Having referred briefly to the various clauses I deal now with how they will be applied. First, a number of companies from banking, commerce and industry will form a partnership for the purpose of entering into special arrangements with the Electricity Commission to acquire the Eraring power station. The acquisition will take place progressively as generating units are brought into operation. The partners will provide an amount, currently estimated at $300 million by way of equity capital, and $1,000 million will be obtained from borrowings by the partnership.

The Electricity Commission will enter into a take or pay power supply contract to purchase all the electrical output of the station, which will be fed into the New South Wales power grid in the normal manner. The commission will manage the station under a separate management contract under which the commission will be responsible for fuelling, manning, operating, and maintaining the power station. No employee of the commission, present or future, will have his or her position or promotion affected by the transfer. There will be special provisions to ensure that the power station will at all times be used to meet the power requirements of the State.

The best advice possible has been obtained by the Government to ensure that the objectives will be achieved. A group comprising Salomon Brothers of the United States of America, the Bank of New South Wales and the Australian Industry Development Corporation have been working on the project for many months in conjunction with the Electricity Commission and the State Treasury. Top legal and commercial accounting firms have been engaged to help put the proposal together. I am pleased to be able to say that, after six months of intensive work, the proposal is ready for implementation. A number of companies were approached, with the Premier's approval, to test the marketability of the arrangements. The response has been most gratifying and the concept has been warmly acclaimed.

I cannot stress too strongly the importance of the arrangements to the community and to the many users of electricity in this State. The arrangements will help ensure that the commission's programme is achieved within the time frames set by the Government, with all that that means for the development of this great State. All the evidence available to the Government, and the advice given by its consultants, is that the proposal will result in a most satisfactory financial cost to the commission, and hence to electricity users. I have no hesitation therefore in commending the bill to the House.

Mr GREINER (Ku-ring-gai) [9.39]: The Opposition opposes the bill. The introduction of the bill has been a farce, as has been the process that the House has had to go through this evening. Honourable members have heard one of the more vacuous speeches given by the Treasurer. They have been told that a leading merchant

bank in the United Kingdom and a leading Australian merchant bank have contributed six months of intensive work and consultation to arrive at certain arrangements. Members of the Opposition have had the bill for the mere eight or nine minutes that it took the Minister to read his speech. That is the amount of time that the Opposition has been allowed to analyse what has taken two distinguished banking companies six months to arrive at. It makes a farce of the parliamentary process, to ram through the House complex financial legislation of this type, which the Minister has said has significant implications for all of the people of New South Wales. That in itself is sufficient reason for the Opposition to oppose the bill. The Opposition is being asked to buy a pig in a poke and does not propose to accept it.

[*Interruption*]

Mr GREINER: In due course the rabble opposite will hear where this differs from the proposals that the Opposition have been putting for some time. It would be useful if the rabble opposite paid attention, for they might learn something, which is more than they would have done during the three days' of debate and the three weeks' of preparation for the homosexual law reform legislation that honourable members have had the dubious pleasure of considering. Not only is the notice totally farcical in the context of such a bill, but the information provided in the bill and in the Minister's second reading speech, given that the Opposition had time to analyse it, which obviously we have not, is so insubstantial, vague and general as to be essentially meaningless.

What is the information about the ultimate price and cost implications of the electricity? What is the information about the ultimate cost of the project? Honourable members are told that the equity might be $300 million and there might be about $1,000 million of borrowings by the consortium. However, honourable members are not told who is in the consortium. This is the ultimate farce. If the project is about to be put into practice, why will the Minister not inform the House of the consortium? Why will not the Government inform honourable members of the consortium that has managed to come through the process? What are the financial conditions obtaining to the members of the consortium? What process was used to develop it?

Honourable members hear about test marketing by the Government, which is no doubt desirable, but is that sufficient information to enable the Opposition, the Parliament and the people of New South Wales to decide whether the Government has gone about this matter in a sensible manner? I have no doubt about the ability of Treasury officers and officers of the Electricity Commission and of their genuineness in undertaking the exercise, nor do I have any doubt about Salomon Bros, the Bank of New South Wales, and Australian Industries Development Corporation. It would be ridiculous not to give one concrete piece of information about the identity of the consortium and about the hard financial details of the proposition honourable members are asked to approve. Honourable members are being asked with respect to the Eraring power station—and I shall return to the shambles of that power station—to give the Government *carte blanche* to do anything it likes with a consortium about which we know nothing. At the same time we are receiving no operating advantages, for the Government has been compelled by pressure from the unions to retain the operations within the Electricity Commission.

If there is one ultimate weakness in the operation of the Electricity Commission, it has not been in the financial area, for which, with the best will in the world, one cannot blame the officers of the commission. The commission is held in disrepute by all interested people in New South Wales not because of its financial ability but because of its operational ability. This proposal leaves all the operating aspects completely to the commission. What a brilliant step forward. It is true, as

some Government members said earlier, that at times the Opposition has advocated the involvement of the private sector in power generation. What the Opposition had in mind—and I shall return to this when I illustrate the Queensland case—is a proper *ab initio* approach, dealing not simply with financing, not simply with a ruse to get round the Loan Council.

Make no mistake about it, this whole shambles is nothing but a ruse to get round the Loan Council. It serves no other purpose. The people of New South Wales have no guarantee that the operations of the Electricity Commission will be any the better for this legislation. It does not bestow upon the Government any financial advantages, other than that it has probably some cash flow implications that are favourable. It does get round the restrictions of the Loan Council. That is not what the Opposition and the federal Government mean by private sector involvement in power generation. If we are to have private sector involvement, it should be on the Queensland model and it should be from the beginning through to the end. It should involve not simply the financing, which is only one part of the process, albeit an important part, but it should involve also the entire process from go to whoa, or not involve the private sector at all.

The honourable member for Northcott, in his speech on the homosexual law reform legislation, referred to a miserable halfway house. The proposal will not achieve anything other than a transparent means of getting round the Loan Council's policy of the federal Government. I suppose in another sense the proposal arises from the wreckage of the Government's financial position. It involves a basic change in this Labor Government's philosophy. In the short time I have been in this House I recall the Premier and Minister for Mineral Resources charging up and down the Government side of the House and accusing the former Leader of the Opposition of wanting to sell anything he could not see. The Premier said, "The Opposition's policy is that, if you cannot eat it, sell it." The Premier said, "We cannot have the selling-off of private assets. We have to retain these things in public ownership." That was as recently as six or seven months ago. He poured scorn on the former Leader of the Opposition. Apparently a new policy is being followed by the Treasurer and the Premier. It amounts to this: if there is a dollar in it, do it. That is clearly the basic philosophy of the Government.

I suppose at some later hour tonight the House will have the opportunity to discuss the Maritime Services Board and the State Bank. The Premier says that if there is a buck in it for the Government, it should get it. Honourable members can follow the hypocritical attitude of the Premier. Six or seven months ago he was pouring scorn on the idea of private sector financing electricity generation. What do we have now? We have virtually a *carte blanche* of private sector involvement in respect of a project halfway through, or maybe more than halfway through, depending on the final cost estimate. I have a shrewd suspicion that the Treasurer does not have the faintest idea what the final cost of the Eraring power station will be.

I agree with the Treasurer when he said in his second reading speech that it is obvious that electricity generation has taken an increasing share of the funding for the capital cake. If honourable members look at the excellent last page of the Financial Statement, page 91, and one does that exercise for a couple of years back, it will be seen that electricity generation has risen by 14½ per cent of the total capital works funding, and for this year it has risen to 21.5 per cent. I accept the fact that electricity generation is causing problems to the rest of the Government's capital works programme and this is an attempt to redress that situation.

I ask honourable members to think about the Electricity Commission for a moment and how worthy it is of support and how worthwhile it is to undertake this complex financial arrangement without seeking to address the operational problems of the commission. Just how good is the commission at planning? Just how good a partner is the mysterious non-identified consortium? This year the Electricity Commission followed the normal cosmetic processes that this Government likes to apply and has chosen to capitalize its interest charges so it makes a profit of only a couple of million dollars rather than a loss of $3 million. Honourable members have seen the lights going out and how good the planning and operational control of the Electricity Commission has been.

I wish to speak briefly about planning and refer particularly to the June proposal, the accelerated development proposal for electricity that was turned down by the Loan Council. One of the reasons it was turned down was that the State Electricity Commission was not even able to identify where the stations would be located. If honourable members look at the New South Wales proposals, they will see station A, station B, not surprisingly station C, station D and station E. New South Wales is seeking approximately $848 million for infrastructure borrowing. I ask honourable members, what sort of a pig in a poke are we asking people to buy, when we have a State Electricity Commission that does not know where its next five electricity generation stations will be, but it wants the federal Government to give Loan Council approval? One could hardly blame the federal Government for taking the rather cynical attitude that it has to the operations of the New South Wales Electricity Commission.

Consistently the Government endeavours to blame the New South Wales power chaos on to the federal Government and its infrastructure financing. The facts are that the present New South Wales power shortage reflects a capacity situation planned about five years ago before the infrastructure programme got under way and well before the May 1980 receipt of the accelerated electricity proposal, which is the only New South Wales infrastructure proposal that has been deferred. It is spurious for the Government to blame the federal Government's infrastructure financing policies for the present position. The two things are totally separate. The reason for the present chaos in New South Wales electricity generation has nothing to do with the federal Government's monetary policy; it has everything to do with the incapability of this Government and the management of the Electricity Commission and its political appointee, who is the effective chairman of the commission. It has everything to do with the Government's total lack of capacity to manage the Electricity Commission.

Let us consider what the federal Treasury calls the New South Wales effort on the provision of power capacity. New South Wales had the lowest percentage of normal semi-Government Loan Council programme of any State allocated to its electricity authority for 1980–81. New South Wales bids for 1981–82 implied that this percentage would be decreased further. Infrastructure borrowings for the accelerated electricity development programme are a little over 30 per cent of proposed capital expenditure on that programme. When trade credits, leverage, leasing, deferred payment contracts and normal loan programme allocations are taken into account, the internal funding effort proposed for AEDP is 32 per cent—considerably lower than in recent years. I take the point that it is not necessarily appropriate to apply the internal financing ratios of the past to the future. I do not seek to put that argument.

