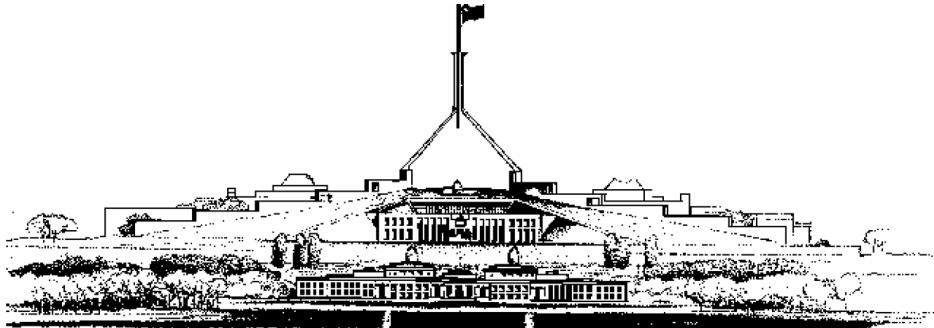




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



# Senate Official Hansard

No. 48, 1974  
Thursday, 28 November 1974

TWENTY-NINTH PARLIAMENT  
FIRST SESSION—FIRST PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

# PARLIAMENT OF THE COMMONWEALTH

## TWENTY-NINTH PARLIAMENT

### FIRST SESSION: FIRST PERIOD

#### Governor-General

His Excellency the Right Honourable Sir Paul Meernaa Caedwalla Hasluck, a member of Her Majesty's Most Honourable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Knight Grand Cross of the Royal Victorian Order, Knight of the Most Venerable Order of the Hospital of Saint John of Jerusalem, Governor-General and Commander-in-Chief in and over the Commonwealth of Australia from 30 April 1969 to 10 July 1974.

His Excellency the Honourable Sir John Robert Kerr, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Knight of the Most Venerable Order of the Hospital of Saint John of Jerusalem, one of Her Majesty's Counsel learned in the law, Governor-General of Australia and Commander-in-Chief of the Defence Force of Australia from 11 July 1974.

#### Second Whitlam Ministry

(From 12 June to 10 December 1974)

Prime Minister	The Honourable Edward Gough Whitlam, Q.C.
Deputy Prime Minister and Minister for Overseas Trade	The Honourable James Ford Cairns
Minister for Minerals and Energy	The Honourable Reginald Francis Xavier Connor
Minister for Social Security	The Honourable William George Hayden
Leader of the Government in the Senate, Attorney-General and Minister for Customs and Excise	Senator the Honourable Lionel Keith Murphy, Q.C.
Minister for Foreign Affairs	Senator the Honourable Donald Robert Willesee
Treasurer	The Honourable Frank Crean
Minister for Services and Property and Leader of the House	The Honourable Frederick Michael Daly
Minister for the Media and Manager of Government Business in the Senate	Senator the Honourable Douglas McClelland
Minister for Defence	The Honourable Lance Herbert Barnard
Minister for Agriculture	Senator the Honourable Kenneth Shaw Wriedt
Minister for Northern Development and Minister for the Northern Territory	The Honourable Rex Alan Patterson
Minister for Labor and Immigration	The Honourable Clyde Robert Cameron
Minister for Education	The Honourable Kim Edward Beazley
Special Minister of State and Minister Assisting the Prime Minister in Matters Relating to the Public Service	The Honourable Lionel Frost Bowen
Minister for Repatriation and Compensation	Senator the Honourable John Murray Wheeldon
Minister for Urban and Regional Development	The Honourable Thomas Uren
Postmaster-General	Senator the Honourable Reginald Bishop
Minister for Housing and Construction	The Honourable Leslie Royston Johnson
Minister for Transport	The Honourable Charles Keith Jones
Minister for Health	The Honourable Douglas Nixon Everingham
Minister for Manufacturing Industry	The Honourable Keppel Earl Enderby, Q.C.
Minister for the Capital Territory	The Honourable Gordon Munro Bryant, E.D.
Minister for the Environment and Conservation	The Honourable Moses Henry Cass
Minister for Aboriginal Affairs	Senator the Honourable James Luke Cavanagh
Minister for Science, Minister Assisting the Minister for Foreign Affairs in Matters relating to Papua New Guinea and Minister Assisting the Minister for Defence	The Honourable William Lawrence Morrison
Minister for Tourism and Recreation, Vice-President of the Executive Council and Minister Assisting the Treasurer	The Honourable Francis Eugene Stewart

## **Second Whitlam Ministry**

**(From 11 December 1974)**

<b>Prime Minister</b>	The Honourable Edward Gough Whitlam, Q.C.
<b>Deputy Prime Minister and Treasurer</b>	The Honourable James Ford Cairns
<b>Minister for Minerals and Energy</b>	The Honourable Reginald Francis Xavier Connor
<b>Minister for Social Security</b>	The Honourable William George Hayden
<b>Leader of the Government in the Senate, Attorney-General and Minister for Customs and Excise</b>	Senator the Honourable Lionel Keith Murphy, Q.C.
<b>Minister for Foreign Affairs</b>	Senator the Honourable Donald Robert Willessee
<b>Minister for Overseas Trade</b>	The Honourable Frank Crean
<b>Minister for Services and Property and Leader of the House</b>	The Honourable Frederick Michael Daly
<b>Minister for the Media and Manager of Government Business in the Senate</b>	Senator the Honourable Douglas McClelland
<b>Minister for Defence</b>	The Honourable Lance Herbert Barnard
<b>Minister for Agriculture</b>	Senator the Honourable Kenneth Shaw Wriedt
<b>Minister for Northern Development and Minister for the Northern Territory</b>	The Honourable Rex Alan Patterson
<b>Minister for Labor and Immigration</b>	The Honourable Clyde Robert Cameron
<b>Minister for Education</b>	The Honourable Kim Edward Beazley
<b>Special Minister of State and Minister Assisting the Prime Minister in Matters Relating to the Public Service</b>	The Honourable Lionel Frost Bowen
<b>Minister for Repatriation and Compensation</b>	Senator the Honourable John Murray Wheeldon
<b>Minister for Urban and Regional Development</b>	The Honourable Thomas Uren
<b>Postmaster-General</b>	Senator the Honourable Reginald Bishop
<b>Minister for Housing and Construction</b>	The Honourable Leslie Royston Johnson
<b>Minister for Transport</b>	The Honourable Charles Keith Jones
<b>Minister for Health</b>	The Honourable Douglas Nixon Everingham
<b>Minister for Manufacturing Industry</b>	The Honourable Keppel Earl Enderby, Q.C.
<b>Minister for the Capital Territory</b>	The Honourable Gordon Munro Bryant, E.D.
<b>Minister for the Environment and Conservation</b>	The Honourable Moses Henry Cass
<b>Minister for Aboriginal Affairs</b>	Senator the Honourable James Luke Cavanagh
<b>Minister for Science and Minister Assisting the Minister for Foreign Affairs in matters relating to Papua New Guinea and Minister Assisting the Minister for Defence</b>	The Honourable William Lawrence Morrison
<b>Minister for Tourism and Recreation, Vice-President of the Executive Council and Minister Assisting the Treasurer</b>	The Honourable Francis Eugene Stewart

# MEMBERS OF THE SENATE

## TWENTY-NINTH PARLIAMENT—FIRST SESSION: FIRST PERIOD

*President*—Senator the Honourable Justin O'Byrne

*Leader of the Government in the Senate*—Senator the Honourable Lionel Keith Murphy, Q.C.

*Chairman of Committees*—Senator James Joseph Webster

*Temporary Chairmen of Committees*—Senators Neville Thomas Bonner, Gordon Sinclair Davidson, Donald Michael Devitt, George Georges, Alexander Grieg Ellis Lawrie, Ronald Edward McAuliffe, Honourable John Edward Marriott, Bertie Richard Milliner, James Anthony Mulvihill and Ian Alexander Christie Wood

*Leader of the Opposition*—Senator Reginald Greive Withers

*Deputy Leader of the Opposition*—Senator the Honourable Ivor John Greenwood, Q.C.

*Leader of the Australian Country Party in the Senate*—Senator the Honourable Thomas Charles Drake-Brockman, D.F.C.

*Leader of the Liberal Movement*—Senator Raymond Steele Hall

Anderson, Hon. Sir Kenneth McColl, K.B.E. (N.S.W.)†	McAuliffe, Ronald Edward (Qld)†
Baume, Peter Erne (N.S.W.)†	McClelland, Hon. Douglas (N.S.W.)‡
Bessell, Eric James (Tas.)†	McClelland, James Robert (N.S.W.)†
Bishop, Hon. Reginald (S.A.)‡	McIntosh, Gordon Douglas (W.A.)†
Bonner, Neville Thomas (Qld)‡	McLaren, Geoffrey Thomas (S.A.)†
Brown, William Walter Charles (Vic.)‡	Marriott, Hon. John Edward (Tas.)†
Button, John Norman (Vic.)‡	Martin, Kathryn Jean (Qld)†
Cameron, Donald Newton (S.A.)†	Maunsell, Charles Ronald (Qld)‡
Carrick, John Leslie (N.S.W.)‡	Melzer, Jean Isabel (Vic.)†
Cavanagh, Hon. James Luke (S.A.)‡	Milliner, Bertie Richard (Qld)‡
Chaney, Frederick Michael (W.A.)†	Missen, Alan Joseph (Vic.)†
Coleman, Ruth Nancy (W.A.)†	Mulvihill, James Anthony (N.S.W.)‡
Cormack, Hon. Sir Magnus Cameron, K.B.E. (Vic.)‡	Murphy, Hon. Lionel Keith, Q.C. (N.S.W.)‡
Cotton, Hon. Robert Carrington (N.S.W.)‡	O'Byrne, Justin (Tas.)†
Davidson, Gordon Sinclair (S.A.)†	Poyer, Arthur George (Vic.)†
Devitt, Donald Michael (Tas.)‡	Primmer, Cyril Graham (Vic.)‡
Drake-Brockman, Hon. Thomas Charles, D.F.C. (W.A.)‡	Rae, Peter Elliot (Tas.)†
Drury, Arnold Joseph (S.A.)†	Scott, Douglas Barr (N.S.W.)†
Durack, Peter Drew (W.A.)†	Sheil, Glenister (Qld)†
Everett, Mervyn George, Q.C. (Tas.)†	Sim, John Peter (W.A.)‡
Georges, George (Qld)‡	Townley, Michael (Tas.)†
Gietzelt, Arthur Thomas (N.S.W.)†	Walsh, Peter Alexandra (W.A.)†
Greenwood, Hon. Ivor John, Q.C. (Vic.)‡	Webster, James Joseph (Vic.)†
Grimes, Donald James (Tas.)†	Wheeldon, Hon. John Murray (W.A.)‡
Guilfoyle, Margaret Georgina Constance (Vic.)‡	Willesee, Hon. Donald Robert (W.A.)‡
Hall, Raymond Steele (S.A.)‡	Withers, Reginald Greive (W.A.)‡
Jessop, Donald Scott (S.A.)†	Wood, Ian Alexander Christie (Qld)‡
Keffe, James Bernard (Qld)†	Wriedt, Hon. Kenneth Shaw (Tas.)‡
Laucke, Condor Louis (S.A.)‡	Wright, Hon. Reginald Charles (Tas.)‡
Lawrie, Alexander Greig Ellis (Qld)†	Young, Harold William (S.A.)‡

Dates of retirement of senators—† 30 June 1976.    ‡ 30 June 1979.

# THE COMMITTEES OF THE SESSION

(FIRST SESSION: FIRST PERIOD)

## STANDING COMMITTEES

**DISPUTED RETURNS AND QUALIFICATIONS**—Senator Brown, Senator Drury, Senator Gietzelt, Senator Missen, Senator Mulvihill, Senator Sim, Senator Webster.

**HOUSE**—The President, Senator Laucke, Senator Keeffe, Senator McLaren, Senator Martin, Senator Melzer, Senator Webster.

**LIBRARY**—The President, Senator Bessell, Senator Davidson, Senator James McClelland, Senator Milliner, Senator Mulvihill, Senator Young.

**PRIVILEGES**—Senator Button, Senator Devitt, Senator Drake-Brockman, Senator Everett, Senator Greenwood, Senator Murphy, Senator Withers.

**PUBLICATIONS**—Senator Milliner (*Chairman*), Senator Bonner, Senator Donald Cameron, Senator Drury, Senator Grimes, Senator Lawrie, Senator Missen.

**REGULATIONS AND ORDINANCES**—Senator Devitt (*Chairman*), Senator Brown, Senator Button, Senator Everett, Senator Lawrie (from 24 September), Senator Missen, Senator Scott (to 24 September), Senator Wood.

**STANDING ORDERS**—The President, the Chairman of Committees, Senator Sir Magnus Cormack, Senator Drake-Brockman, Senator Georges (to 31 October), Senator Gietzelt, Senator Greenwood, Senator Douglas McClelland (from 31 October), Senator McIntosh, Senator Milliner (to 31 October), Senator Murphy, Senator Poyer (from 31 October), Senator Withers.

## LEGISLATIVE AND GENERAL PURPOSE STANDING COMMITTEES

**CONSTITUTIONAL AND LEGAL AFFAIRS**—Senator James McClelland (*Chairman*), Senator Button, Senator Chaney, Senator Durack, Senator Everett, Senator Missen.

**EDUCATION, SCIENCE AND THE ARTS**—Senator James McClelland (*Chairman*), Senator Carrick, Senator Georges, Senator Martin, Senator Milliner, Senator Scott.

**FINANCE AND GOVERNMENT OPERATIONS**—Senator Gietzelt (*Chairman*), Senator Devitt, Senator Laucke, Senator Lawrie, Senator Walsh, Senator Wood.

**FOREIGN AFFAIRS AND DEFENCE**—Senator Primmer (*Chairman*), Senator Sir Magnus Cormack, Senator Devitt (from 3 October), Senator Drury (to 3 October), Senator McIntosh, Senator Maunsell, Senator Sim.

**HEALTH AND WELFARE**—Senator Brown (*Chairman*), Senator Sir Kenneth Anderson, Senator Donald Cameron, Senator Melzer, Senator Sheil, Senator Townley.

**INDUSTRY AND TRADE**—Senator Coleman (*Chairman*), Senator Bessell, Senator McLaren, Senator Walsh, Senator Webster, Senator Young.

**SOCIAL ENVIRONMENT**—Senator Keeffe (*Chairman*), Senator Baume, Senator Bonner, Senator Davidson, Senator Melzer, Senator Mulvihill.

## SELECT COMMITTEES

**FOREIGN OWNERSHIP AND CONTROL**—Senator McAuliffe (*Chairman*), Senator Chaney, Senator Coleman, Senator Sir Magnus Cormack, Senator Durack, Senator Everett, Senator McIntosh, Senator Maunsell.

**SECURITIES AND EXCHANGE**—Senator Rae (*Chairman*), Senator Durack, Senator Georges, Senator Lawrie, Senator Sim, Senator Wheeldon, Senator Wriedt.

## ESTIMATES COMMITTEES

**ESTIMATES COMMITTEE A** (Attorney-General's, Customs and Excise, Parliament, Prime Minister and Cabinet, and Science)—Senator James McClelland (*Chairman*), Senator Everett, Senator Gietzelt (to 24 October), Senator Greenwood, Senator Jessop, Senator Missen, Senator Mulvihill (from 24 October).

**ESTIMATES COMMITTEE B** (Foreign Affairs, Services and Property, Special Minister of State, and Capital Territory)—Senator Button (*Chairman*), Senator Carrick, Senator Davidson, Senator Grimes, Senator McIntosh, Senator Sim.

**ESTIMATES COMMITTEE C** (Media, Education, and Tourism and Recreation)—Senator McAuliffe (*Chairman*), Senator Coleman, Senator Guiffoyle, Senator Laucke, Senator Melzer, Senator Scott.

**ESTIMATES COMMITTEE D** (Agriculture, Overseas Trade, Minerals and Energy, Treasury, Northern Development, Northern Territory, and Manufacturing Industry)—Senator Primmer (*Chairman*), Senator Cotton, Senator McLaren, Senator Martin, Senator Walsh, Senator Webster.

**ESTIMATES COMMITTEE E** (Repatriation and Compensation, Social Security, Health, and Environment and Conservation)—Senator Devitt (*Chairman*), Senator Baume, Senator Brown, Senator Drake-Brockman, Senator Georges, Senator Townley.

**ESTIMATES COMMITTEE F** (Postmaster-General's, Defence, and Labor and Immigration)—Senator Mulvihill (*Chairman*), Senator Donald Cameron, Senator Durack, Senator Lawrie, Senator McIntosh, Senator Marriott.

**ESTIMATES COMMITTEE G** (Aboriginal Affairs, Urban and Regional Development, Housing and Construction, and Transport)—Senator Keeffe (*Chairman*), Senator Bonner, Senator Gietzelt, Senator Milliner, Senator Rae, Senator Sheil.

## JOINT STATUTORY COMMITTEES

BROADCASTING OF PARLIAMENTARY PROCEEDINGS—Mr Speaker (*Chairman*), The President, Senator Coleman, Senator Webster, and Mr Donald Cameron, Mr Coates, Mr Duthie, Mr England, Mr Sherry.

PUBLIC ACCOUNTS—Senator McAuliffe (*Chairman*), Senator Grimes, Senator Guilfoyle, and Mr Collard, Mr Connolly, Mr Graham, Mr Lusher, Mr Martin, Mr Morris, Mr Reynolds.

PUBLIC WORKS—Mr L. K. Johnson (*Chairman*), Senator Jessop, Senator Melzer, Senator Poyer, and Mr Bonnett, Mr Garrick, Mr Kelly, Mr Keogh, Mr McVeigh.

## JOINT COMMITTEES

AUSTRALIAN CAPITAL TERRITORY—Senator Milliner (*Chairman*), Senator Sir Kenneth Anderson, Senator Devitt, Senator Marriott, and Mr Fisher, Mr Fry, Mr Howard, Mr Kerin, Mr Whan.

FOREIGN AFFAIRS AND DEFENCE—Senator Wheeldon (*Chairman*), Senator Carrick, Senator Drury, Senator McIntosh, Senator Maunsell, Senator Primmer, Senator Sim, and Mr Berinson, Mr Coates, Mr Connolly, Mr Corbett, Mr Cross, Mr Dawkins, Dr Forbes, Mr Fry, Mr Giles, Mr Kerin, Dr Klugman, Mr Lucock, Mr Oldmeadow, Mr Peacock.

NORTHERN TERRITORY—Mr James (*Chairman*), Senator Keeffe, Senator McLaren, Senator Marriott, Senator Sheil, and Mr Calder, Mr FitzPatrick, Mr Kelly, Mr Wallis.

PARLIAMENTARY COMMITTEE SYSTEM—Mr Scholes (*Chairman*), Senator Sir Magnus Cormack, Senator Drake-Brockman, Senator Gietzelt, Senator McAuliffe, Senator Mulvihill, Senator Rae, and Mr Berinson, Mr Fairbairn, Dr Forbes, Dr Jenkins, Mr Ian Robinson, Mr Young.

PECUNIARY INTERESTS OF MEMBERS OF PARLIAMENT—Mr Riordan (*Chairman*), Senator Georges, Senator James McClelland, Senator Marriott, Senator Webster, and Mr Keating, Mr Martin, Mr Nixon, Mr Eric Robinson.

PRICES—Mr Hurford (*Chairman*), Senator Chaney, Senator Coleman, Senator Gietzelt, Senator Scott, and Mrs Child, Mr Hodges, Mr Howard, Mr King, Mr Whan, Mr Willis.

# PARLIAMENTARY DEPARTMENTS

## SENATE

*Clerk*—J. R. Odgers, C.B.E.  
*Deputy Clerk*—R. E. Bullock, O.B.E.  
*First Clerk-Assistant*—K. O. Bradshaw  
*Clerk-Assistant*—A. R. Cumming Thom  
*Principal Parliamentary Officer*—H. C. Nicholls  
*Usher of the Black Rod*—H. G. Smith

## HOUSE OF REPRESENTATIVES

*Clerk*—N. J. Parkes, O.B.E.  
*Deputy Clerk*—J. A. Pettifer  
*First Clerk Assistant*—D. M. Blake, V.R.D.  
*Clerk Assistant*—A. R. Browning  
*Senior Parliamentary Officers*—L. M. Barlin and I. C. Cochran  
*Sergeant-at-Arms*—D. M. Piper

## PARLIAMENTARY REPORTING STAFF

*Principal Parliamentary Reporter*—W. J. Bridgman  
*Asisstant Principal Parliamentary Reporter*—K. R. Ingram  
*Leader of Staff (House of Representatives)*—G. R. Fraser  
*Leader of Staff (Senate)*—J. F. Kerr

## LIBRARY

*Parliamentary Librarian*—A. L. Moore, O.B.E.

## JOINT HOUSE

*Secretary*—R. W. Hillyer

# THE ACTS OF THE SESSION

(FIRST SESSION: FIRST PERIOD)

- Aboriginal Land Fund Act 1974 (Act No. 159 of 1974)—  
An Act to assist Aboriginal Communities to acquire Land outside Aboriginal Reserves.
- Aboriginal Loans Commission Act 1974 (Act No. 103 of 1974)—  
An Act relating to the Provision of Financial Assistance for certain Purposes conducive to the Advancement of the Aboriginal People of Australia.
- Adelaide to Crystal Brook Railway Act 1974 (Act No. 85 of 1974)—  
An Act to approve an Agreement between the Australian Government and the Government of South Australia relating to the Construction of a Railway from Adelaide to Crystal Brook, and for other purposes.
- Aged or Disabled Persons Homes Act 1974 (Act No. 115 of 1974)—  
An Act to amend the *Aged Persons Homes Act* 1954–1973.
- Aged Persons Hostels Act 1974 (Act No. 131 of 1974)—  
An Act to amend the *Aged Persons Hostels Act* 1972.
- Air Navigation Act 1974 (Act No. 124 of 1974)—  
An Act to amend the *Air Navigation Act* 1920–1973, and for purposes connected therewith.
- Air Navigation (Charges) Act 1974 (Act No. 114 of 1974)—  
An Act to amend the *Air Navigation (Charges) Act* 1952–1973, and for purposes connected therewith.
- Airline Equipment (Loan Guarantee) Act 1974 (Act No. 99 of 1974)—  
An Act relating to the Provision of certain Equipment for a Domestic Airline.
- Appropriation Act (No. 1) 1974–75 (Act No. 94 of 1974)—  
An Act to appropriate certain sums out of the Consolidated Revenue Fund for the service of the year ending on 30 June 1975.
- Appropriation Act (No. 2) 1974–75 (Act No. 95 of 1974)—  
An Act to appropriate a sum out of the Consolidated Revenue Fund for certain expenditure in respect of the year ending on 30 June 1975.
- Appropriation (Urban Public Transport) Act 1974 (Act No. 158 of 1974)—  
An Act to appropriate Moneys out of the Consolidated Revenue Fund for the purpose of Urban Public Transport.
- Arbitration (Foreign Awards and Agreements) Act 1974 (Act No. 136 of 1974)—  
An Act to approve Accession by Australia to a Convention on the Recognition and Enforcement of Foreign Arbitral Awards, to give effect to that Convention, and for related purposes.
- Asian Development Fund Act 1974 (Act No. 54 of 1974)—  
An Act to Authorise certain Contributions by Australia to the Asian Development Bank for the purposes of an Asian Development Fund.
- Australian Development Assistance Agency Act 1974 (Act No. 137 of 1974)—  
An Act relating to the Provision by Australia of Aid for Developing Countries.
- Australian Shipping Commission Act 1974 (Act No. 83 of 1974)—  
An Act to amend the *Australian Coastal Shipping Commission Act* 1956–1973.
- Australian Tourist Commission Act 1974 (Act No. 82 of 1974)—  
An Act to amend the *Australian Tourist Commission Act* 1967–1973.
- Banking Act 1974 (Act No. 132 of 1974)—  
An Act to amend the *Banking Act* 1959–1973, and for purposes connected therewith.
- Banks (Housing Loans) Act 1974 (Act No. 143 of 1974)—  
An Act to provide Funds to enable Banks to make additional Loans for Housing, and for purposes connected therewith.
- Broadcasting and Television Act 1974 (Act No. 55 of 1974)—  
An Act to amend the *Broadcasting and Television Act* 1942–1973 in relation to certain Licences, and for related purposes.
- Canberra Water Supply (Googong Dam) Act 1974 (Act No. 34 of 1974)—  
An Act relating to the Construction of a Dam on the Queanbeyan River in New South Wales and the Supply of Water from that Dam for use in the Australian Capital Territory, and for purposes connected therewith.
- Commonwealth Banks Act 1974 (Act No. 81 of 1974)—  
An Act to amend the *Commonwealth Banks Act* 1959–1973 with respect to the Functions of the Development Bank and to the Remuneration of the Holders of Certain Offices.
- Commonwealth Electoral Act (No. 2) 1973 (Act No. 38 of 1974)—  
An Act relating to the Distribution of the States into Electoral Divisions.
- Companies (Foreign Take-overs) Act 1974 (Act No. 141 of 1974)—  
An Act to amend section 2 of the *Companies (Foreign Take-overs) Act* 1972–1973.