Mr Mochalski: Why is the honourable member mentioning it?

Mr GREINER: If the honourable member for Bankstown does not understand, he should listen and he might learn something. Though I agree with the proposition in the Minister's second reading speech that it is not appropriate to apply past

internal financing ratios to the future, there is no doubt that New South Wales is making less efforts than are other States in that regard, when it should be making more. Let us consider the pricing policies of the commission. Again there is no mention of the future pricing policies of the Electricity Commission. Everyone knows that they will go in one direction. Even the honourable member for Bankstown could tell the House in which direction electricity prices will go. They will go in the same direction as all other Government charges, and at about the same rate.

What dictates the Government's pricing policies in the Electricity Commission? The main things on which the commission bases its electricity pricing are, first, secrecy. There is no question about that. Recently the Premier and Minister for Mineral Resources and the Government performed a song and dance about confidentiality clauses, and the then Minister for Energy, either broke silence or did not break silence, and there were small divisions of opinion in the Cabinet on the subject. Unquestionably secrecy is the first law of pricing. The second law is ignorance. We work on the basis of knowing as little about the real costs of electricity generation and on the basis of not supplying any particular market segment with information. So we base our present policies on the maximum possible amount of ignorance. The dominating factor upon which we work is the basis of an historical accident, because the rate structure of the commission has grown like Topsy, without any rational basis.

I challenge the Minister or his colleague in the other place whose latter-day conversion to knowing anything about energy is a delight, to explain the rationale of the pricing policies of the Electricity Commission. There are not any. The overriding rationale is one of political expedience. I do not need to develop that point further. It is perfectly obvious that in the major pricing decisions that the Government has made in many other areas, and in the Electricity Commission in particular, political expedience has been the dominant question and the only criterion upon which it has worked. I am happy to admit that the June Loan Council was rather tight on all the States. It seems that after the Loan Council meeting four options were available to the Government. One option was to give the private sector access to public sector activities—and quite obviously electricity generation was one of them. The second was the prospect of increasing internal revenue. The Government has already made some announcements, albeit belatedly, that will seek to increase reliance upon internal revenue or to increase the flow of funds from internal revenue.

The third option was that the Government could have changed its priorities. It could have deferred some non-essential government buildings, renovations and that sort of thing. To be fair, I should say that some of those have been provided for in the Budget. The fourth option, which is really what this bill is all about, was simply to adopt a financial mechanism that avoids the Loan Council. What I put is that leaving out of consideration the questions of increasing internal revenue and changing priorities, if given a choice between giving the private sector real access to this public sector activity and not simply providing money in some complicated but nebulous financial deal, but real access to the management of electricity generation, that would have been the preferable choice. But what did the Government do? It did what it usually does; it took the relatively easy option that is dictated by its philosophy. It decided to avoid the Loan Council and, by adopting a smart and sneaky mechanism for getting round it, to finance its activities that way. It will not do more than that. I shall read an editorial from the *Sydney Morning Herald* of 25th June:

> It is nevertheless true that the federal Government should stamp on attempts by the States to engage in the kinds of financial deals now being contemplated by the New South Wales Government.

That editorial contemplates exactly what has occurred tonight, which hardly justifies about seven minutes' notice for the proposal. The arrangements under consideration are simply ways round the Loan Council. No matter what imperfections there are in the federal Government's economic management, the fact remains that the federal Government is responsible for managing the economy, and the Loan Council through which borrowing by the States is controlled is a crucial instrument of economic policy. Though it is quite clear to me that the federal Government has little or no power to stamp on this proposal, and so far as I am aware does not propose to make any attempt to stamp on it, nevertheless the serious question of the general economic and monetary policy of the Government is to be considered.

Unless the State Government wishes to take unto itself some responsibility for that policy—which I suspect it does not want to do—it seems that the Government's efforts to avoid the Loan Council rather than adopt a genuine, fair dinkum, private enterprise approach to the question—if one is going to have private enterprise at all—is a cheap and sneaky way of dealing with the problem. Let us contemplate the brilliant history of the Eraring power station. Eraring power station would be the greatest single white elephant of any State government in Australia since the Sydney Opera House. In fact for the cost involved it would be possible to build four or five opera houses. The cost overrun at present is about 34 per cent in two years and we have no end figure, or at least it has not been given to Opposition members. Will the end figure be the $1,000 million to which the Budget refers? I refer honourable members to the Financial Statement which says a great deal about Eraring and shall compare that with what has happened. The Financial Statement contains the following paragraph:

> Eraring is the first of the major power stations under construction . . . The overall cost is currently estimated at roundly $1,000 million of which $234 million will be spent this year for a total expenditure to June, 1982, of $742 million.

Obviously the figure is extremely round. It is interesting to compare that round $1,000 million and the $742 million that will be spent in the next six months with the $1,300 million that was mentioned by the Treasurer, in round and vague terms, as being about the sort of figure, both equity and debt, that will be involved. Perhaps in his reply the Treasurer can give a reconciliation between the figure in the Financial Statement and the $1,300 million that he mentioned in his second reading speech.

The Government said also that the first of its units will become operative early in 1982. I would be willing to bet that the Minister for Energy, Minister for Water Resources and Vice-President of the Executive Council in the other place will be wrong, and that it will not be on stream in January. The second unit will come into operation later in the year, and the remaining units will be brought into use in mid-1984, three to six months ahead of schedule. I should not like to have all my money or all the remaining cash balances of the New South Wales Government riding on that proposition.

The history of the construction process at Eraring power station has been one of total inefficiency and waste. Honourable members are being asked to buy a pig in a poke arrangement that will have to fund the construction process and will involve an end figure nearer $1,500 million rather than the $900 million the project was to cost originally. The State would be funding a totally inefficient construction operation that is supposedly two-thirds of the way through, but is in fact probably about halfway through.

The open-cut mine was mentioned in the annual report of the Electricity Commission of New South Wales for 1980 as being a good idea. Then the Government changed its mind and decided that for environmental reasons it was not on. The Government decided to improve the environment by running coal trucks through the main streets of most towns in the Hunter Valley. That was to be an efficient process. Now the Government has a more expensive, less efficient means to fuel, Eraring, which is a total shambles. The planning of the construction process and the operational process gives me no confidence. It would give no one any confidence in the viability of the project, or in the ability of the commission to complete the project with any sort of efficiency. Having completed the project, the whole history of electricity generation in New South Wales in the past twelve months, or even in the past ten years, would give no one any confidence that the commission would be a proper organization to carry on with the operation.

The essence of the proposal is that everything will stay with the Electricity Commission. The arrangement is to be financed, with no attempt made to do other than that. The chairman of the Electricity Commission, Mr Riordan, was quoted as saying that the Electricity Commission will have total control and management of power stations. The honourable member for Bankstown thinks that Mr Riordan and the Electricity Commission have been doing a good job. The honourable member and his colleagues would be the only ones in New South Wales who would share that view of the efficiency of the commission and its ability to operate. Finance is not the key factor: the construction and operation is what is really wrong with electricity generation in New South Wales. If the private sector is to be involved in any way, something along the lines of what has happened in Queensland should be considered. In Queensland there is an open tender inquiry and registration programme. Anybody can find out who has tendered and the broad general details of what is proposed. I shall read the following information on the Queensland invitation tendering:

> Tenders for the financing, design, construction, commissioning and operation of a privately owned power station to supply electricity into the State's transmission network. The station will utilize suitable coal resources either from areas currently held under mining lease or authority to prospect by the tenderer or alternatively from an uncommitted area to be nominated by the tenderer.

That is a far more sensible basis for approaching private sector involvement. Financing is only one aspect of the tender invitation. There are the other matters of design, construction, commissioning and operation. In each of those areas I doubt the ability of the Electricity Commission to perform its role. The Opposition proposes to oppose the bill, first, because the process by which it has been brought to the House is a joke and a disgrace.

It is a farce of the first order to bring a complex piece of legislation of this kind into the House without notice and to force it through. Leaving that aside, which of itself is sufficient reason for opposing the bill, the details given to the Opposition, even had it been given time to study them, are not capable of providing answers to the questions that should be asked. A conscious exclusion is made of private enterprise from areas where it is most needed, that is, on construction and operation. That is the area in which the real chaos of the New South Wales electricity generation is located. The Opposition will oppose the bill strongly at the second reading stage.

Mr RYAN (Hurstville) [10.8]: Honourable members have been exposed to a harangue from the honourable member for Ku-ring-gai. It reminded me of a saying in the law, that when an advocate is strong on the law he thumps the law;

when he is strong on the facts he thumps the facts; and when he is strong on neither, he thumps the bar table. That is what the House has been subjected to by the honourable member for Ku-ring-gai.

There was no weight or substance to his argument; there was only a lot of metaphorical thumping. The honourable member tried to dissociate himself unctiously from the informed and sincere debate that has taken place in the House over the past few days on homosexual law reform, saying that he wanted nothing to do with what he called dirty legislation. In that event one should have thought he might have done one of two things: he might have stayed out of the Chamber and not voted on the bills, or he might have voted against both measures, neither of which, according to the honourable member for Gordon, satisfied the Opposition. But the honourable member for Ku-ring-gai managed to put himself on this side of the House—in a division.

Mr T. J. Moore: On a point of order. The matters that the honourable member for Hurstville is discussing are far removed from the Eraring power station. Mr Speaker, I ask that you direct him to return to the subject being debated.

Mr Ryan: On the point of order. Mr Speaker, in your absence from the Chamber, the honourable member for Ku-ring-gai, in leading for the Opposition subjected the House to a lot of hot air about his dissociation with the homosexual bills. I am referring to that aspect and to his hypocrisy in managing to vote for one of the bills.

Mr SPEAKER: Order! I am sure that the honourable member for Hurstville will link his comments to the bill before the House.