- Compensation (Australian Government Employees) Act 1974 (Act No. 92 of 1974)—**  
An Act to amend the *Compensation (Australian Government Employees) Act 1971–1973*, and for other purposes.
- Conciliation and Arbitration (Organizations) Act 1974 (Act No. 89 of 1974)—**  
An Act to amend the Law relating to Conciliation and Arbitration.
- Customs Act 1974 (Act No. 28 of 1974)—**  
An Act to amend the *Customs Act 1901–1973*.
- Customs Act (No. 2) 1974 (Act No. 120 of 1974)—**  
An Act to amend the *Customs Act 1901–1973*, as amended by the Customs Act 1974.
- Customs Tariff 1974 (Act No. 117 of 1974)—**  
An Act relating to Duties of Customs.
- Customs Tariff (No. 2) 1974 (Act No. 118 of 1974)—**  
An Act relating to Duties of Customs.
- Customs Tariff Validation Act (No. 2) 1974 (Act No. 119 of 1974)—**  
An Act to provide for the Validation of certain Collections of Duties of Customs in accordance with Customs Tariff Proposals, and for related purposes.
- Customs Tariff Validation Act (No. 3) 1974 (Act No. 163 of 1974)—**  
An Act to provide for the Validation of Collections of Duties of Customs under Customs Tariff Proposals.
- Dairy Adjustment Act 1974 (Act No. 166 of 1974)—**  
An Act to provide Financial Assistance in connexion with Dairy Adjustment Programs.
- Defence Force Retirement and Death Benefits (Pension Increases) Act 1974 (Act No. 105 of 1974)—**  
An Act to provide for Increases in certain Defence Force Retirement and Death Benefit Pensions.
- Defence Service Homes Act 1974 (Act No. 125 of 1974)—**  
An Act to amend the *Defence Service Homes Act 1918–1973*.
- Delivered Meals Subsidy Act 1974 (Act No. 108 of 1974)—**  
An Act to amend the *Delivered Meals Subsidy Act 1970–1973*.
- Election Candidates (Public Service and Defence Force) Act 1974 (Act No. 59 of 1974)—**  
An Act relating to Members of the Public Service and the Defence Force who become Candidates for election to the Legislative Assembly for the Northern Territory and similar Bodies for other Territories, and for related Purposes.
- Environment Protection (Impact of Proposals) Act 1974 (Act No. 164 of 1974)—**  
An Act to make provision for Protection of the Environment in relation to Projects and Decisions of, or under the control of, the Australian Government, and for related purposes.
- Estate Duty Assessment Act 1974 (Act No. 130 of 1974)—**  
An Act to amend the Law Relating to Estate Duty.
- Evidence Act 1974 (Act No. 31 of 1974)—**  
An Act to amend the *Evidence Act 1905–1973*.
- Excise Act 1974 (Act No. 29 of 1974)—**  
An Act to amend the *Excise Act 1901–1973*.
- Excise Tariff 1974 (Act No. 121 of 1974)—**  
An Act relating to Duties of Excise.
- Export Finance and Insurance Corporation Act 1974 (Act No. 122 of 1974)—**  
An Act to establish an Export Finance and Insurance Corporation.
- Export Market Development Grants Act 1974 (Act No. 154 of 1974)—**  
An Act relating to Grants for the purpose of providing Incentives for the Development of Export Markets.
- Extradition (Foreign States) Act 1974 (Act No. 21 of 1974)—**  
An Act to amend sections 10 and 21 of the *Extradition (Foreign States) Act 1966–1973*.
- Financial Corporations Act 1974 (Act No. 36 of 1974)—**  
An Act relating to Corporations engaged in certain Financial Operations.
- Glebe Lands (Appropriation) Act 1974 (Act No. 35 of 1974)—**  
An Act to appropriate the Consolidated Revenue Fund for purposes connected with the Purchase by Australia of certain Lands at Glebe in the State of New South Wales.
- Handicapped Persons Assistance Act 1974 (Act No. 134 of 1974)—**  
An Act to provide for Assistance by Australia towards the Provision of Facilities for Handicapped Children, Disabled Persons and certain other Persons.
- Health Insurance Act 1973 (Act No. 42 of 1974)—**  
An Act providing for Payments by way of Medical Benefits and payments for Hospital Services and for other purposes.
- Health Insurance Commission Act 1973 (Act No. 41 of 1974)—**  
An Act to constitute a Health Insurance Commission and for purposes connected therewith.

- Homeless Persons Assistance Act 1974 (Act No. 148 of 1974)—**  
An Act to provide for Payments by Australia in respect of the Provision of Assistance for Homeless Persons and for certain other Persons.
- Housing Agreement Act 1974 (Act No. 102 of 1974)—**  
An Act relating to Financial Assistance to the States for the purpose of Housing
- Income Tax Act 1974 (Act No. 127 of 1974)—**  
An Act to impose a Tax upon Incomes.
- Income Tax Assessment Act 1974 (Act No. 26 of 1974)—**  
An Act to amend the Law relating to Income Tax.
- Income Tax Assessment Act (No. 2) 1974 (Act No. 126 of 1974)—**  
An Act to amend the Law relating to Income Tax.
- Income Tax (Bearer Debentures) Act 1974 (Act No. 128 of 1974)—**  
An Act to amend the *Income Tax (Bearer Debentures) Act* 1971.
- Income Tax (Dividends and Interest Withholding Tax) Act 1974 (Act No. 27 of 1974)—**  
An Act to impose Income Tax upon certain Dividends and Interest derived by Non-residents and by certain other Persons.
- Income Tax (International Agreements) Act 1974 (Act No. 129 of 1974)—**  
An Act to amend the *Income Tax (International Agreements) Act* 1953–1973.
- International Development Association (Further Payment) Act 1974 (Act No. 142 of 1974)—**  
An Act to approve the making by Australia of a further Payment to the International Development Association.
- International Monetary Agreements Act 1974 (Act No. 22 of 1974)—**  
An Act to authorize Australia to Subscribe for Additional Shares of the Capital Stock of the International Bank for Reconstruction and Development.
- Judges' Pensions Act 1974 (Act No. 162 of 1974)—**  
An Act to amend the *Judges' Pensions Act* 1968–1973 in relation to certain Persons who are or have been Judges of the Supreme Court of Papua New Guinea.
- Julius Dam Agreement Act 1974 (Act No. 72 of 1974)—**  
An Act relating to an Agreement between Australia and the State of Queensland in respect of the Construction of a Dam, to be known as the Julius Dam, on the Leichhardt River.
- King Island Shipping Service Agreement Act 1974 (Act No. 149 of 1974)—**  
An Act relating to an Agreement between Australia and Tasmania in respect of Financial Assistance to Tasmania in connexion with a Shipping Service to King Island.
- Liquefied Gas (Road Vehicle Use) Tax Act 1974 (Act No. 76 of 1974)—**  
An Act to impose a Tax on the use, for the purpose of propelling Road Vehicles, of Liquefied Gas.
- Liquefied Gas (Road Vehicle Use) Tax Collection Act 1974 (Act No. 77 of 1974)—**  
An Act relating to Taxation imposed on the use, for the purpose of propelling Road Vehicles, of Liquefied Gas.
- Live-stock Slaughter Levy Act 1974 (Act No. 111 of 1974)—**  
An Act to amend the *Live-stock Slaughter Levy Act* 1964–1973.
- Live-stock Slaughter Levy Collection Act 1974 (Act No. 112 of 1974)—**  
An Act to amend the *Live-stock Slaughter Levy Collection Act* 1964–1973.
- Loan Act 1974 (Act No. 144 of 1974)—**  
An Act to Authorize the Raising and Expenditure of Moneys for Defence Purposes.
- Loans (Australian Industry Development Corporation) Act 1974 (Act No. 156 of 1974)—**  
An Act to authorize the Raising of a certain sum of Money and to authorize Australia to make certain Moneys available to the Australian Industry Development Corporation, and for purposes connected therewith.
- Loans (Australian National Airlines Commission) Act 1974 (Act No. 97 of 1974)—**  
An Act to authorize the Raising of a certain sum of Money and to authorize Australia to make certain moneys available to the Australian National Airlines Commission, and for purposes connected therewith.
- Loans (Qantas Airways Limited) Act 1974 (Act No. 98 of 1974)—**  
An Act to authorize the Raising of a certain sum of Money and to authorize Australia to make certain Moneys available to Qantas Airways Limited, and for purposes connected therewith.
- Local Government Grants Act 1974 (Act No. 100 of 1974)—**  
An Act to grant Financial Assistance in relation to Local Governing Bodies.
- Marginal Dairy Farms Agreements Act 1974 (Act No. 49 of 1974)—**  
An Act to amend the *Marginal Dairy Farms Agreements Act* 1970.
- National Health Act 1974 (Act No. 37 of 1974)—**  
An Act to amend the *National Health Act* 1953–1973 in relation to Registered Organizations.
- National Roads Act 1974 (Act No. 52 of 1974)—**  
An Act to grant Financial Assistance to the States in relation to the Construction and Maintenance of National Roads.

- Nitrogenous Fertilizers Subsidy Act 1974 (Act No. 78 of 1974)—  
An Act to amend the *Nitrogenous Fertilizers Subsidy Act* 1966–1973.
- Northern Territory (Administration) Act 1974 (Act No. 30 of 1974)—  
An Act to amend the *Northern Territory (Administration) Act* 1910–1973, and for other purposes.
- Nursing Homes Assistance Act 1974 (Act No. 147 of 1974)—  
An Act to provide Financial Assistance in respect of Nursing Homes.
- Papua New Guinea Act 1974 (Act No. 56 of 1974)—  
An Act to amend the *Papua New Guinea Act* 1949–1973.
- Papua New Guinea Act (No. 2) 1974 (Act No. 161 of 1974)—  
An Act relating to Papua New Guinea.
- Papua New Guinea Loan (International Bank) Act 1974 (Act No. 87 of 1974)—  
An Act to approve the Guarantee by Australia of the Discharge of the Obligations of the Government of Papua New Guinea under a Loan Agreement made with the International Bank for Reconstruction and Development, and for purposes connected therewith.
- Papua New Guinea Loans Guarantee Act 1974 (Act No. 88 of 1974)—  
An Act to provide for the Giving of Guarantees by Australia with respect to Loans to be raised Overseas by Papua New Guinea, and for purposes connected therewith.
- Parliament Act 1974 (Act No. 165 of 1974)—  
An Act to determine the site of the New and Permanent Parliament House, and for other purposes.
- Parliamentary Papers Act 1974 (Act No. 33 of 1974)—  
An Act to amend the *Parliamentary Papers Act* 1908–1963.
- Parliamentary Proceedings Broadcasting Act 1974 (Act No. 32 of 1974)—  
An Act to amend the *Parliamentary Proceedings Broadcasting Act* 1946–1973.
- Pay-roll Tax (Territories) Act 1974 (Act No. 109 of 1974)—  
An Act to amend the *Pay-roll Tax (Territories) Act* 1971–1973.
- Petroleum and Minerals Authority Act 1973 (Act No. 43 of 1974)—  
An Act to establish a Petroleum and Minerals Authority.
- Petroleum (Submerged Lands) Act 1974 (Act No. 57 of 1974)—  
An Act to amend the *Petroleum (Submerged Lands) Act* 1967–1973 in relation to Papua New Guinea.
- Post and Telegraph Act 1974 (Act No. 61 of 1974)—  
An Act to amend the *Post and Telegraph Act* 1901–1973 and certain Regulations under that Act.
- Post and Telegraph Rates Act 1974 (Act No. 60 of 1974)—  
An Act to amend the *Post and Telegraph Rates Act* 1902–1973.
- Prices Justification Act 1974 (Act No. 47 of 1974)—  
An Act to amend the *Prices Justification Acts* 1973.
- Public Works Committee Act 1974 (Act No. 48 of 1974)—  
An Act to amend the *Public Works Committee Act* 1969–1973.
- Queensland Grant (Bundaberg Irrigation Works) Act 1974 (Act No. 113 of 1974)—  
An Act to amend the *Queensland Grant (Bundaberg Irrigation Works) Act* 1970.
- Queensland Grant (Clare Weir) Act 1974 (Act No. 123 of 1974)—  
An Act to grant Financial Assistance to Queensland in connexion with the Construction of a Weir on the Burdekin River near Clare.
- Queensland Grant (Proserpine Flood Mitigation) Act 1974 (Act No. 116 of 1974)—  
An Act to grant Financial Assistance to Queensland for the purpose of Flood Mitigation Works in relation to the Proserpine River.
- Queensland Grant (Ross River Dam) Act 1974 (Act No. 71 of 1974)—  
An Act to grant Financial Assistance to the State of Queensland in connexion with the Construction of the Second Stage of the Ross River Dam in that State.
- Remuneration Tribunals Act 1974 (Act No. 80 of 1974)—  
An Act to amend the *Remuneration Tribunal Act* 1973.
- Repatriation Act (No. 2) 1974 (Act No. 24 of 1974)—  
An Act to amend the *Repatriation Act* 1920–1973, as amended by the *Repatriation Act* 1974, and to appropriate the Consolidated Revenue Fund for the purposes of certain payments resulting from those amendments.
- Repatriation Acts Amendment Act 1974 (Act No. 90 of 1974)—  
An Act Relating to Repatriation and related matters.
- Representation Act 1973 (Act No. 40 of 1974)—  
An Act to amend the *Representation Act* 1905–1964.
- River Murray Waters Act 1974 (Act No. 146 of 1974)—  
An Act to amend the *River Murray Waters Act* 1915–1973.
- Roads Grants Act 1974 (Act No. 53 of 1974)—  
An Act to grant Financial Assistance to the States in relation to Roads other than National Roads.

- Seamen's Compensation Act 1974 (Act No. 93 of 1974)—  
     An Act to increase certain Amounts of Compensation payable to and in respect of Seamen.
- Seamen's War Pensions and Allowances Act (No. 2) 1974 (Act No. 25 of 1974)  
     An Act to amend the *Seamen's War Pensions and Allowances Act* 1940–1973, as amended by the *Seamen's War Pensions and Allowances Act* 1974.
- Senate (Representation of Territories) Act 1973 (Act No. 39 of 1974)  
     An Act to provide for the Representation in the Senate of the Australian Capital Territory, the Jervis Bay Territory and the Northern Territory of Australia.
- Service and Execution of Process Act 1974 (Act No. 96 of 1974)—  
     An Act to amend the *Service and Execution of Process Act* 1901–1973.
- Sewerage Agreements Act 1974 (Act No. 73 of 1974)—  
     An Act relating to Agreements between Australia and the States of Victoria, Queensland and Western Australia in respect of the Provision of further Financial Assistance for Sewerage Works in those States.
- Social Services Act (No. 2) 1974 (Act No. 23 of 1974)—  
     An Act relating to Social Services.
- Social Services Act (No. 3) 1974 (Act No. 91 of 1974)—  
     An Act relating to Social Services.
- States Grants (Aboriginal Assistance) Act 1974 (Act No. 104 of 1974)—  
     An Act to grant Financial Assistance to the States in relation to the Aboriginal People of Australia.
- States Grants Act 1974 (Act No. 84 of 1974)—  
     An Act to amend the *States Grants Act* 1973 to grant additional Financial Assistance to the State of Tasmania.
- States Grants (Advanced Education) Act 1974 (Act No. 140 of 1974)—  
     An Act to amend the *States Grants (Advanced Education) Act* 1972–1973.
- States Grants (Beef Cattle Roads) Act 1974 (Act No. 74 of 1974)—  
     An Act to amend the *States Grants (Beef Cattle Roads) Act* 1968.
- States Grants (Capital Assistance) Act 1974 (Act No. 106 of 1974)—  
     An Act to grant Financial Assistance to the States in connexion with Expenditure of a Capital Nature and to Authorize the Borrowing of Certain Moneys by the Australian Government.
- States Grants (Dwellings for Pensioners) Act 1974 (Act No. 160 of 1974)—  
     An Act to grant Financial Assistance to the States in connexion with the Provision of Self-contained Dwellings for certain Pensioners.
- States Grants (Fruit-growing Reconstruction) Act 1974 (Act No. 157 of 1974)—  
     An Act relating to an Agreement between Australia and the States with respect to the Provision of further Assistance to Persons engaged in Fruit-growing.
- States Grants (Housing Assistance) Act 1974 (Act No. 101 of 1974)—  
     An Act to Authorize Advances to the States of Financial Assistance in connexion with Housing and to Authorize the Borrowing of Certain Moneys by the Treasurer.
- States Grants (Nature Conservation) Act 1974 (Act No. 151 of 1974)—  
     An Act to provide Financial Assistance to the States for Purposes connected with Nature Conservation.
- States Grants (Schools) Act 1974 (Act No. 110 of 1974)—  
     An Act to Increase the Financial Assistance payable to the States in relation to Schools.
- States Grants (Soil Conservation) Act 1974 (Act No. 150 of 1974)—  
     An Act to provide Financial Assistance to the States for Purposes connected with Soil Conservation.
- States Grants (Special Assistance) Act 1974 (Act No. 107 of 1974)—  
     An Act to grant Financial Assistance to Queensland and South Australia.
- States Grants (Technical and Further Education) Act 1974 (Act No. 138 of 1974)—  
     An Act relating to the Grant of Financial Assistance to the States in Connexion with Technical and Further Education.
- States Grants (Universities) Act 1974 (Act No. 75 of 1974)—  
     An Act relating to the Grant of Financial Assistance in Connexion with Universities.
- States Grants (Universities) Act (No. 2) 1974 (Act No. 139 of 1974)—  
     An Act to amend the *States Grants (Universities) Act* 1972–1973, as amended by the *States Grants (Universities) Act* 1974.
- States Grants (Urban Public Transport) Act 1974 (Act No. 45 of 1974)—  
     An Act relating to Financial Assistance to the States for the purpose of Urban Public Transport.
- States Grants (Water Resources Assessment) Act 1974 (Act No. 145 of 1974)—  
     An Act to amend the *States Grants (Water Resources Measurement) Act* 1973.
- Statute Law Revision Act 1974 (Act No. 20 of 1974)—  
     An Act for the purposes of Statute Law Revision.
- Stevedoring Industry (Temporary Provisions) Act 1974 (Act No. 44 of 1974)—  
     An Act relating to the Stevedoring Industry.
- Structural Adjustment (Loan Guarantees) Act 1974 (Act No. 155 of 1974)—  
     An Act to authorize the giving of Guarantees on behalf of Australia in respect of Loans made for the purposes of Structural Adjustment in Industry.

- Tarcoola to Alice Springs Railway Act 1974 (Act No. 86 of 1974)—**  
An Act to Approve an Agreement between the Australian Government and the Government of South Australia relating to the Construction of a Railway from Tarcoola to Alice Springs, and for other purposes.
- Taxation Administration Act 1974 (Act No. 133 of 1974)—**  
An Act to amend the *Taxation Administration Act* 1953–1973.
- Trade Practices Act 1974 (Act No. 51 of 1974)—**  
An Act relating to certain Trade Practices.
- Transport (Planning and Research) Act 1974 (Act No. 50 of 1974)—**  
An Act to make Provision with respect of Planning and Research in connexion with Transport.
- Universities Commission Act 1974 (Act No. 79 of 1974)—**  
An Act to amend the *Australian Universities Commission Act* 1959–1973.
- Urban and Regional Development (Financial Assistance) Act 1974 (Act No. 135 of 1974)—**  
An Act to provide Financial Assistance to the States for Purposes connected with Urban and Regional Development.
- Urban Public Transport (Research and Planning) Act 1974 (Act No. 46 of 1974)—**  
An Act to make Provision with respect to Research and Planning in connexion with Urban Public Transport.
- Wheat Export Charge Act 1974 (Act No. 64 of 1974)—**  
An Act to impose a Charge in respect of Wheat and Wheat Products exported from Australia.
- Wheat Industry Stabilization Act 1974 (Act No. 62 of 1974)—**  
An Act relating to the Marketing of Wheat and the Stabilization of the Wheat Industry.
- Wheat Products Export Adjustment Act 1974 (Act No. 63 of 1974)—**  
An Act to authorize the Australian Wheat Board to require the making of certain Payments in respect of the Export of Wheat Products.
- Wool Industry Act 1974 (Act No. 65 of 1974)—**  
An Act to amend the *Wool Industry Act* 1972–1973.
- Wool Industry Act (No. 2) 1974 (Act No. 152 of 1974)—**  
An Act to amend the *Wool Industry Act* 1972–1973.
- Wool Marketing (Loan) Act 1974 (Act No. 58 of 1974)—**  
An Act to authorize certain Advances to the Australian Wool Corporation and to authorize the Borrowing of certain Moneys by the Treasurer.
- Wool Marketing (Loan) Act (No. 2) 1974 (Act No. 153 of 1974)—**  
An Act to amend the *Wool Marketing (Loan) Act* 1974.
- Wool Tax Act (No. 1) 1974 (Act No. 66 of 1974)—**  
An Act to amend the *Wool Tax Act (No. 1)* 1964–1973.
- Wool Tax Act (No. 2) 1974 (Act No. 67 of 1974)—**  
An Act to amend the *Wool Tax Act (No. 2)* 1964–1973.
- Wool Tax Act (No. 3) 1974 (Act No. 68 of 1974)—**  
An Act to amend the *Wool Tax Act (No. 3)* 1964–1973.
- Wool Tax Act (No. 4) 1974 (Act No. 69 of 1974)—**  
An Act to amend the *Wool Tax Act (No. 4)* 1964–1973.
- Wool Tax Act (No. 5) 1974 (Act No. 70 of 1974)—**  
An Act to amend the *Wool Tax Act (No. 5)* 1964–1973.