Mr RYAN: Mr Speaker, I have already done that and shown the hypocrisy of the honourable member for Ku-ring-gai. [*Quorum formed.*] The honourable member for Ku-ring-gai has attempted to disparage the bill before the House. As an example of what should be done, he mentioned the Queensland legislation, which is a complete sell-out. In Queensland everything is sold out; it is given away with no right to repurchase. In due course the honourable member for Ku-ring-gai will see that this bill, which will give power to the New South Wales Electricity Commission in this way, will turn out to be most beneficial for the people of this State. The results of the legislation will mean that the Electricity Commission will be able to enter into special agreements to sell the station to a consortium of private enterprise. Moreover it will remain in managerial control of the operations of Eraring, and with power to repurchase. Further, it will have the power to form a subsidiary company which will be part of the partnership that will own the station.

It must be remembered that the reason for this legislation is the failure of the federal Government to approve of Loan Council borrowings for the commission to pursue its accelerated electricity development programme. In mentioning this failure by the federal Government to give that approval, we must not fail to mention that New South Wales has been discriminated against. Projects in two States have been preferred to projects in New South Wales. The Treasurer has pointed out that New South Wales has been misled. Twelve months before the Loan Council meeting this Government was promised that the loan would be favourably considered. Information was sought and given. However, the matter was not even countenanced at the recent Loan Council meeting. The honourable member for Ku-ring-gai says that we should rely on internal revenue funding.

Mr Greiner: I did not actually say that.

Mr RYAN: The honourable member for Ku-ring-gai qualified that statement although he tried to make the point. In the years when the commission was pursuing a policy of providing 50 per cent of capital expenditure from revenue funding, it was spending $100 million or $200 million a year. With its accelerated electricity development programme, a sum many times more than that will be required. The proposed sale of the station to a partnership, which includes a subsidiary company involved with the commission, will raise funds overseas during the next four or five years. Those funds will be provided to the commission to help it pursue its development programme at a substantially lower cost of servicing than would be the case if the loan had been borrowed on the domestic semigovernment borrowing market.

It must be emphasized that the powers given to the commission apply only to Eraring and no other station. It is expected that private investors, through a partnership with the subsidiary of the commission will, like any other entrepreneurs, be liable to pay tax. However, they will get various benefits that go with the liability to pay tax. The partners in the enterprise will fund the station partly with equity funding and partly with debt finance. To secure their dividend, they will have a charge over the revenue of the commission, and this charge can be assigned to the various lenders of the debt finance through the partners. The actual mechanism for the payment of the dividend will be a contract by the commission to buy the power supply from Eraring on a take-or-pay basis, as the Treasurer pointed out, and payment through this agreement is secured as a charge over the commission's revenue. The commission will have the power to repurchase and it will have the right to vary the terms of the power supply contract. In this way it could make continued involvement quite uneconomic for the partners, and hence encourage a sale to itself. This is an assurance that the capital asset will not be lost to the State.

The necessary legislation giving powers to the commission will be confined specifically to Eraring. In other words, the commission will not have those powers over any other station. The commission, in respect to Eraring, will be able to enter into a management agreement, a power supply agreement, and require the subsidiary company to be part of the partnership owning the station. Despite what the honourable member for Ku-ring-gai would have us believe, it is in the interests of the people of New South Wales that, through this management agreement, the control of operations at Eraring will be retained by the Electricity Commission. Thus the rights of—and the approach most beneficial to—the people of New South Wales, will be pursued by the commission. It will not be a policy, like that pursued by private enterprise, of obtaining profits at all costs.

The advantages to the commission are the immediate availability of urgently needed funds for the accelerated electricity development programme. Those funds were denied to this Government not only through the lack of generosity of the federal Government but also through the contrivance of that government with other States, to deprive New South Wales of funding at the Loan Council meeting. Those funds will be available—and they will be available ultimately at a lower cost than would have been the case if they had been obtained on the domestic or semigovernment loan market. It is important that we should bear in mind what the honourable member for Ku-ring-gai said when he gave the Queensland example of obtaining funding from the private market as compared with the method to be adopted in New South Wales. The distinctions are most important. First, the people of New South Wales, through the commission, have the right to repurchase. Second, they will be in a position to obtain this funding at a lower cost than would have been the case had it been obtained on the domestic market. In other words, it is not a sell-out. It is a most exciting programme that is being pursued by the Electricity Commission, one that will be of great benefit

to New South Wales. It will enable this State to avoid the disadvantages that otherwise would have befallen it because of the attitude of the federal Government in depriving New South Wales of Loan Council finance for capital purposes in the Electricity Commission's accelerated development programme.

Mr FISHER (Upper Hunter) [10.18]: I do not propose to delay the House long. I rise to object strongly to the way in which this bill was introduced at this late hour by the Treasurer. A copy of the bill was made available to members only half an hour ago. We are now debating a matter involving a sum of $1,300 million that will be available for the State under a completely open-ended arrangement. We are told nothing of the details. I support my colleague the honourable member for Kuring-gai in opposing this bill, principally because of the cavalier way in which it has been handled by the Government. The Opposition has been given no opportunity to look at the proposal. The measure is being suddenly thrust down our throats at this late hour. We are told that if we go along with it—that is, according to the Minister in his second reading speech—we will find that the advice given by consultants is that the proposals will result in a satisfactory financial arrangement for the commission and for consumers. The Government is asking us to sign a blank cheque. It is absurd that the Government should allow the House to spend four days talking about homosexual law reform, when on a vital issue affecting the economic development of this State, we are given only a few minutes to look at the bill and examine the proposals contained in it. The Opposition has had no opportunity to study the bill. If that is the method by which the Government proposes to govern the State and treat the Opposition and the people of New South Wales, it will rapidly lose the confidence of the electorate.

Honourable members have been told in brief outline of the proposal by which the Electricity Commission is to enter into a financial agreement with a company. It is a nebulous arrangement. Some oversea industries, such as the Salomon organization in the United States of America, are to be involved, as is also the Bank of New South Wales. The honourable member for Hurstville said he is confident that it will be a satisfactory arrangement for the people of New South Wales, who ultimately will benefit by lower electricity costs. What an absurd assumption. In the debate on the previous bill honourable members were told of an arrangement to enable the commission to enter into an agreement to conduct a private enterprise deal in respect of coalmines associated with Eraring power station.

In recent years the Government has been developing the Mount Arthur North mine at a cost of $300 million of scarce loan funds that should have been directed towards the development of basic services such as hospitals and schools. Those funds are being used for the construction and operation of a coalmine, which could have been done by private enterprise. The Costain mine—that is Ravensworth No. 1—provides the Electricity Commission with the cheapest coal supplied to any power station. That coal is supplied by a private operator under contract. It supplies coal for the Liddell power station for its normal operating requirements as well as sufficient coal—that is, 3 000 tonnes a day—to the Central Coast power stations at Munmorah and Vales Point.

I have said I shall be brief. The House has spent four days talking about homosexuals and has disregarded the development of the State. I draw attention to a recent article in the *Australian Financial Review* dealing with the situation facing the Electricity Commission as a result of the demand placed on it by the need to develop a supply of power sufficient for the aluminium smelters and to meet the needs of rapid industrial development in this State. The article stated that the commission's demands for loans in the past twelve months have increased from $678 million to $975 million, an increase of $297 million or 44 per cent. It has tried to borrow about $285 million

from external sources to cover the deficit involved in meeting its payments. It spent $474 million on capital works during the year—that is, $45 million more than it had budgeted for. For that reason the State, and the Electricity Commission are in serious financial difficulties. Instead of allowing private enterprise to provide coal to the commission, as it has shown it can do much more effectively than the commission's mines, it is absurd that honourable members should be asked, as the honourable member for Ku-ring-gai said, to buy a pig in a poke. This House is being asked to agree to an arrangement about which neither the people of New South Wales nor the Opposition have been given details.

The Minister, in his second reading speech, acknowledged that this bill applies only to the Eraring power station. It is significant that the first hint the public had of this was a recent article in the *Newcastle Herald* on 12th November. That article stated that it is not confined to the Eraring power station. It stated, also, that the power stations involved are Eraring, Bayswater in the Upper Hunter and Mount Piper near Lithgow. The first of those to come on stream in about six months is the 660 megawatt station at Eraring. At this late stage the Government intends to enter into an obtuse financial arrangement to allow private enterprise to take over the station and lease it back to the Government for operation by the Electricity Commission. I am not too sure whether the arrangement has been gone into willingly by the Government. The Minister might say in his reply whether that is the case.

The first approach the Minister and the Government made to the unions concerned was to ask them whether they would agree to such an arrangement being entered into. I am not sure whether a demand has been made by the unions, that if outside financial assistant from Salomon Bros is given, the unions will insist that they continue to operate the project. By allowing a consortium to construct a power station to supply power for aluminium smelters and then selling any surplus to the commission, a satisfactory arrangement could have been made. That arrangement could have been made individually or collectively with the aluminium smelters that will be using 20 per cent of the power generated at Eraring and Bayswater. Had that demand not been placed on the commission, and had the consortium of aluminium smelters been able to construct—or been required to construct—a power station for their own needs, the commission would not have the same demands placed on it. That would have been a more satisfactory arrangement for the Government to make. It would not have required the commission to go to the market-place and try to find financiers such as Salomon Brothers to help it. Private investors would not enter into a consortium with the Electricity Commission without demanding a high return on their investment. One of the biggest difficulties facing the commission at this stage is the interest charges on borrowings. That is like an albatross round the commission's neck, and it could have been avoided if it entered into an arrangement to allow the aluminium industry to generate its own power.

I wanted to touch on a number of other aspects briefly in this debate but I respect the undertaking I have given to the Attorney-General, Minister of Justice and Minister for Aboriginal Affairs. I merely add that the Opposition deplores the methods used by the Government to push the bill through at this late hour and to ask honourable members to restrict their remarks on it. It is wrong not to allow a proper, open and thorough debate on such a vital issue that affects the economy of this State. After all, the State will be tying up $1,300 million in one power station. Surely that is a forerunner to selling the farm.

Obviously, the Electricity Commission is unable to manage its own affairs. Its coffers have been raided by the Government to make up deposits. The hollow logs have been cleared out and now the Government is looking for oversea investment to go into a consortium with the commission. Honourable members are not told the

cost of this project. The Treasurer has said that it will be a satisfactory arrangement for the consumers of this State. In the past few months electricity charges have increased by 20 per cent. In the past twelve months there have been even greater increases. When these open-ended arrangements are entered into, there will be further increases.

I remind honourable members of previous arrangements that the Premier and Minister for Mineral Resources announced with great flourish relating to the Birds Rock mine and Mount Arthur South. The profits from those undertakings were supposed to provide cheaper electricity for the State. Honourable members are being told a lot of nonsense. The people of New South Wales are being duped. An opportunity has not been given for the proposals to be examined. An arrangement will be entered into that could be to the detriment of the electricity consumers of this State. I join with my colleague the honourable member for Ku-ring-gai in opposing the legislation.

Question—That this bill be now read a second time—put.

The House divided.

Ayes, 64

Mr Akister	Mr Egan	Mr Neilly
Mr Anderson	Mr Face	Mr O'Connell
Mr Aquilina	Mr Ferguson	Mr Paciullo
Mr Bannon	Mr Gabb	Mr Page
Mr Beckroge	Mr Gordon	Mr Petersen
Mr Bedford	Mr Haigh	Mr Quinn
Mr Booth	Mr Hills	Mr Ramsay
Mr Bowman	Mr Hunter	Mr Robb
Mr Brading	Mr Jackson	Mr Rogan
Mr Brereton	Mr Johnson	Mr Ryan
Mr Cahill	Mr Keane	Mr Sheahan
Mr Cavalier	Mr Knight	Mr A. G. Stewart
Mr Christie	Mr Knott	Mr Walker
Mr Cleary	Mr Knowles	Mr Walsh
Mr R. J. Clough	Mr McCarthy	Mr Webster
Mr Cox	Mr McGowan	Mr Whelan
Mr Crabtree	Mr McIlwaine	Mr Wilde
Mrs Crosio	Mr Maher	Mr Wran
Mr Day	Mr Mair	
Mr Debus	Mr Miller	*Tellers,*
Mr Degen	Mr H. F. Moore	Mr Mochalski
Mr Durick	Mr Mulock	Mr Wade

Noes, 30

Mr Arblaster	Mr Fisher	Mr Rozzoli
Mr Armstrong	Mrs Foot	Mr Schipp
Mr Boyd	Mr Greiner	Mr Singleton
Mr Brewer	Mr Hatton	Mr Smith
Mr J. H. Brown	Mr Mack	Mr West
Mr Cameron	Dr Metherell	Mr Wotton
Mr Caterson	Mr Murray	
Mr J. A. Clough	Mr Park	
Mr Collins	Mr Peacocke	*Tellers,*
Mr Dowd	Mr Pickard	Mr Fischer
Mr Duncan	Mr Punch	Mr T. J. Moore

Question so resolved in the affirmative.

Motion agreed to.

Bill read a second time.

Third Reading

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

LOCAL GOVERNMENT (CITY OF SYDNEY BOUNDARIES) BILL

GAS AND ELECTRICITY (AMENDMENT) BILL

Introduction

Motion (by Mr Gordon) agreed to:

That leave be given to bring in the following cognate Bills—

(i) A Bill for an Act to amend the Local Government Act, 1919, to unite certain areas within the meaning of that Act; and for other purposes;

(ii) A Bill for an Act to amend the Gas and Electricity Act, 1935, as a consequence of uniting the City of Sydney and the Municipality of South Sydney.

Bills presented and read a first time.

Second Reading

Mr GORDON (Murrumbidgee), Minister for Local Government and Minister for Lands [10.41]: I move:

That these Bills be now read a second time.

The Local Government (City of Sydney Boundaries) Bill proposes the amalgamation of the present area of the city of Sydney with that of the municipality of South Sydney. The municipality of South Sydney was created out of the area of the city of Sydney on 1st August, 1968. On that date the Local Government (City of Sydney) Boundaries Act greatly reduced the area of the city by transferring portions to the municipalities of Woollahra, Leichhardt and Marrickville and by creating the municipality of Northcott, as South Sydney was then known. On 27th September, 1969, the name of the municipality was changed to the municipality of South Sydney and the first of the councils of twelve aldermen was elected. An elected council has administered the municipality ever since.

The municipality of South Sydney has had a very difficult existence. It seems clear that it was created solely to reduce the area of the city and not because the suburbs of the new municipality had a cohesiveness or communality of interest that called for them to be united in an autonomous unit. Little thought seems to have been given to whether the area was economically viable or whether it had a rating base broad enough to support the services a modern council is required to offer. On a number of occasions the Council of the Municipality of South Sydney by a majority of votes has resolved to seek re-union with City of Sydney. Citizen and community groups and other interested parties have also expressed to the Government a wish for the union of the two areas and it is to these that the Government has acceded by bringing forward these bills. The financial year of councils commences on 1st January of each

year and the union effected by these bills will operate from 1st January, 1982. Thus the major administrative changes required by the union can proceed with the minimum of disturbance to ratepayers and residents in both areas.

I shall now proceed to an explanation of the provisions of the bills. Clauses 1, 2 and 3 of the main bill are formal provisions providing for the short title and commencement of the bill and setting out various definitions. The commencement is, as I have said, 1st January, 1982. Clause 4 unites the two areas. The simplest form of doing this is to use the existing machinery in the Local Government Act, suitably modified to meet the circumstances. The areas will be united to form a new municipality that will be named the City of Sydney.

By clause 5, in keeping with this legislative scheme, both former councils will be abolished. Under clause 6, the present aldermen of the city council and of South Sydney council will together constitute the Council of the City of Sydney. This council will thus have a lord mayor and twenty-seven aldermen. Clause 7 provides that the lord mayor and all the aldermen will hold office until the next local government triennial election in September, 1983. Clause 8 provides that until the next triennial election in 1983 extraordinary vacancies will be filled by appointment by the Governor. Following on clause 7, clause 9 releases the Governor from the obligation he would otherwise have to call an election for the reconstituted area. Clause 10 makes it clear that the deputy lord mayor and members of committees of the city council will vacate their offices on 1st January. New incumbents will then be elected or appointed by the enlarged city council.

Clause 11 provides that wards of the municipality of South Sydney will, on amalgamation, become wards of the city of Sydney. However, within fifteen months the new council will be required to submit to me a proposal for the abolition of the city wards or their replacement with new wards and the Governor will be requested to exercise his powers under the Local Government Act to decide the matter. Clause 12 protects the rights of employees of the two councils who are transferred to the service of the new city council on 1st January, 1982, and provides specifically that the town clerk, deputy town clerk and heads of departments within the administration of the city will retain their positions after amalgamation. Clause 13 allows me to appoint staff committees to consider the operation of this Act in relation to servants of the council.

I turn to the Gas and Electricity (Amendment) Bill. The city of Sydney and municipality of South Sydney take part in the election to the Sydney County Council under the Gas and Electricity Act, 1935. The purpose of this short bill is to remove references to South Sydney from the Act and to make it clear that references in the Act to the city of Sydney refer to the amalgamated area. I commend the bills to the House.

Debate adjourned on motion by Mr Rozzoli.

LOCAL GOVERNMENT (RATING) AMENDMENT BILL

Introduction

Motion (by Mr Gordon) agreed to:

That leave be given to bring in a Bill for an Act to amend the Local Government Act, 1919, with respect to the making and levying of rates.

Bill presented and read a first time.

Second Reading

Mr GORDON (Murrumbidgee), Minister for Local Government and Minister for Lands [10.48]: I move:

That this Bill be now read a second time.

Section 131 of the Local Government Act, 1919, provides for the calculation of a council's standard rate in accordance with formulae set out in the section. At present, the formulae for the modification of standard rates at the commencement of a valuation cycle do not allow for development which has occurred in the period before the introduction of the new valuation list. This means, in effect, that valuations arising from development in a local government area in the preceding twelve months are not taken into account when calculating a new standard rate for the council of the area. The effect of that is that the council of the particular local government area has to apply to the Minister for Local Government for a special variation of the percentage rise in rates to enable it to maintain the same level of service to all its ratepayers as it gave in the previous year.

The bill will remedy the situation by omitting the reference to 1st January as the relevant date pertaining to the value of all rateable land in a local government area and by inserting instead a reference to 31st December as the relevant date for the application of the formulae. The proposed change to the standard rate formulae, by incorporating the value of all rateable land in a local government area at 31st December in a particular year, will enable the council of the area to derive the benefit of any increases in value due to growth in the year to that date. I commend the bill to the House.

Debate adjourned on motion by Mr Schipp.

BILLS RETURNED

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

Companies (Application of Laws) Bill

Miscellaneous Acts (Companies) Amendment Bill

POLICE REGULATION (DEPUTY COMMISSIONERS) AMENDMENT BILL

MISCELLANEOUS ACTS (DEPUTY COMMISSIONERS OF POLICE) AMENDMENT BILL

Introduction

Motion (by Mr Anderson) agreed to:

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

(i) A Bill for an Act to amend the Police Regulation Act, 1899, to provide for the appointment of an additional Deputy Commissioner of Police and to abolish the office of senior Assistant Commissioner of Police.

(ii) A bill for an Act to amend various Acts as a consequence of the enactment of the Police Regulation (Deputy Commissioners) Amendment Act, 1981.

Bills presented and read a first time.

Declaration of Urgency

Mr ANDERSON (Penrith), Minister for Police and Minister for Services [10.48]: I declare that these bills are urgent.

Question—That these bills be considered urgent bills—resolved in the affirmative.

Second Reading

Mr ANDERSON (Penrith), Minister for Police and Minister for Services [10.48]: I move:

That these Bills be now read a second time.

The Police Regulation (Deputy Commissioners) Amendment Bill provides for an increase to two in the number of Deputy Commissioners of Police who may be appointed; the abolition of the office of Senior Assistant Commissioner of Police; and the performance of the duties and functions of the Commissioner of Police during his absence.