# THE BILLS OF THE SESSION

## (FIRST SESSION—FIRST PERIOD)

- Aboriginal and Torres Strait Islanders (Queensland Discriminatory Laws) Bill 1974—  
Initiated in the Senate. Third reading.
- Australian Film Commission Bill 1974—  
Initiated in the Senate. Returned from the House of Representatives with amendments. Amendments disagreed to. Awaiting report from Committee of Reasons.
- Australian Housing Corporation Bill 1974—  
Initiated in the Senate. Second reading.
- Australian Industry Development Corporation Bill 1974—  
Initiated in the House of Representatives. Second reading negated.
- Book Bounty Bill 1974—  
Initiated in the House of Representatives. In Committee.
- Broadcasting and Television Bill (No. 2) 1974—  
Initiated in the House of Representatives. Second reading negated.
- Broadcasting Stations Licence Fees Bill 1974—  
Initiated in the House of Representatives. Second reading negated.
- Conciliation and Arbitration Bill 1974—  
Initiated in the House of Representatives. Second reading negated.
- Conciliation and Arbitration Bill (No. 2) 1974—  
Initiated in the House of Representatives. Second reading negated.
- Corporations and Securities Industry Bill 1974—  
Initiated in the Senate. Second reading.
- Electoral Laws Amendment Bill 1974—  
Initiated in the House of Representatives. Second reading negated.
- Family Law Bill 1974—  
Initiated in the Senate. Third reading.
- Health Insurance Levy Assessment Bill 1974—  
Initiated in the House of Representatives. Second reading negated.
- Health Insurance Levy Assessment Bill 1974 (No. 2)—  
Initiated in the House of Representatives. Second reading negated.
- Health Insurance Levy Bill 1974—  
Initiated in the House of Representatives. Second reading negated.
- Health Insurance Levy Bill 1974 (No. 2)—  
Initiated in the House of Representatives. Second reading negated.
- Income Tax (International Agreements) Bill 1974—  
Initiated in the House of Representatives. Second reading negated.
- Income Tax (International Agreements) Bill (No. 3)—  
Initiated in the House of Representatives. Second reading negated.
- Minerals (Submerged Lands) Bill 1974—  
Initiated in the House of Representatives. Second reading negated.
- Minerals (Submerged Lands) (Royalty) Bill 1974—  
Initiated in the House of Representatives. Second reading negated.
- National Compensation Bill 1974—  
Initiated in the House of Representatives. Second reading.
- National Health Bill 1974—  
Initiated in the House of Representatives. Second reading negated.
- National Health Bill (No. 2) 1974—  
Initiated in the House of Representatives. Passed Senate with amendments. Awaiting reconsideration by the House of Representatives.
- National Investment Fund Bill 1974—  
Initiated in the House of Representatives. Second reading negated.
- National Parks and Wildlife Conservation Bill 1974—  
Initiated in the House of Representatives. Passed Senate with amendments. Awaiting reconsideration by the House of Representatives.
- Northern Territory (Stabilization of Land Prices) Bill 1974—  
Initiated in the House of Representatives. Second reading negated.
- Parliament Bill 1974—  
Initiated in the Senate. Second reading.

- Post and Telegraph Bill 1974—**  
Initiated in the House of Representatives. Deferred for later consideration but not restored to notice paper. Replaced by new Bill.
- Post and Telegraph Rates Bill 1974—**  
Initiated in the House of Representatives. Deferred for later consideration but not restored to notice paper. Replaced by new Bill.
- Public Service Acts Amendment Bill 1974—**  
Initiated in the Senate. Returned from the House of Representatives with amendments. Amendments disagreed to. Awaiting report from Committee of Reasons.
- Racial Discrimination Bill 1974 (No. 2)—**  
Initiated in the Senate. First reading.
- Refrigeration Compressors Bounty Bill 1974—**  
Initiated in the House of Representatives. Second reading.
- Remuneration Bill (No. 2) 1974—**  
Initiated in the Senate. Second reading.
- Remuneration Bill (No. 2) 1974 (No. 2)—**  
Initiated in the Senate. Second reading negatived.
- Stevedoring Industry Bill 1974—**  
Initiated in the House of Representatives. Second reading.
- Superior Court of Australia Bill 1974 (No. 2)—**  
Initiated in the House of Representatives. Second reading.
- Television Stations Licence Fees Bill 1974—**  
Initiated in the House of Representatives. Second reading negatived.

**THE PARLIAMENT CONVENED  
TWENTY-NINTH PARLIAMENT—FIRST SESSION**

The Parliament was convened by the following proclamation (Gazette No. 52A of 1974):

**PROCLAMATION**

Australia  
**PAUL HASLUCK**  
Governor-General

By His Excellency the  
Governor-General of  
Australia

WHEREAS by the Constitution it is, amongst other things, provided that the Governor-General may appoint such times for holding the sessions of the Parliament as he thinks fit:

Now therefore, I, Sir Paul Meernaa Caedwalla Hasluck, the Governor-General of Australia, do by this my Proclamation appoint Tuesday, 9 July 1974, as the day for the Parliament to assemble for the dispatch of business:

And all Senators and Members of the House of Representatives are hereby required to give their attendance accordingly at Parliament House, Canberra, at 10.30 o'clock in the morning, on Tuesday, 9 July 1974.

Given under my Hand on 25 June 1974.

By His Excellency's Command,

**E. G. WHITLAM**  
Prime Minister

## CONTENTS

**THURSDAY, 28 NOVEMBER 1974**

### **CHAMBER**

#### Petitions

Taxation: Education Expenses .....	2897
Family Law Bill .....	2897
Family Law Bill .....	2897

#### Notices Of Motion

Australian Territories .....	2897
------------------------------	------

#### Question

QUESTIONS WITHOUT NOTICE.....	2897
-------------------------------	------

#### Question

NEWPORT POWER STATION.....	2897
----------------------------	------

#### Question

TELEVISION RECEPTION AT YOUNG .....	2898
-------------------------------------	------

#### Question

INDUSTRIES ASSISTANCE COMMISSION .....	2898
--	------

#### Question

PENSIONER BENEFITS .....	2898
--------------------------	------

#### Question

ETHIOPIA .....	2899
----------------	------

#### Question

STATE GRANTS .....	2899
--------------------	------

#### Question

AUSTRALIAN SECURITY INTELLIGENCE OFFICER.....	2900
---	------

#### Question

SCHOOL BROADCASTS CONFERENCE.....	2900
-----------------------------------	------

#### Remuneration Bill.....

.....	2900
-------	------

#### Question

SALES TAX ON MAKING LIFE SAVING AIDS.....	2901
---	------

#### Question

FRUIT INDUSTRY SUGAR CONCESSION AGREEMENT.....	2901
--	------

#### Question

REDCLIFFS PETROCHEMICAL PROJECT: TRADE PRACTICES ACT .....	2901
--	------

#### Question

BUS ACCIDENT INQUIRY .....	2902
----------------------------	------

#### Question

AUSTRALIAN COUNCIL OF TRADE UNIONS.....	2902
---	------

#### Question

PROPOSED PARRAMATTA RAILWAY.....	2902
----------------------------------	------

#### Question

GLASS IMPORTS.....	2903
--------------------	------

#### Distinguished Visitor.....

.....	2903
-------	------

#### Question

FREQUENCY MODULATION BROADCASTING STATIONS .....	2903
--	------

#### Question

ASSISTANCE TO APPLE INDUSTRY .....	2904
------------------------------------	------

#### Question

REGIONAL EMPLOYMENT DEVELOPMENT SCHEME ASSISTANCE IN SOUTH AUSTRALIA ..	2904
---	------

#### Question

ETHIOPIA .....	2904
----------------	------

#### Question

TAX DEDUCTIBILITY OF HOME MORTGAGE INTEREST PAYMENTS.....	2905
---	------

#### Question

SALE OF SUGAR TO JAPAN.....	2905
-----------------------------	------

#### Question

AUSTRALIAN FOREIGN AID .....	2905
------------------------------	------

#### Question

EDUCATIONAL TELEVISION IN SOUTH AUSTRALIA.....	2906
--	------

#### Question

CITIZENSHIP APPLICATIONS BY MAIL OFFICERS.....	2906
--	------

#### Nitrogenous Fertilisers .....

.....	2906
-------	------

#### Joint Coal Board .....

.....	2906
-------	------

#### Consumer Survey.....

.....	2906
-------	------

Standing Committee On Foreign Affairs And Defence.....	2907
Public Accounts Committee.....	2909
Distribution Of Hansard.....	2910
Senate Standing Committee On .....	2910
Social Environment.....	2910
Question	
JOINT COMMITTEE ON PECUNIARY INTERESTS OF MEMBERS OF PARLIAMENT .....	2910
Defence Service Homes Bill 1974	
Second Reading.....	2911
Defence Force Retirement And Death Benefits (Pension Increases) Bill 1974	
Second Reading.....	2913
States Grants ( Capital Assistance) Bill 1974	
Second Reading.....	2915
States Grants (Special Assistance) Bill 1974	
Second Reading.....	2921
Electoral Laws Amendment Bill 1974	
Second Reading.....	2925
Supplementary Report Of The Auditor-general .....	2942
Urban And Regional Development (Financial Assistance) Bill 1974	
Second Reading.....	2942
Queensland Grant (Bundaberg Irrigation Works) Bill 1974	
Second Reading.....	2948
Queensland Grant (Clare Weir) Bill 1974	
Second Reading.....	2950
Queensland Grant (Prosperine Flood Mitigation) Bill 1974	
Second Reading.....	2950
Aged Persons Hostels Bill 1974	
Second Reading.....	2950
Third Reading .....	2957
Delivered Meals Subsidy Bill 1974	
Second Reading.....	2957
Aged Or Disabled Persons Homes Bill 1974	
Second Reading.....	2957
Standing Orders Committee .....	2958
Pay-roll Tax (Territories) Bill 1974	
Second Reading.....	2958
Live-stock Slaughter Levy Bill 1974	
Second Reading.....	2958
Live-stock Slaughter Levy Collection Bill 1974	
Second Reading.....	2959
Air Navigation Bill 1974	
Second Reading.....	2959
Third Reading .....	2971
Air Navigation (Charges) Bill 1974	
Second Reading.....	2971
Handicapped Persons Assistance Bill 1974	
Second Reading.....	2971
Export Finance And Insurance Corporation Bill 1974	
Second Reading.....	2973
Dairy Adjustment Bill 1974	
Second Reading.....	2977
Banks (Housing Loans) Bill 1974	
Second Reading.....	2978
Customs Tariff Bill 1974	
Second Reading.....	2979
Customs Tariff Bill (No. 2) 1974	
Second Reading.....	2982
Customs Tariff Validation Bill (No. 2) 1974	
Second Reading.....	2982
Excise Tariff Bill 1974	
Second Reading.....	2982
Placing Of Business .....	2982
States Grants (Schools) Bill 1974	
Second Reading.....	2982
Adjournment.....	2983
Adjournment	
Aboriginal Affairs: Queensland .....	2984

Answers To Questions

Australian Book Society (Question No. 166) .....	2997
Australian Ambassadors (Question No. 288) .....	2997
Unemployment (Question No. 354) .....	2998

**Thursday, 28 November 1974**

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**The PRESIDENT (Senator the Hon. Justin O'Byrne)** took the chair at 10.30 a.m., and read prayers.

### PETITIONS

#### Taxation: Education Expenses

**Senator BAUME**—I present the following petition from 147 citizens of the Commonwealth:

To the Honourable the President and Members of the Senate in Parliament assembled. The humble petition of the undersigned citizens of the Commonwealth respectfully sheweth:

Whereas the Treasurer of the Australian Government has proposed that the concessional deduction for education expenses be reduced from \$400 to \$150.

We the undersigned, humbly petition the Senate to return any legislation which could give effect to such a proposal to the House of Representatives and request that the concessional deduction for education expenses be restored to \$400 for each child attending an approved school or college.

And your petitioners as in duty bound will ever pray.

Petition received and read.

**The Clerk**—The following petitions have been lodged for presentation.

### Family Law Bill

To the Honourable, the President and members of the Senate of Australia in Parliament assembled. The humble petition of the undersigned citizens of Australia respectfully sheweth:

That in modern society which accepts divorce, the law of divorce should be fair to both parties. However, we are very concerned about proposals to alter the law in the Family Law Bill 1974. 1. The Family Law Bill 1974 would fundamentally change the institution of marriage itself; that is all existing and future marriages. 2. The said Bill does not protect the legal and social rights of women and children in the family. 3. The said Bill does not provide for either the training of suitable counsellors who can assist in conciliation procedures or for suitable initiatives to be taken prior to the breakdown of marriage.

Your petitioners therefore humbly pray that this Bill be tabled for six months and that all sections of the community be consulted on marriage, the family and the long term effects of such a Bill upon our Australian society.

by Senator Martin.