In its submission to the Lusher inquiry into New South Wales police administration, the police force proposed that the activities of the force should be regrouped into two areas, namely, operations and administration, each under the direction of a deputy commissioner. The Lusher inquiry indicated that the suggested dichotomy of executive responsibilities into operations and administration would provide an improved balance between the two essential elements of police administration. Further, the inquiry indicated that the splitting of responsibilities in this way would facilitate to some extent the co-ordination and direction of operational activities, while placing long overdue emphasis on the managerial aspects of administering the force.

To achieve a more efficient police administration and to provide the operational wing of the force with greater flexibility, recently I approved of reorganization of the executive structure of the force to provide for a split in responsibilities as recommended by the Lusher inquiry. Because of constraints imposed by the existing legislation on the executive structure of the force, as an interim measure, this was achieved by making the administration division responsible to the deputy commissioner and the operational division responsible to the senior assistant commissioner. The appointment of an additional deputy commissioner will allow each arm of the force to be responsible to a deputy commissioner as recommended by the Lusher inquiry.

The bill is of an administrative nature providing for the creation of an additional position of deputy commissioner of police in lieu of a senior assistant commissioner and will allow a significant improvement in the executive structure and administration of the force. As a consequence of the appointment of a second deputy commissioner, it is necessary to make provision for the performance of the duties and functions of the commissioner during his absence. In this regard, the bill provides that the Minister may, by order in writing, nominate one of the deputy commissioners to act in the place of the commissioner during any absence.

Following enactment of the bill, consequential amendments will be required to the Police Regulation (Superannuation) Act, 1906, the Statutory and Other Offices Remuneration Act, 1975, and the Police Regulation (Allegations of Misconduct) Act, 1978. To provide for these amendments, the Miscellaneous Acts (Deputy Commissioners of Police) Amendment Bill has been prepared. As I have indicated, the appointment of an additional deputy commissioner will allow a significant improvement in the executive structure and administration of the force and was recommended by the Lusher inquiry. I commend the bills to the House.

Mr ARBLASTER (Mosman) [10.53]: I congratulate the Minister for Police on his appointment to that important position. His role is a difficult one. This is the first legislation the Minister has presented to the House. The Opposition does not disagree with its terms; it supports them, particularly those that enact a proposal identical to a submission by the New South Wales Police Force to the Lusher commission that was appointed to inquire into New South Wales police administration. The proposed organizational structure of the line of command is good. The title chief assistant commissioner is probably a misnomer. I take it that the work and responsibility of the deputy commissioners will be in line with the present assignment of work. I hope that when the appointments are made the personnel are not changed. I think that the members of the police force would like to see Cec Abbott appointed to the position, but that will be for the Minister to decide.

Mr Justice Lusher recommended in his report that the Minister should make a clear and specific statement as to the functions of the department and its relationship with the police force. The functions and relationship with the police force that are deemed to be appropriate by the inquiry were dealt with in another chapter. I should like the Minister to state now that the approach to the recommendations in the Lusher report will not be piecemeal. By the bill a small change is to be made in the line of command but the report has about 900 pages and contains a number of recommendations. Does the Minister intend to put out a green paper or to make a ministerial or general statement that the House will be able to debate, on what he intends to do with regard to the Lusher report on the reorganization of the administration of the police force?

This is a difficult time for the police force. Morale, which is at an all time low, must be restored. It can be restored only if the lower ranks of police officers have faith in the administration of the force and respect their senior officers, the Government and the Minister. Without that, the community will suffer. The Opposition supports the bills.

Mr ANDERSON (Penrith), Minister for Police and Minister for Services [10.57], in reply: I thank the honourable member for Mosman for his comments. Also, I thank the Opposition for its support. The matter referred to by the honourable member for Mosman as to the functions of the department and its relationship with the police force has wide ramifications. In recent weeks, in accordance with the Government's commitment, I have instituted a consultative process with the various unions, the Commissioner of Police, and the secretary of the Police Department. Meetings have taken place. I am confident that, as a result of the initiatives taken with the consultative process, in the near future it will be possible to sort out the attitudes of the unions and bodies involved in the implementation of the recommendations of Mr Justice Lusher. As the honourable member for Mosman has said, the report is large. It has almost 900 pages and contains more than 200 recommendations. A decision taken on one matter will have a flow-on effect on other matters.

The object of the bills is clear. Changes must be effected to the police force to enable it to cope with changes in society and in the law enforcement role of the States and the Commonwealth. That necessitates starting at the top and working down. I am delighted to have the support of the Opposition on the restructuring that is taking place in the executive of the police force. I give an assurance that the approach by the Government and by me will not be piecemeal. The report is a major document and its recommendations will have wide ramifications on the role of the police force for the next twenty years and beyond. I do not propose to rush into action. By the same token I do not propose to allow the report to gather dust. For years the suggestion has been

made that morale has been low. I agree with the honourable member for Mosman that it is important that morale be kept high as the police have a difficult and dangerous job to do.

I believe that the vast majority of the police do their job in an exemplary way. They are fine servants of the people of New South Wales. It is important that the people recognize that their police force responds to the needs of the police officers of this State and give them moral support to carry out their duties for the benefit of the community. I thank the Opposition and, in particular, the honourable member for Mosman for their comments and support. I look forward to this executive restructuring as a first step in a major alteration to the administrative aspects of the police force of New South Wales.

Motion agreed to.

Bills read a second time.

Third Reading

By leave, bills read a third time, on motion by Mr Anderson.

STATE BANK (CONTRIBUTIONS) AMENDMENT BILL
MARITIME SERVICES (CONTRIBUTIONS) AMENDMENT BILL
VALUATION OF LAND (RATING AND VALUATION) AMENDMENT BILL
MISCELLANEOUS ACTS (RATING AND VALUATION) AMENDMENT BILL

Declaration of Urgency

Mr BOOTH (Wallsend), Treasurer [11.1]: I declare that these bills are urgent.

Question—That these bills be considered urgent bills—resolved in the affirmative.

STATE BANK (CONTRIBUTIONS) AMENDMENT BILL

Second Reading

Debate resumed (from 1st December, *vide* page 1172) on motion by Mr Booth:

That this Bill be now read a second time.

Mr GREINER (Ku-ring-gai) [11.2]: The Opposition does not propose to oppose the bill nor does it propose to speak at length, in deference to the hour of the day. Let me say very briefly that it does appear to me to be unfortunate that we have again had so little time, particularly with respect to the piece of legislation that predated the Campbell committee report and was intended to pre-empt it. It is not as if it were dreamed up recently. It has been in hand for some considerable time. It appears to me there is no justification for the extremely short time span that the Government has allowed for the debate of the bill.

Although the Opposition does not propose to oppose the bill it has reached that conclusion for substantially different reasons from those that the Minister gave in his second reading speech. He has admitted in so many words that this is yet another small rip-off, another small example of the Government philosophy of "If there is a dollar in it, do it." It is an attempt, from the Government's point of view, simply to get another $5.5 million, in this case from the State Bank. It is trying, in a small way, to redress the disastrous financial position in which the Government has found itself through its own fault and its own desire to put politics above financial

responsibility and economic commonsense. The Opposition has reached a decision to support the bill for reasons not related to the Government's need for more funds to go into consolidated revenue, or with the content of the sentence at the end of the second reading speech that suggests this is an essential part of the Government's budgetary strategy and therefore presumably ought not be opposed. We have reached our conclusion to support the bill rather because we believe, along with the Campbell report, that it is appropriate for the Government to try to put its instrumentalities very much on the same basis as the private sector organizations with which they compete.

I do not propose to deal at any length with the Government's general financial problems in the context of either this bill or others that are to follow it. All of them reflect the general financial problems of the Government. They are simply revenue-raising measures for the Government. The general chaos of the Government's financial position has been sufficiently outlined without any need for me to elaborate on it further at this hour of the night. Let me say with respect to the item that is called State instrumentalities contributions, or words to that effect, and has shown an increase in the Budget Papers from $36 million to $72 million in this year, that the implicit suggestion is that this is some sort of easy way out, some sort of second stage soft option for the Government. A similar comment applies to the Maritime Services (Contributions) Amendment Bill.

The simple taking, in this case, of the extra $5.5 million this year and applying it to each instrumentality where the Government proposes to do this exercise, will result in either lower profits, higher charges or depleted reserves. In each case there is a cost flow on. Ultimately it reaches the community. It needs to be made quite clear that this is not some sort of painless way of augmenting the Consolidated Revenue Fund by $5.5 million. It is not any sort of soft option. It will have a very real effect, in this case, on the State Bank. The original motivation, I suspect, for this legislation was to try to pre-empt the criticism that was expected in the Campbell report about the fact that State banks generally, and the Rural Bank of New South Wales as it then was, were not in fact operating on an equally competitive basis. Not surprisingly, Mr Campbell made exactly the criticism which, no doubt, the Government and the board of the bank expected. At page 467 of the report it was said:

> . . . the Committee is firmly of the view that government-owned financial institutions should, in the area of their commercial business, be required to operate on an equal footing with their private sector counterparts. Applied to government banks, this means they should fully capitalize their commercial operations, set operational and profitability targets and openly account for their activities in a way which will allow an objective evaluation of their commercial efficiency and competitive position.

Let me say that with respect to the State Bank this bill falls a considerable distance short of achieving that, but it does at least, as the Minister outlined in his second reading speech, put the State Bank essentially on a par with the Commonwealth Banking Corporation. Perhaps in some way both the Commonwealth Banking Corporation and the State Bank might be in a slightly harsher position than their private sector counterparts. The Opposition supports the legislation to the extent that it puts the State Bank in the same sort of general position as the private banks and the Commonwealth Bank as regards demands made on the pretax profit of the bank. As for the extra $5.5 million of additional revenue, we are quite satisfied that in one way or another the Government is proposing to use the State Bank and its other instrumentalities as best it can to increase its revenues. We look forward to seeing the Government Insurance Office having an involvement.

Bearing in mind the general desire of the Government, this bill, at least, is a formal and straightforward mechanism. It seems to me to be essentially a second-blast solution that is quite satisfactory if the Government proposes to rip off the State Bank. It does, however, reduce the decision-making flexibility of the management of the State Bank. We were told a great deal by the Premier and Minister for Mineral Resources when he was introducing the State Bank Bill about the freedom and flexibility that would be given to the board of the bank. With regard to its dividend policy and what the bank does with its retained earnings the amount of space available for the State Bank for flexibility and decision-making will be considerably restricted. Nevertheless, the Opposition does not oppose the bill.

I should hope that the same principle of equality will apply when the State Bank addresses itself to such subjects as where Government business undertakings and Government authorities will conduct their banking and questions of relationships between the Government, the State Bank and the third parties. It is hoped that the principle that the State Bank be treated on an equal basis with the private banks and the Commonwealth Bank will flow through all the new activities that the bank proposes to undertake. The Opposition does not oppose the bill.

Motion agreed to.

Bill read a second time.

Third Reading

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

MARITIME SERVICES (CONTRIBUTIONS) AMENDMENT BILL

Second Reading

Debate resumed (from 1st December, *vide* page 1173) on motion by Mr Booth:

That this Bill be now read a second time.

Mr GREINER (Ku-ring-gai) [11.10]: The general comments that I made in respect of the previous bill apply to this bill. For the sake of preserving the Minister's sanity, and the sanity of other honourable members, I do not propose to go over the background of the Government's financial condition. It would serve no useful purpose to do so. However, there is a distinction here in that, unlike the State Bank or the Government Insurance Office, the Maritime Services Board has no concept of equality with the private sector. There is no question of trying to put the board on an equal footing with anyone else. The Maritime Services Board is a monopoly in providing services to the people of New South Wales. This measure can only be justified as a straight-out revenue raising activity. It does not have the mitigating circumstance of putting the Maritime Services Board in competition with the private sector. This is a straight-out grab by the Government of $10 million, part of the $36 million increase in State instrumentality contributions. It has no redeeming features other than that it is a small step in the same old process of, "If you can find a dollar, find it quickly".

New South Wales has suffered the results. One sees the ramifications that will flow through to all areas of Government. Already the Maritime Services Board has increased charges, applicable from 1st January, by between 20 per cent and 48 per cent. The massive increase in lease charges imposed on boy scouts was childish. It is the New South Wales Government's version of the paperboy ax to increase lease charges

on a scout hall by 600 per cent, an astronomical amount. It serves no useful purpose. It antagonizes a voluntary group, and I suspect it contributes little to raising the extra $10 million that the Government will rip off the Consolidated Revenue Fund.

The bill will deplete the renewals reserve of the Maritime Services Board. That puts the State back to where it was 5 or 6 years ago when the ministerial advisory unit thought it was smarter than the Treasury and had a new politically smart way of running the finances of the State. The advisory unit decided to deplete the reserves of all of the statutory authorities; it would not matter, for these reserves were not really needed. New South Wales has suffered the results of part of that and will continue to suffer the results for some years to come.

The renewals reserves of the Maritime Services Board are being substantially depleted. At least, I assume that is the source of the $10 million. The question is whether the money put into the reserve fund, presumably for specific purposes, ought to be paid into the Consolidated Revenue Fund. I imagine there could be some questioning of the validity of the previous transfer into reserve being reversed out. I do not propose to pursue that issue at this stage.

The 6 per cent of revenue provision is a built-in revenue raiser for the Government, an automatic fiscal drag. The Maritime Services Board's revenues will rise substantially as coal exports increase in the next 4 or 5 years. With the 6 per cent of revenue proviso that is built into the bill, the Government is providing itself with an automatic increase in revenue from the board. No doubt the Treasurer or the Premier—more likely the Premier—will announce that the Government has not increased charges but is receiving a massive increase in revenue nevertheless, because of the effects of inflation, and the specific sort of inflation that applies to the Maritime Services Board.

The Opposition does not oppose the bill. We say that the bill reflects the general economic chaos of the Government's finances. This is simply a means of ripping off $10 million from the Maritime Services Board, an instrumentality that provides a service to the people of New South Wales. Ultimately they will pay for it. Already they are paying for it by way of increased charges, and they will pay for it ultimately through the depletion of the renewals reserve and, therefore, the lack of finance to carry out Maritime Services Board activities.

Motion agreed to.

Bill read a second time.

Third Reading

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

VALUATION OF LAND (RATING AND VALUATION) AMENDMENT BILL
MISCELLANEOUS ACTS (RATING AND VALUATION) AMENDMENT BILL

Second Reading

Debate resumed (from 1st December, *vide* page 1175) on motion by Mr Gordon:

That these Bills be now read a second time.

Mr SCHIPP (Wagga Wagga) [11.22]: This legislation is no surprise. It was foreshadowed in 1977 in a statement by the Premier, and subsequently when the original amendments dealing with land value as a base for rating were passed through the House. At that time the Premier said it was expected that the full effects, where it becomes mandatory for councils to use land value or site value for valuation purposes for rating, would come into effect by 1982. It is now close to 1982. It has been suggested to me that there is anxiety in some councils that the legislation has not been introduced early enough. They were in a quandary as to whether the legislation would be passed. That is the only criticism I have from that quarter on these mandatory amendments.

The parent Acts were passed in November 1978. At that time a number of objections were raised to the use of site value, using the improvements on the land, from rural producers. There was division of opinion in the Livestock and Grain Producers Association. About half its members were in favour of the new system. I understand there is still some doubt in the minds of some members of that organization, but it resolves itself into the problem of getting information. The criticism seems to be that insufficient information has been supplied by the organization. That criticism has been rejected by the officers of the association because in the interim they have published several articles on these measures to advise their members of the effect the legislation will have when its provisions are implemented in their districts. Approximately thirty councils, or one-third of local authorities, have not used land value as the means of rating. About sixty or seventy councils have still to introduce the provisions contained in the legislation.

In 1978 when the amendments were introduced, questions were raised about the effect on rural properties. Those amendments were designed by the Government to put a greater burden of the rate collection machinery on to rural areas, particularly those that were substantially improved, and to remove the difficulty of making a hypothetical judgment on the original form of the land under the old unimproved capital value system. At that time the Opposition went into some detail in raising potential problems. What the Opposition said has been borne out. Quite savage increases in rates were levied on many rural properties. I received a spate of objections from local areas because councils changed quickly to land value as their rating base. The Wagga Wagga city area has not yet changed to land value. This legislation will cause severe complications in that district. Had this mandatory provision about land value been introduced as it was projected, and as it will be, without the number of amalgamations that were forced through by the Government, it would have been easier to accept. When the legislation was designed there was no thought of the compulsory amalgamation of thirty-eight councils into eighteen.

In the Wagga Wagga district—the situation could be repeated in other areas of New South Wales—two rural shires, Kiama and Mitchell, combined with the large and populous Wagga Wagga city council. Those shires quickly moved to land value as a rating basis. The Wagga Wagga city council is being forced to use land value, having only recently received new land values. Not all areas were valued uniformly. Any honourable member would understand the problem; as the two shires conducted their valuations in 1978 and the Wagga Wagga city council had its valuations done in 1980, it would be difficult to bring about equality in the rating system and to strike a single rate in the dollar.

It is said that a differential rate can overcome those problems; but, in the former Wagga Wagga city area, eight differential rates were struck. I am told it has been an impossible task to even them out by applying a differential rate. I understand that a proclamation has been sought to exclude or exempt the Wagga Wagga

area from the provisions of the bill, to give time for a revaluation so that the whole of the area would be valued within six months. That would achieve equality of rating and make it easier for the council to strike a fair and equitable rate. Uuder the old system it would have been hard to achieve agreement at council level. I am using Wagga Wagga as an example, even though the bill will have an effect right across the State. Ample warning was given of the Government's intention to introduce the legislation. However, I am talking about an area that was forced into a marriage, as it were, that it did not welcome, try as it might to make the system work. The people representing the shires and the city area had a division of opinion because of their different backgrounds.

There will be a range in the rate in the dollar from 0.53c in the Mitchell area, to 0.61c in the Kiama shire and 1.127c in the Wagga Wagga city area. If one uses that anomaly in valuation as an example, one can imagine the type of debates that might take place on the floor of the council if the fifteen persons representing city and country shires were required to seek to work out a basis of rating that would not disadvantage one to the advantage of another. I do not know why the cat has be thrown among the pigeons. If the council feels, in discussions with officers of the Minister's Department, that there is a need for a proclamation in regard to Wagga Wagga city council or any other council in the area that is being forced into the position where it will not introduce land value—much as the Minister might desire it—as of 1st January next year, I should hope that the Minister will examine the matter and make an effort to reach agreement with the council. As it stands, there will be no equity in the rating system in the Wagga Wagga area until 1984.

In New South Wales we are suffering from what might have been described as very sloppy legislation related to the amalgamation of councils. One problem leads to others. The proposal to amalgamate the councils tore at the very heart of local government. In the *Local Government Bulletin* of October 1981 the local government body concerned expressed a desire, as a result of the huge majority that Government had obtained at the elections, to see the beginning of a third Wran Government as a watershed for local government, which has been through a prolonged period of uncertainty about the Government's intentions. Moreover, the State Cabinet, made up of a number of individual Ministers, has seemed unsure of its intentions towards elected representatives of local communities. Local government representatives have suffered a severe blow to their morale and their feeling of worth because of the dictatorial attitudes of the Government. I should hope that any anomaly created by this loss of confidence in the Government would be treated by the Government in a manner that would overcome and relieve those problems.

In that bulletin the local government representatives stated that during the election campaign the Premier and Minister for Mineral Resources remained remarkably quiet on local government matters. The representatives saw that quietness as a good sign; they did not believe that the Premier had anything up his sleeve.

Mr Walker: How is the honourable member getting on with the Mayor of Wagga Wagga?

Mr SCHIPP: I get on very well with him. Of course, we do not know what the Government has in store. Let us hope that a restoration of confidence will result from these measures and that any representations with regard to them are treated fairly I said earlier that there was no point in my going over the objections raised by the Opposition to the amalgamation legislation of 1978. As regards rural values, there is evidence that the exodus of farmers from New South Wales that was predicted in those days has not occurred.