Petition received.

### Family Law Bill

To the Honourable the President and the Members of the Senate in Parliament assembled: The humble petition of the undersigned citizens of the Commonwealth of Australia respectfully sheweth:

That we, the undersigned, are not opposed to the simplification of divorce proceedings, but have serious objections to the Family Law Bill 1974;

That the concept of marriage contained in Section 26 subsection 2 is of marriage as a transitory, and temporary union dissolvable by the simple passing of a period of twelve months separation;

That such a concept of marriage will destroy the contractual nature of marriage, undermine the total commitment of two persons to each other and threaten the integrity of family life which is the basis of our society;

That a Bill with such serious implications deserves to be considered as a matter of public importance and be the object of the community debate which it warrants.

Your petitioners most humbly pray that the Senate in Parliament assembled should vote against the Bill in its present form, allow public consideration of amendments and then vote to so amend the Bill as to strengthen and support marriage and the family in a manner acceptable to the people of Australia.

And your petitioners as in duty bound will ever pray.

by Senator Sir Magnus Cormack.

Petition received.

### NOTICES OF MOTION

#### Meetings of the Senate

**Senator DOUGLAS McCLELLAND** (New South Wales—Manager of Government Business in the Senate)—I give notice that on the next day of sitting I shall move:

That the Sessional Order relating to the days and times of meeting of the Senate be varied as follows:

(1) That, unless otherwise ordered, the Senate shall sit on 6 December and 13 December at 10am.

(2) The Sessional Order relating to the adjournment of the Senate take effect at 5pm on Fridays.

### Australian Territories

**Senator SIM** (Western Australia)—I give notice that on the next day of sitting I shall move:

That there be referred to the Senate Standing Committee on Foreign Affairs and Defence the following matter:

The role and involvement of Australia and the United Nations in the affairs of sovereign Australian Territories.

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### QUESTIONS WITHOUT NOTICE

#### NEWPORT POWER STATION

**Senator GREENWOOD**—My question is directed to the Attorney-General. Is it a fact that the Australian Conservation Foundation has asked him for a legal opinion about the propriety of advertisements by the State Electricity Commission of Victoria exposing the humbug of the union bans on the construction of the Newport power station? If so, will the Attorney-General reject the request and inform the Foundation that it should accept the decisions of the Victorian Government Environment Protection Authority and the Environment Protection Appeals Board before which its representatives appeared? Will the Attorney-General also state that it is no part of his function to assist in any

way organisations which are attempting, by the extra-constitutional processes of black bans and boycotts, to prevent a decision of the Parliament of Victoria being implemented?

**Senator MURPHY**—I am not sure whether or not this has happened. I know that I have had some correspondence with the Australian Conservation Foundation which has been dealt with by my Department. I regret that I am not able to inform the Senate just what the contents of it are, but I will look into the matter.

#### TELEVISION RECEPTION AT YOUNG

**Senator MULVIHILL**—I direct to the Minister for the Media a question in the following terms: Has he received any complaints from residents in the Young district of New South Wales that the existing television reception of the national and commercial services in that district is inadequate, that the Wagga stations provide a marginal rural service and that the Orange station provides a poor service to Young? Consequently, will the Minister have inquiries made into television reception for people in the Young district?

**Senator DOUGLAS McCLELLAND**—I can tell the honourable senator that although I have received only one or two individual complaints about the inadequacy of television reception within the Young district of New South Wales, nonetheless engineers of the Australian Broadcasting Control Board, during the course of the tests that they carry out from time to time of the strength of signals, have reported to me that the existing reception in Young is not all that it should be. They have reported to me that the Wagga station, which feeds into Young, produces programs of a marginal rural interest to the people of the Young district and that Young receives a comparatively poor service from Orange. These matters have been reported to the Australian Broadcasting Control Board, and I am given to understand that a report for the Board is on its way to me, recommending that I approve of a translator to go into the area to serve the people of the Young district, who number, I think, about 7,000.

#### INDUSTRIES ASSISTANCE COMMISSION

**Senator DRAKE-BROCKMAN**—My question is addressed to the Leader of the Government in the Senate. Is it a fact that the Industries Assistance Commission has reversed tariff recommendations in cases in which it considered that there was even a slight chance of its original report adversely affecting employment? Was this

change of attitude conveyed in a letter from the Chairman of the Commission to the Prime Minister? I ask whether the change of heart is a voluntary action of the Industries Assistance Commission, a response to a request by the Prime Minister or a concession to demands by the Australian Council of Trade Unions. Will the new approach of the Commission be extended to the relief of other problems, such as lack of incentives for increased productivity in primary industry?

**Senator MURPHY**—I understand that the Industries Assistance Commission has been asked, when making its report, to take into account the question of the effect of its recommendations on employment. As to the other matters of detail about which the honourable senator asked, I will refer the question to the Prime Minister for an answer.

#### PENSIONER BENEFITS

**Senator McINTOSH**—Can the Minister for Repatriation and Compensation confirm that pensioners who lose their pensioner medical service card cease to be entitled to fringe benefits? What is the reason for this, and what action can be taken to avoid such situations in the future?

**Senator WHEELDON**—This is a matter of some complexity which has caused some concern, and in view of the interest in the question I should like to give an answer with some precision. The loss of a pensioner medical service card means that the previous holder of the card loses his eligibility for some of the so-called fringe benefits. This is quite true. Although some concessions or fringe benefits are available to the more seriously incapacitated veterans who receive a disability pension at the special rate or the total and permanent incapacitate rate, and to war widows, fringe benefits are usually available only to those who have pensioner medical service cards issued to them by the Department of Social Security. This applies to Service pensioners as well as to age and invalid pensioners. Pensioners are eligible for pensioner medical service benefits if their means are within certain limits. There is a definition of the means, which I will not weary the Senate with, as I think that most honourable senators who are interested in the matter are aware of those levels. When the means exceed those levels pensioners cease to be eligible for the fringe benefits.

As the Senate knows, my colleague the Treasurer said in his recent Budget speech that television and radio licence fees would be abolished immediately. That, for example, was

one of the fringe benefits which had been lost by those people who held pensioner medical cards. Of course, as there are now no charges for radio and television licences, the loss of that so-called fringe benefit is of no disadvantage to anybody. The Government's current policy on telephone rental concessions—another of the fringe benefits—is that the concession is given to age pensioners only if they hold a pensioner medical service card. The possibility of extending this benefit to all pensioners comes up for review when surveys of all pensioner benefits are made and the Government's priorities in the field of social security and other pensioner benefits are established.

The other fringe benefits, such as the transport concessions and the reductions in municipal and other charges which apply in some States, are given on the basis of the holding of a pensioner medical service card but they are given by the relevant State or municipal authorities. The Federal Government has no control over what the State or municipal authorities may do on this matter. In the past they have determined that the people who hold these cards are entitled to certain benefits. It is entirely up to the States and the local government authorities to make a determination as to whether they wish to continue to provide those benefits. I am afraid that that is not in the hands of the Federal Government.

That, in short, is the position. I think that on balance most pensioners are better off, although I believe that it has to be conceded that owing to the changes in the whole structure of the pension system there are some people who should receive the so-called fringe benefits who do not receive them. But, in general, I think that it would be conceded that their position overall is better than it was previously.

### ETHIOPIA

**Senator WEBSTER**—My question is directed to the Minister for Foreign Affairs. I ask: Is the Minister aware of the reports which suggest that another mass execution of Ethiopian citizens and others by the present military regime there is imminent? Is the Minister aware that reports have been issued within the last week which indicate that at least 60 people were executed without trial following their being held in custody and that one of those citizens happened to be a Mr E. Makonnen who was the World President of the Young Men's Christian Association and who had done much to bring assistance to the less fortunate people of that area? Is concern felt by the Australian Government as to this action and to possible future action? Can the Minister

state what Australia has done officially on this matter or what it intends to do?

**Senator WILLESEE**—I understand that the position as set out by Senator Webster is basically correct. He was careful to use the word 'reports'. These reports, which are all we have to go on, state that there were 61 former Cabinet Ministers and government officials executed, including two former Prime Ministers—one Mr Wolde and the other Mr Makonnen, who was indeed World President of the YMCA. I think that not only the Government but also everybody in this House views with very great concern any situation anywhere in which the fundamental rules of justice, including the right to a fair and independent trial, are abused. If the reports are correct the Government deeply regrets the summary execution of 61 former Ministers and officials in Ethiopia and hopes that the remaining detainees held by the Ethiopian military command will be given fair trials. The Australian High Commissioner has just returned from Ethiopia to Nairobi. He indicates that so far there have been no civil disturbances in Ethiopia following the executions and that Australian residents are in no danger at present. However, he is watching the situation carefully and, if there is any suggestion that Australians are in any danger, either he or a member of his staff will return.

I have given some consideration to what Australia could do in this matter. As the honourable senator knows, we have no permanent representative in Addis Ababa itself. We cover Ethiopia from Nairobi. So it would be a slow sort of process to make contact in Addis Ababa even if we could. In these circumstances the Ethiopian Government might not even receive our Ambassador. I have asked Sir Laurence McIntyre, Australia's Ambassador to the United Nations to tell the Secretary-General of the United Nations, who has already written to the Ethiopian authorities making known his concern about this matter, that we agree wholeheartedly with those views and wish to be associated with his protest. At the same time I have asked Sir Laurence McIntyre to make known the views of the Australian Government to the Ethiopian authorities in New York.

### STATE GRANTS

**Senator MILLINER**—Can the Minister representing the Special Minister of State indicate when local authorities throughout Australia will receive the payments of \$56,345,000 that were granted as a result of the recommendations of the first report of the Grants Commission?

Will the Special Minister of State remind the recipients of this substantial allocation of funds that it was as a result of the initiatives taken by the Australian Government that the Grants Commission was requested to recommend the finance that should be allocated?

**Senator WILLESEE**—I will refer the question to the Special Minister of State and obtain an answer for the honourable senator.

#### AUSTRALIAN SECURITY INTELLIGENCE OFFICER

**Senator YOUNG**—I direct my question to the Leader of the Government in the Senate. I do so following the answer that he gave me yesterday to a question that I asked. Does the Leader of the Government have a liaison officer or a communications officer or some such person, who was previously a senior member of the Australian Security Intelligence Organisation, working with his office? If so, is he still a member of ASIO and what is the reason for having such an officer?

**Senator MURPHY**—I thought that I made the matter clear yesterday to the honourable senator. If he will look through Hansard he will find that approximately 12 months ago a specific question was put to me by Senator Greenwood on this precise matter. I gave an answer with precision as to what was the exact engagement of the person in question. As I recall it, he is a liaison officer. His employment is with the Australian Security Intelligence Organisation. Someone must bring material and do all sorts of things connected with that office. In no way is that person on what is described as the staff of the Minister. I hope that is quite clear to the honourable senator.

#### SCHOOL BROADCASTS CONFERENCE

**Senator POYSER**—Can the Minister for the Media confirm that an inter-ministerial conference on educational broadcasting for schools is scheduled for this week? Is it true that this event is the first of its kind for 5 years? What does the Minister hope will evolve from this conference in the shape of benefits for the school children of Australia? Does the Minister see the conference as something that will meet the needs of those schools that cannot receive national broadcasts on network transmissions at the moment?

**Senator Sir Magnus Cormack**—Mr President, I take a point of order. As many honourable senators are interested in this matter, could the answer be deferred and the information given as a ministerial statement by leave?

**The PRESIDENT**—I call Senator Douglas McClelland, the Minister for the Media.

**Senator DOUGLAS McCLELLAND**—I can tell the honourable senator that my colleague the Minister for Education, Mr Beazley, and I had convened a conference with State Ministers of Education to take place in May of this year. That conference had to be cancelled because of the decision then to hold an election following the double dissolution of Parliament. The conference has now been re-convened and will take place in Canberra tomorrow. In attendance will be my colleague, Mr Beazley, all State Ministers of Education and, of course, myself as the Minister for the Media. The last time a conference of this nature took place was in 1969. The honourable senator will realise that since that time, in the last 5 years, there have been amazing technological advances in aids and facilities that are available for educational broadcasting and in the media field generally. The purpose of the conference is to explore the latest facilities available and to find out ways and means in which they can be used. I should point out, in regard to the last part of the honourable senator's question, that whilst most of the population is able to receive the excellent service provided by the Australian Broadcasting Commission in educational broadcasting the fact is, as honourable senators well know, that there are many individual schools and students in remote parts of Australia that are inadequately catered for in this respect. One of the objectives of the conference is to ameliorate the conditions from which they suffer.

#### REMUNERATION BILL

**Senator Sir MAGNUS CORMACK**—My question is addressed to the Manager of Government Business in the Senate.

**Senator Devitt**—This is not a Dorothy Dixer, is it?

**Senator Sir MAGNUS CORMACK**—There will be ample opportunity for the Minister to make a lengthy statement in reply if he so desires. Will he verify a statement in a newspaper this morning that his Party Caucus has decided to reject the Remuneration Bill introduced by me into the Senate last Tuesday? Are the reports true that Caucus has decided that none of the anomalies I mentioned in regard to statutory officers is to be rectified? Will he not agree that the normal courtesy should be extended to a senator in charge of some of the business of the Senate and that he should be advised of the process by which it is dropped to the bottom of the notice paper?

**Senator DOUGLAS McCLELLAND**—Taking the last part of the honourable senator's question first, I can tell him that I had discussions

last night with the Leader of the Opposition and the Leader of the Australian Country Party in this place and I am afraid that time is not available for me to tell every honourable senator the order of business on the notice paper. If he has any complaints to make in that regard I suggest he take them up with his leader or with the Leader of the Australian Country Party. As to the first part of the honourable senator's question, I do not intend to confirm or deny, nor is it my responsibility in my capacity as Minister for the Media or Manager of Government Business in the Senate to confirm or deny, events that take place or are alleged to have taken place at a meeting of the Federal Parliamentary Labor Party. The honourable senator will recall that yesterday he introduced a Bill and made a second reading speech on it. My colleague the Minister for Foreign Affairs, representing the Special Minister of State, took the adjournment of the debate. When the debate is called on again I take it that my colleague, the Minister for Foreign Affairs, will state the Government's point of view.

#### **SALES TAX ON MARINE LIFE SAVING AIDS**

**Senator DEVITT**—I address my question to the Minister representing the Minister for Tourism and Recreation or whoever is the appropriate Minister. Does he appreciate that sales tax at the rate of 15 per cent currently applies to all forms of life saving equipment used on small boats? In view of the growing use of small boats, especially by inexperienced operators, coupled with the disincentive as a consequence of cost which is accentuated by the tax factor, will he ask his colleague the Treasurer to earnestly consider removing the sales tax on all life saving aids which should be carried on small craft?

**Senator WILLESEE**—I ask that the question be put on notice.

#### **FRUIT INDUSTRY SUGAR CONCESSION AGREEMENT**

**Senator SHEIL**—The Minister for Agriculture already has received, or will receive, telegrams from the fruit industry on the problem created by the fact that technically the Fruit Industry Sugar Concession Committee no longer exists because the sugar agreement has lapsed. Is it a fact that because of this the Fruit Industry Sugar Concession Committee was unable to meet earlier this month to set minimum prices for pineapples for canning and for berry fruits, and that meetings to set minimum prices for apricots and other canning fruits have been postponed? Will the

Minister urgently consult with the Minister for Northern Development to ensure that the expired agreement is continued until it is possible for a new agreement to be announced so that the Fruit Industry Sugar Concession Committee can continue and set the now overdue minimum prices?

**Senator WRIEDT**—The Fruit Industry Sugar Concession Committee comes, of course, under legislation concerning the sugar agreement between the State of Queensland and the Australian Government and is the responsibility of the Minister for Northern Development. It was my understanding that this matter had been resolved and I was anticipating that Dr Patterson would be making a statement on it during the past week. I am not aware of the reasons for this matter not being resolved. I will have to find that out from the Minister but I feel confident in saying that the rebate which has obtained over the years will not be lost to the fruit industry because of this delay. I am quite sure that Dr Patterson will make a statement on this matter very shortly. If there is any further information I can get for the honourable senator I will do so.

#### **REDCLIFFS PETROCHEMICAL PROJECT: TRADE PRACTICES ACT**

**Senator STEELE HALL**—I ask the Attorney-General whether he is aware of a passage in the proposed indenture between the State of South Australia and the Redcliffs Petrochemical Co. Ltd—it is in sub-clause (2) of clause 25—which reads:

For the purposes only of the Restrictive Trade Practices Act 1971 or any other legislation of the Commonwealth relating to trade practices whether passed in substitution therefor or otherwise (and only for such purposes) the State hereby approves those agreements practices arrangements acts or things in connection with the undermentioned matters which would, but for this Indenture, be a contravention of such act or other legislation.

The sub-clause then goes on to list the matters which the State—

**The PRESIDENT**—Order! Ask your question, please.

**Senator STEELE HALL**—Yes, Mr President. In asking this question I wish to direct the attention of the Attorney-General to the fact that the matters listed are of very wide significance in the procurement of raw materials and the disposal of products. I ask the Minister whether he believes that it is proper that a State government in a proposed indenture intends to void the application of the trade practices legislation as it concerns an \$800m proposal. I ask him also whether he will allow the State to proceed unchallenged.

**Senator MURPHY**—I was not aware of this matter until the honourable senator referred to it just now. I will have it investigated. Certainly a departure of such dimensions may create a great vacuum in the operation of the Act. In general, without dealing with the technicalities of the matter, the Senate will be aware that what is done under State law specifically falls outside the scope of the Act, but that situation can be coped with by an appropriate regulation under the Trade Practices Act. I think that that is perhaps a sufficient description of how the procedures operate in general but because this is a technical legal matter I will look into it and advise the Senate further.

#### BUS ACCIDENT INQUIRY

**Senator MELZER**—I refer the Minister representing the Minister for Transport to the tragic accident which occurred in Melbourne last month when a bus carrying members of a marching girls' club ran out of control killing the driver and injuring a number of passengers. Did the Department of Transport subsequently initiate investigations into the causes of the accident? Can the Minister advise whether any special regulations covering buses will be introduced following these investigations?

**Senator CAVANAGH**—The Minister for Transport, through his Department, is conducting an investigation into this particular accident and also into other bus accidents that have occurred. It would appear that the accident to which the honourable senator referred was caused by the failure of a hydraulic brake cylinder on the rear wheel. As a result, the Department of Transport is preparing draft regulations on auxiliary braking devices for buses which it will present to a meeting of the Australian Transport Advisory Council to be held next February. The Australian Transport Advisory Council will also consider a number of other suggestions, including an emergency braking system.

The Department of Transport held a meeting of inspectors and licensing authorities in order to expedite the implementation of a uniform compulsory inspection of interstate buses. Furthermore, the Department has checked on what has been happening overseas to see whether new types of seats can be ordered which will be stronger and restrict movement upon impact. The Department has raised with the appropriate unions the question of those who drive passenger buses wearing a lap belt. In the particular accident to which the honourable senator referred it was thought that if the driver had been wearing a

lap belt at the time of the accident there would have been less risk of injury. There seems to be some opposition from those who drive heavy transport vehicles to being harnessed in their seats.

#### AUSTRALIAN COUNCIL OF TRADE UNIONS

**Senator MAUNSELL**—My question is directed to the Leader of the Government in the Senate. I refer to the 24 per cent pay increase to pilots granted by Trans-Australia Airlines against the direction of the Minister for Transport. I ask: Was this the result of intrusion by the Australian Council of Trade Unions? I also refer to the Industries Assistance Commission's recommendation for a 25 per cent increase in tariffs on textiles and certain other goods. I ask: Was this the result of an ACTU ultimatum to the Government? Are these not further instances of the Government's having to be prompted and threatened into reversing wrong decisions?

**Senator MURPHY**—I do not know that the honourable senator's statement on what has happened is correct. The honourable senator referred to the increase to pilots as being against the direction of the Minister for Transport. I recall that the Minister for Transport wanted the matter taken to arbitration and it was. The rest of the matter is now history. The honourable senator suggests that some threat has been made by the Australian Council of Trade Unions. I do not know that this is so at all. If threats were made to the Government by the ACTU or from any other source it would not affect the Government. The Government will take the advice of the ACTU—as the previous Government did—and we will certainly welcome it. There ought to be good liaison between a government—especially a Labor government—and the ACTU. This Government would not take orders from anyone.

#### PROPOSED PARRAMATTA RAILWAY

**Senator GIETZELT**—The Minister representing the Minister for Transport will be aware of the criticism which has long prevailed in New South Wales over the provision of public transport services in the Parramatta area. In the light of the long standing need for the introduction of a modern railway system servicing the Parramatta region, can the Minister advise the Senate of the present state of negotiations with the New South Wales State Government over the provision of such a railway system?

**Senator CAVANAGH**—Yes. Negotiations are taking place between the Australian Government and the New South Wales Government. The Prime Minister wrote to the Premier of New South Wales some time ago offering to build a railway system servicing the area of Parramatta. He indicated that the Commonwealth would accept full responsibility for the cost of such a project. He stated that he wanted it to be a definite contribution to suburban transport around the Parramatta area and that it would be equipped with all available up-to-date carriages and other rolling-stock. The New South Wales Premier replied that he was prepared to co-operate with the Australian Government in such a scheme and in carrying out a feasibility study of the proposal. The result of this co-operation is that there will be some initial assistance offered for the building of a Parramatta railway system. This is a forward step in the building of suburban railway systems. It is unfortunate that Queensland will not co-operate like New South Wales and is depriving its people of assistance similar to that offered to New South Wales; but that is the state of affairs today.

### GLASS IMPORTS

**Senator GUILFOYLE**—My question is directed to the Leader of the Government in the Senate and refers to the decision relating to the Industries Assistance Commission's new approach to 5 items and, in particular, to the recommendation that imports from the Philippines and South Korea should not get developing country preferences. Is the Minister aware that the figures of imports of clear sheet glass for the September quarter this year approximate the imports for the full year 1973-74? Is the Minister considering the revision of the classification of Taiwan as a developing country for the application of duty free access? As the figures for the September quarter imports from Taiwan are similar to those for imports from the Philippines, it would seem consistent that Taiwan should be reviewed as a duty free exporter of glass to Australia if we are to give assistance to the recommencement of clear glass manufacture in Australia.

**Senator MURPHY**—I will refer the question to the appropriate Ministers, because I think it touches the portfolios of several, and I will communicate the honourable senator's observations to them.

### DISTINGUISHED VISITOR

**The PRESIDENT**—I would like to draw the attention of the Senate to the presence in the gallery of a former Senate colleague, ex-Senator Joe Fitzgerald. We welcome him to the Senate and hope that his stay here is pleasant.

### FREQUENCY MODULATION BROADCASTING STATIONS

**Senator McAULIFFE**—I ask the Minister for the Media: Is he aware that there is some concern that the Music Broadcasting Societies authorised by the Government to establish experimental radio stations in Sydney and Melbourne are experiencing difficulties in establishing these stations? Will the Minister advise the Senate whether these difficulties have arisen from problems associated with meeting the technical standards laid down by the Australian Broadcasting Control Board? Will he tell the Senate what measures he proposes to take to ensure that these Societies can overcome these difficulties in establishing their stations?

**Senator DOUGLAS McCLELLAND**—I have heard rumours of the nature referred to by the honourable senator but I can give a categorical denial that any problem with technical standards has arisen so far as the Australian Broadcasting Control Board or the Australian Post Office are concerned in connection with the proposed frequency modulation stations. I understand that there has been some delay, particularly with the Melbourne station, but that is more in the nature of a physical problem because local council planning comes into the matter. The group which plans to set up the station in Melbourne, the Music Broadcasting Society of Victoria, I understand is awaiting final council approval for the erection of its tower and I am hoping that representations will be effectively made to the local council to expedite its approval for the construction of that tower.