Mr Gordon: In fact, farmers are coming to New South Wales from South Australia and Victoria.

Mr SCHIPP: People have been coming into New South Wales and paying huge prices for land, which means they are not frightened off by the high rate bills. I hope that no action will be taken that will result in farmers being disadvantaged to the extent that they feel they have to flee New South Wales. Of course, that can happen where businesses look at the huge costs they have to incur: for example, land tax, which does not apply to the farmer but has to be paid by the business community. It was said today that the valuations in the main street of Wagga Wagga have suddenly jumped 200 per cent. That will have a significant impact on rating and land tax.

The Opposition favours the legislation, especially as it has been given considerable notice that it would be introduced. There has been ample time for local government bodies to decide what they want to do. They were anxious about the lateness of the introduction of the bill; but if there is better communication between the local council and the Minister—a level of communication that broke down because of the actions of the former Minister for Local Government and the Local Government Association in connection with the legislation introduced by the Government last year—I am sure that confidence will be restored and that those who serve the community in honourary capacities and are dedicated to the job will get on with making the legislation work and with the task of effecting equality in rating. One section of the community should not gain while another loses. No one likes to pay rates; they are a tax on land and on wealth. The legislation has the support of the Opposition on this occasion even though it opposed it in 1978. We hope that the problems mentioned in relation to Wagga Wagga and other areas will be ironed out without need for the Government to force through legislation that it considers necessary because of anomalies created, only to find that that legislation does not work.

Mr GORDON (Murrumbidgee), Minister for Local Government and Minister for Lands) [11.29], in reply: I thank the honourable member for Wagga Wagga for his generous comments. However, I must take the honourable member to task on his statement that farmers are leaving New South Wales. The honourable member lives adjacent to my electorate, and he must know that people from Victoria are coming into New South Wales and buying land round Wagga Wagga, the Murrumbidgee Irrigation Area, the Southern Riverina, and also up into the Western Division. Already two-thirds of the councils are using land value in relation to rating. The rest of them know of it and accept it. There is no doubt that the land value system will improve the rating system. It was not a good time to change. There were certain anomalies. Obviously a conservative like the honourable member for Wagga Wagga would want to leave things as they are forever. The Government is attempting to erase the anomalies. In doing so there is no doubt that one or two others might be created. Time will reveal that this legislation will improve the system. The honourable member for Wagga Wagga said that his local council has been seeking a proclamation for differential rating. This will be considered by me. The problem will be solved when the next round of valuations come to the city of Wagga Wagga and the surrounding area.

Mr Schipp: That will not be before 1984.

Mr GORDON: It might be before 1984. The Government will see what can be done. That might be the solution.

Motion agreed to.

Bills read a second time.

Third Reading

By leave, bills read a third time, on motion by Mr Gordon.

BILLS RETURNED

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

Coal Acquisition Bill

Coal Mining (Amendment) Bill

ALLOCATION OF TIME FOR DISCUSSION

Mr WALKER: On behalf of the Premier I give notice of business to be dealt with under Standing Order 175B: Local Government (City of Sydney Boundaries) Bill; Gas and Electricity (Amendment) Bill; Local Government (Rating) Amendment Bill; all remaining stages by 12 noon Thursday, 3rd December, 1981.

ADJOURNMENT

Blood Glucose Testers

Mr WALKER (Georges River), Attorney-General, Minister of Justice and Minister for Aboriginal Affairs [11.32]: I move:

That this House do now adjourn.

Mr WEBSTER (Wakehurst) [11.32]: I wish to speak about a small business in my electorate threatened with closure because of the unethical practices of a trans-national company. The circumstances surrounding these activities are even more serious because both companies manufacture devices that help diabetics in Australia and other parts of the world. Late in 1978 Mr Stan Clark approached me to see whether I could help him establish a small business to manufacture blood glucose testers. Mr Clark had patented a design of his own that very easily could monitor blood levels. With a loan from the State Bank and advice from the industrial development unit of the Premier's Department, his small factory in Dee Why was opened by the former Minister for Health. Mr Clark wanted to produce the machine cheaply so that as many diabetics as possible could purchase one. The profit margin of the operation was kept to a bare minimum to allow as many people as possible to purchase a machine.

Similar machines had been used by hospitals for some years prior to this but they were not easily transportable. The Easytest monitor that Mr Clark manufactured was more accurate and considerably cheaper than those already on the market. Because the price put the Easytest within the reach of most persons, the lifestyle of diabetics was revolutionized. Originally the machine was designed to use only Ames Corporation reagent strips, which in 1979 sold for about $18 a bottle. This created a severe financial burden on owners of machines. In an attempt to ease this burden Mr Clark adjusted his machine to take Boehringer strips as well as Ames. The placing of Boehringer strips on the National Health Scheme, thus reducing their price to $2.75, represented a huge saving to users. Remarkably, almost overnight Ames brought the

price of their reagent strips down to $5.50 a bottle. This dramatic drop in price begs the question of why for so many years that company was charging $18 a bottle. Either the company decided to accept the loss with their new price, which does not sound businesslike, or it was grossly overcharging for strips it had been selling for some years. I believe the second explanation to be the most likely.

After the success of the Easytest on the television show "What Will They Think of Next", where it won the health category award for 1980, it won also the bronze medal at the International Inventors Congress in Geneva in the same year. Several diabetic associations in Australia and other parts of the world became interested in the Easytest. They believed it was a machine that was worthy of their support. The Ames Corporation, wishing to capture the blood glucose tester and reagent strip market and, most importantly, have a monopoly on it, and realizing that Stan Clark was its only real threat, decided to run him out of business. Ames began to panic when it became aware that if Stan Clark's machine were mass produced, it could be sold for about $50. The company was not worried about the loss of sales of the machine; it was concerned mainly with the reagent strip market. It has been estimated that if 25 per cent of the diabetics in Australia possessed a machine, the reagent strip market would be worth about $50 million a year. If the market grew similarly worldwide, it would mean an annual market of perhaps thousands of millions of dollars.

I have been advised that Ames allocated $1 million to launch a public campaign in Australia to discredit Mr Stan Clark's machine and also ensure that as few of the machines as possible were sold which would, of course, eventually lead to his becoming bankrupt and not having the capacity to produce his machines. The company decided to run the campaign on two levels. First, it would reduce the price of the Ames machines—known as the Glucometer—to a level closer to the Easytest. The machine goes under the name of the Dextrometer or the Glucometer and it was reduced to about $165. This machine markets in other parts of the world, particularly in the United States of America, for about $300. This raised the question as to why this machine, which was exactly the same machine as was being sold in Australia, was offered at a price 50 per cent lower than overseas. I suggest that the machine is being dumped in Australia not only because of the fact that the company could unload many machines in this country, but also it would mean that the people who used the machines would be locked into using the Ames reagent strips. I should explain at this time that the Ames machine uses only Ames reagent strips, whereas Mr Clark's Easytest uses both Boehringer and Ames reagent strips. Second, the company became involved in what could only be described as questionable practices. I refer now to a letter from a Mr R. J. Graham, the marketing manager for EMP, dated 30th September, 1981. It reads:

> Ames are the worst offenders, mainly because they control the strip market, which is said to be worth $40 to $50 million per annum, and they give monitors away and sell the ongoing strips.
>
> Ames not only have the power to appear in publications opposite us, but even have arranged rejection of our ads and copy.
>
> They have sponsored innumerable Diabetic Foundation executives, influential doctors and pharmacists to travel to conferences around Australia and overseas.
>
> Recently at the New Zealand Diabetes Association of Australia Diabetic Society Conference in New Zealand they not only sponsored delegates, sisters, doctors, etc., but raffled 30 monitors that happened to be won by Australian and New Zealand doctors of influence.

> They provided a hospitality suite for five days and nights, produced embossed glasses and serviettes.
>
> This exercise on its own would have cost anywhere between $20,000 and $30,000.

The company decided also to support an organization known as the Australian Diabetic Educators' Association. This organization has as its head of the provisional committee Doctor Matthew Cohen, who is in charge of the diabetes home monitoring centre at the Royal Southern Memorial Hospital in Melbourne. Dr Cohen has been involved in the Australian Diabetes Educators' Association since its establishment. I shall refer again to Mr Graham's letter:

> Dr Cohen, a leading endocrinologist, not only makes Ames exclusive at the Southern Memorial Hospital, but recently visited Hong Kong and in a press item promoted the Ames Dextrometer (now superseded in Australia) and has lectured at the Pharmacy College on blood monitoring, promoting only the Ames "Glucometer".

This raises a very serious issue. How unbiased and unprejudiced are the Australian Diabetes Educators' Association and Dr Cohen when they support only the Ames Glucometer and reagent strips. That body should be looking into all ways of alleviating the suffering of diabetics in this country. The Ames company has also influenced many doctors working in private practice as well as hospitals by the use of unethical means to promote its machine. If Mr Clark is compelled to cease his activities, Ames will immediately increase the price of its machine and progressively increase the price of its reagent strips.

The matter is of grave concern to all diabetics in Australia. As the company is not doing anything illegal, no action can be taken by this Parliament. However, I feel that all members of the medical profession who in any way suggest that people should buy the Ames Dextrometer machine should seriously reconsider their actions and the consequences of Ames having total control of a growing market. This matter is of grave importance to diabetics in my electorate—indeed throughout Australia. The medical professional should consider the matter seriously for a situation could arise where, as a result of the means that Ames has adopted to capture the market, it could control blood glucose monitoring machines and reagent strips throughout Australia and possibly the world.

Mr BRERETON (Heffron), Minister for Health [11.42]: The honourable member for Wakehurst has raised a matter of grave concern to me and to his constituents. The honourable member dealt with the needs of diabetics in the Wakehurst electorate—indeed throughout New South Wales. Moreover, he dealt with the allegations of unethical practices by the transnational company to which he referred. This issue is of concern to me and to the Government. All honourable members would be mindful of the needs of diabetics. The honourable member for Wakehurst spoke of those needs and he supported the maintenance of ethical business practices by small businesses. I know that the Leader of the Opposition joins with me in my concern about this problem. The Government has a responsibility to protect consumers, particularly those who, of necessity, use equipment in their medical treatment. I assure the honourable member for Wakehurst and the House that I shall request the New South Wales Health Commission to inquire fully into this matter. After I have received a report from the Commission I shall consider taking the matter up with the Minister for Consumer Affairs and Minister for Roads to see what action can be taken to stamp

out the sort of unethical practice that the honourable member for Heffron alleged is taking place to the disadvantage of diabetics in his electorate—indeed throughout New South Wales.

Motion agreed to.

House adjourned at 11.44 p.m.

QUESTIONS UPON NOTICE

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

KIAMA ROADWORKS

Mr HATTON asked the Minister for Consumer Affairs and Minister for Roads—

(1) What is the cost of work completed in bypassing the first major bend at the extreme southern end of the Kiama township?

(2) What is the estimated cost of "cut and fill" and all work necessary to provide an 80 k/h alignment over the area known as "Kiama Bends"?

(3) How does this estimate compare with the construction of a two lane tunnel to achieve the same result?

Answer—

(1) The honourable member may be aware that the work being carried out in the area south of Kiama generally provides for the reconstruction and widening of the existing road to provide two lanes in each direction separated by a painted median.

As at 30 September, 1981, widening of the pavement with the exception of the final asphalt layer was complete to 200 metres south of Attunga Crescent and earthworks are continuing over the next kilometre. The total cost of work completed to 30 September, 1981, was approximately $3.2 million.

(2) In the investigation of the area known as "Kiama Bends" numerous lines were considered, some requiring tunnelling, ranging from divided carriage motorways down to two lane high speed roads. After due consideration of the difficult terrain, the type and anticipated volume of traffic in the foreseeable future, and the cost of construction, it was decided that a divided four lane low speed road, generally following the existing pavement, was the most suitable. It is on this alignment that construction is being carried out and the final cost of the total work is estimated at approximately $7 million. To upgrade the adopted alignment would necessitate a re-investigation of the whole section.

(3) A detailed estimate of cost for a two lane tunnel to replace the section of road known as the "Kiama Bends" has not been prepared, but it could be expected that the cost would be in excess of $50 million. However, the cost is dependent on the difficulties which may be encountered and which could increase the cost considerably.

EFFICIENCY AUDITS

Mr GREINER asked the Premier and Minister for Mineral Resources—

(1) How many efficiency audits were carried out under the Public Service Act, 1979, during the financial years 1979–80 and 1980–81?

(2) Into what Departments or Authorities were such audits carried out?

Answer—

(1) There were two efficiency audits carried out in 1979–80 and three in 1980–81.

(2) Audits were carried out in the
Rental Bond Board
State Rail Authority (2 Audits)
Public Works Department
Health Commission.

BYRON ELECTORATE ROADS

Mr BOYD asked the Minister for Consumer Affairs and Minister for Roads—

What were the individual allocations to the Tweed and Byron Shires for Trunk and Main Roads per annum from 1976 to 1981?

Answer—

Details of annual grants provided to Tweed and Byron Shire Councils from 1976–77 to 1980–81 for works on Trunk and ordinary Main Roads are as follows:

	Tweed Shire		Byron Shire	
	Con-struction	Main-tenance	Con-struction	Main-tenance
	$	$	$	$
1976–77	660,783	199,355	279,591	95,734
1977–78	480,748	167,249	386,455	103,046
1978–79	545,147	296,241	414,209	98,547
1979–80	681,726	281,906	430,642	159,737
1980–81	689,720	339,607	392,531	217,859

GOVERNMENT INSURANCE OFFICE

Mr T. J. MOORE asked the Treasurer—

With respect to which areas of insurance undertaken by the Government Insurance Office of New South Wales are no provisions made for future liabilities as required by the Commonwealth Insurance Commissioner of private insurance companies competing with the Government Insurance Office of New South Wales in the same fields?

Answer—

Except for insurance undertaken under the Motor Vehicle (Third Party Insurance) Act, 1942 provision is made for future liability of claims already incurred whether notified to the Government Insurance Office of New South Wales or not.

In respect of insurances under the Motor Vehicle (Third Party Insurance) Act, 1942 the Revenue Account and Balance Sheet does not include a provision for claims outstanding. The Insurance Fund of $829 million resulting from the accumulated excess of income over expenditure for this class of insurance represents the amount available to meet liabilities under claims lodged and also claims incurred but not reported as at the balance sheet date.

Note 7 to the financial accounts contained in the Annual Report of the Government Insurance Office of New South Wales for year ended 30 June, 1980 advised that for the Motor Vehicle (Third Party Insurance) Division "No provision has been made in the Accounts for outstanding claims. The levels of claims outstanding has been assessed by the Office at $991 millions". The level of claims outstanding includes provision for future liability of claims incurred but not yet notified based on statistical projections of previous year patterns of claims reporting and projections of future years claims cost.

In respect of motor vehicle (third party) insurance the G.I.O. writes 97 per cent of the total written in N.S.W. so that this is an area of insurance in respect of which it could hardly be said that G.I.O. is in competition with private insurance companies which, generally speaking, decline to write this class of insurance because of its unprofitable result.

MOTOR VEHICLE INSURANCE

Mr ARBLASTER asked the Treasurer—

In respect of the Government Insurance Office of New South Wales—

(1) For each class of motor vehicle for which compulsory motor vehicle insurance is required under the Motor Traffic Act for each year from 1970 to 1980, inclusive,

(a) how many vehicles were insured, net of cancellations;

(b) what was the value of premiums received, net of refunds;

(c) how many common law claims against the class were notified;

(d) what amounts were paid out against the class according to common law liability;

(e) what common law liabilities were estimated to be outstanding in the class in respect of claims notified—

(i) according to the estimated liability for the class as at the date notified;

(ii) according to the estimated liability for the claims current as at the end of the respective year;

(iii) according to the estimated liability of claims in terms of the final expected payout;

(f) what factors are taken into account in determining the liabilities in part (e) and how are they applied, to arrive at sub-parts (i), (ii), and (iii) for each vehicle class?

(2) What were the administrative costs of operating the compulsory third party scheme for each year from 1970 to 1980, inclusive?

(3) What were the incomes derived from the investment of compulsory third party insurance funds for each year from 1970 to 1980, inclusive?

(4) What has been the average delay in settling claims in the compulsory third party insurance scheme for each year from 1970 to 1980, inclusive?

Answer—

(1) The information required to answer this question is extensive and would require considerable time and public expense to collate. In the circumstances, it is not practicable to provide the information sought.

(2)

Year	Administrative Costs	Commission paid to Department of Motor Transport	Total
	$'000	$'000	$'000
1969–70	632	381	1,013
1970–71	768	805	1,573
1971–72	814	842	1,656
1972–73	931	875	1,806
1973–74	1,015	935	1,950
1974–75	1,361	1,305	2,666
1975–76	1,708	1,530	3,238
1976–77	2,004	1,582	3,586
1977–78	2,256	1,651	3,907
1978–79	2,583	1,713	4,296
1979–80	3,150	1,796	4,946

(3) Investment Income

	$ million
1969–70	9.8
1970–71	12.1
1971–72	14.4
1972–73	16.1
1973–74	19.1
1974–75	25.0
1975–76	33.1
1976–77	42.6
1977–78	56.4
1978–79	69.9
1979–80	84.5

(4) The average period between accident and settlement for all claims is currently 3.2 years. This is a weighted average covering the past 10 years. Records have not been kept in past individual years and these would take some time to calculate.

The Government Insurance Office attempts the settlement of all claims at the earliest possible date, but because of factors peculiar to each claimant the

time span during which claims are settled varies greatly. A typical uncomplicated case may be settled within 1 to 6 months after the accident. The oldest litigated cases now current date back to 1963.

A major factor in disposal time is the stabilization of the claimant's injuries since until this occurs he cannot make a realistic assessment of the extent of his claim. In cases where the claimant initiates Court action the time occupied in court proceedings between issue of process and final judgment is currently on average approximately 20 months in the District Court and 3 years in the Supreme Court.

BICYCLES

Mr ROBB asked the Minister for Transport—

(1) Will State Government encouragement be given to the use of bicycles for both transport and recreational purposes?

(2) Are bicycle paths being planned for the Miranda electorate and the area of Sutherland Shire Council?

Answer—

(1) In September, 1979, the Premier announced that $350,000 per annum was being made available for three years, to be reviewed thereafter, on a 50/50 basis to approved bicycle facility projects proposed by Local Government which provide links between residential areas, schools, shopping facilities and transport terminals.

At the same time, it was announced that the State Bicycle Advisory Committee would be established to advise the Government on all aspects of planning for the use of bicycles, including safety, education, law enforcement and technical advice on construction works, also to co-ordinate the activities of all Authorities involved.

That Committee has been meeting since December, 1979, and has provided a great deal of useful advice to the Minister for Transport. The Committee has been guided in its deliberations by the Premier's statement that the funds were being made available to provide transport links. Priority has therefore been given to transport oriented rather than recreational projects. It should be noted, of course, that funds are available for purely recreational projects through the Sport and Recreation administration.

(2) In December, 1980, on the recommendation of the State Bicycle Advisory Committee, I approved a 50 per cent contribution of $6,500 towards a study being undertaken by consultants on behalf of Sutherland shire council into possible bicycle routes within the Shire. That study has now been completed and Council has submitted a cycleroute programme with a view to its being eligible for 50 per cent Government assistance. When the Department of Main Roads furnishes a report to the State Bicycle Advisory Committee on Council's proposals, consideration will be given to the provision of 50 per cent financial assistance.

TAXICAB DESTINATION CALLS

Mr HATTON asked the Minister for Transport—

(1) Will he ban the practice of destination calls from taxicab radios?

(2) Do destination calls cause inconvenience to intending passengers when taxicab drivers avoid unpopular calls?

(3) Is New South Wales the only State where destination calls operate?

Answer—

(1), (2) and (3) The question of banning the practice of advising taxi drivers of the destination of intending radio hirings is under consideration by the Taxi Advisory Council. The matter will receive my attention when I get its recommendations.