In Sydney the problems have arisen because the site for the station has changed hands and the new owners had other plans for the building. However, the Government bodies concerned, the Postmaster-General's Department and the Australian Broadcasting Control Board, have been in contact with the Music Broadcasting Society of New South Wales and have suggested to the Society what I understand is regarded to be a better site. It is intended that that site will now be used by the group. The Australian Broadcasting Control Board and the Post Office have been working very closely with the Music Broadcasting Societies of New South Wales and Victoria. There is great co-operation on the technical

aspects. I still am given to understand that the frequency modulation station in New South Wales is expected to go to air about the middle of next month and I understand a similar station will go to air in Victoria early in 1975.

#### **ASSISTANCE TO APPLE INDUSTRY**

**Senator DURACK**—I ask the Minister for Agriculture: Is it not a fact that some months ago—I cannot specify the date—the Minister indicated that the Government would be making a payment of \$5m in compensation to the apple industry as a result of the withdrawal in the 1973 Budget of certain sales tax concessions which had been of great assistance to the industry? If that is a fact, will the Minister indicate what has happened to the plan, when the money is likely to become available, on what terms and so forth?

**Senator WRIEDT**—The decision to remove the 5 per cent concession to the industry was taken, of course, in the 1973 Budget. The Government at the time indicated that it would provide \$5m to assist the industry in the changes that would naturally occur as a result of the removal of the 5 per cent concession. The implication by the honourable senator in his question that considerable benefits were obtained by the payment of the 5 per cent concession can be, I think, legitimately argued. Benefits were accruing to the processing industry but certainly not to the growers. I well recall that the figures which were quoted at the time showed that even though the concession was costing the Federal Treasury about \$18m a year only about \$3m of that \$18m was actually going to the grower. The great bulk of it was going to the processors. Of course many of the processors were big private companies which were well able to absorb the additional costs which arose from the removal of the concessions. As to the precise position of the \$5m I cannot advise the Senate. I will have to get the up to date information and I will then provide an answer in more detail to Senator Durack.

#### **REGIONAL EMPLOYMENT DEVELOPMENT SCHEME ASSISTANCE IN SOUTH AUSTRALIA**

**Senator McLAREN**—Is the Minister representing the Minister for Labor and Immigration able to say whether the Minister responsible for the Regional Employment Development Scheme has this week considered new areas in South Australia as being eligible to participate in the Scheme?

**Senator BISHOP**—Mr Crean, who stood in for Mr Clyde Cameron at yesterday's meeting of

the RED Ministers, has given the information that for South Australia the Ministers declared the outer metropolitan area, coming within the administrative responsibility of the Elizabeth City Council, as being eligible for assistance under the scheme. The Elizabeth City Council is within the boundaries of the area served by the office of the Commonwealth Employment Service at Elizabeth. The same applies to the Redcliffe City Council in Queensland. The Elizabeth City Council, the Redcliffe City Council and local bodies in those areas may now put forward projects for consideration under the RED Scheme.

#### **ETHIOPIA**

**Senator CARRICK**—My question is directed to the Minister for Foreign Affairs and is supplementary to the one asked by Senator Webster regarding the wave of mass executions in Ethiopia. I ask: Does the Australian Government recognise the new regime in Ethiopia as the de facto government of that country? Has the Australian Ambassador in his responsibilities for Ethiopia visited Addis Ababa or any other part of that country since the coup? If so, has he contacted the new regime? In view of the present tragic mass executions in Ethiopia and the foreshadowing of further mass executions, why is our representative, as I understand it, now in Australia and not in Ethiopia? Why has the Australian Government failed to register its protest directly to the new regime? In view of the report that the former Emperor and other members of the deposed Government are in imminent danger of execution, will the Government take immediate action to get its message, if it can do so, directly to the Ethiopian regime and, apart from the steps indicated by the United Nations, attempt to organise urgent intervention by the United Nations?

**Senator WILLESEE**—I do not know the details sought in the earlier parts of the question. I will find them out for the honourable senator. He referred to our representative being in Australia.

**Senator Carrick**—Did you not say that in your earlier answer?

**Senator WILLESEE**—No. He is stationed in Nairobi.

**Senator Carrick**—I know. I thought you said he was back in Australia.

**Senator WILLESEE**—Well, if I did I apologise. I certainly did not mean to say it. The point I want to make is that because we do not have direct representation in Addis Ababa it was better

to take this up in New York where we would get more direct contact. Several points are involved in the question. I will have a look at them and if there are any that I have missed I will find out the details from my Department and give them to the honourable senator.

#### TAX DEDUCTIBILITY OF HOME MORTGAGE INTEREST PAYMENTS

**Senator COLEMAN**—My question is directed to the Minister representing the Minister for Housing and Construction. I draw the Minister's attention to the Government's recently announced scheme of tax deductibility of mortgage interest payments. In view of the vital nature of this scheme to all current and intending home owners in Australia, will the Minister assure the Senate that no effort will be spared in bringing the existence of the scheme to the attention of the general public?

**Senator CANVANAGH**—The Minister is most anxious to get this information to the public. He has advised all banks, real estate agents and builders so that they may inform clients of the tax deductibility of home mortgage interest payments. In some cases the deduction will amount to about \$8 a week. It is hoped that on the taxation forms for next year there will be information on this deduction similar to that for other allowable deductions. It is hoped that politicians may give some assistance by notifying the people in their electorates of the deduction of home mortgage interest payments for tax purposes. If claims for this purpose are made from 1 January on the pay-as-you-earn system, this will reduce the tax taken out of the weekly pay. There will be a lump sum payment at the end of the year on an apportionment basis in cases where the deduction applied prior to 1 January and the deduction was not made on a weekly basis. As much as can be done by the Minister to inform the public on this scheme is being done, and he has called for assistance.

#### SALE OF SUGAR TO JAPAN

**Senator LAWRIE**—Can the Minister representing the Minister for Northern Development inform the Senate of any proposed sugar deal with Japan involving 600,000 tonnes a year for 5 years as mentioned in this morning's Press. Can the Minister give the Senate any further particulars of this deal?

**Senator WRIEDT**—Dr Patterson, who is the Minister responsible for this, was in Japan some weeks ago to arrange a contract with the Japanese importing firms. No finality was reached at that time. I do not know what has

obtained since then. I would assume that the Japanese are still very interested in buying Australian sugar and presumably it is only a matter of working out the details of a contract, but I will need to obtain the information from Dr Patterson. I will get it for the honourable senator.

#### AUSTRALIAN FOREIGN AID

**Senator MISSEN**—My question is addressed to the Minister for Foreign Affairs. Is it correct that the Organisation for Economic Co-operation and Development has assessed Australia's foreign aid for the year 1972 at 0.59 per cent of the gross domestic product and for 1973 at the lower figure of 0.44 per cent? Is it a fact that the percentage of foreign aid has declined still further in 1974? In view of the effects of devaluation and inflation, does this mean a further decline in foreign aid in real terms? In the light of the Prime Minister's talk to the United Nations on the need to close the gap between developed and developing nations, does the Government propose to do anything to improve its poor record in this field of foreign aid?

**Senator WILLESEE**—I am amazed that Senator Missen would finish a question with an allegation about our 'poor record'. According to the figures on international aid issued by the Organisation for Economic Co-operation and Development, last year we were rated fourth in the world. I hardly think that that is a poor record. Senator Missen gave some figures which indicated that our aid is dropping. The fact is that the Budget increased our overseas aid by 31 per cent this year. I have just had a document put in front of me. There have been claims that in 1973 Australia's development assistance expressed as a percentage of the gross national product decreased from 0.59 per cent to 0.44 per cent and that therefore Australia's aid program has decreased. This large decline is calculated on a calendar year basis and is due to the statistical impact at the time of expenditure. It is not uncommon that uneven half-yearly disbursements occur. The figure bears no relation to calculations on a fiscal year basis, which is the only meaningful way of assessing aid expenditure. On a fiscal year basis Australia's aid performance rose from \$217m in 1972-73 to \$259m in 1973-74, an increase of \$42m or 19 per cent, and the extra funds spent will appear in the 1974 calendar year statistics. Australia's development assistance expressed as a percentage of the GNP slightly increased from 0.53 per cent in 1972-73 to 0.54 per cent in 1973-74. It was announced in the Budget that our aid will approach 0.6 per cent in 1974-75.

## EDUCATIONAL TELEVISION IN SOUTH AUSTRALIA

**Senator DAVIDSON**—I ask the Minister for the Media: Is it a fact that the Australian Broadcasting Commission now has a facility located in Adelaide for transferring program material to videotape for use in a relay national television station in Alice Springs? Could this facility be used for transferring educational material to video cassettes for use in teaching isolated children? Is there any progress in the development of a national program resources centre to provide material for such teaching, and has there been any consultation on this matter with the State education authorities?

**Senator DOUGLAS McCLELLAND**—I think I reported to the Senate last year that one of the commercial television stations in Adelaide—I think from recollection it was station SAS—was engaged in making video-tape facilities available to the education authorities of South Australia, and I understand that that arrangement has met with some success. I know that recently, as a result of representations that came to me, I think, from my colleague the Minister for Education, the Australian Broadcasting Commission also was able to extend this type of facility to schools in and around the Alice Springs area. As I mentioned in reply to a question that was asked of me by, I think, Senator Poyser earlier this morning, the whole question of educational broadcasting and what can be done by way of media facilities is being opened up at a national conference to be held at Parliament House in Canberra tomorrow, between myself, my colleague the Minister for Education and the State Ministers for Education. I will be briefed on the matter by officers of the ABC, the Australian Broadcasting Control Board, my own Department and the Post Office. I know that the matters to which the honourable senator has referred have been the subject of discussion between those officers, and I hope they will be raised at the conference tomorrow.

## CITIZENSHIP APPLICATIONS BY MAIL OFFICERS

**Senator MULVIHILL**—Can the Postmaster-General give me an up-to-date briefing on the position confronting the group of Sydney mail officers who are members of the Amalgamated Postal Workers Union and in respect of whom delays in the processing of citizenship applications can affect attainment of permanency in the Postmaster-General's Department?

**Senator BISHOP**—Senator Mulvhill has asked a number of questions about these people and we have been trying to get the information. I

now have the information. The first of the mail officers was naturalised on 13 November 1974 and was appointed to my Department on the same date. The second was naturalised on 15 November 1974 but has not yet produced his citizenship certificate to my Department. He is expected to be appointed as from 21 November. Another cannot be naturalised until 21 March 1975. Another was naturalised on 4 November. He will be appointed from 21 November for permanency. There is no record of the other 2 officers having applied for naturalisation. We cannot find any such applications. We are making further inquiries. The remaining employee has not yet applied for naturalisation.

## NITROGENOUS FERTILISERS

**Senator WRIEDT** (Tasmania—Minister for Agriculture)—I present the report on nitrogenous fertilisers, dated 16 July 1974, of the Industries Assistance Commission.

## JOINT COAL BOARD

**Senator WRIEDT** (Tasmania—Minister for Agriculture)—I present the twenty-seventh annual report of the Joint Coal Board for the year ended 30 June 1974.

## CONSUMER SURVEY

**Senator CAVANAGH** (South Australia—Minister for Aboriginal Affairs)—For the information of honourable senators, I present the report of a 6-city consumer survey prepared by P.A. Management Consultants Pty Ltd entitled 'Finance for New Homes'.

## MODERN HOUSING TECHNIQUES

**Senator CAVANAGH** (South Australia—Minister for Aboriginal Affairs)—For the information of honourable senators, I present the report prepared by the Australian Government task force to investigate modern housing techniques. Due to the limited numbers of this document available, I have arranged for reference copies to be placed in the Parliamentary Library. An interim version of this report was tabled in the Parliament on 25 July 1974.

## REMUNERATION TRIBUNAL

**Senator WILLESEE** (Western Australia—Minister for Foreign Affairs)—Pursuant to section 7 of the Remuneration Tribunals Act 1973-1974, I present the Remuneration Tribunal's determination of fees and allowances for the Chairman of the Interim Committee on the National Estate and the Chairman and members of the committee to advise on policies for manufacturing industry.

**STANDING COMMITTEE ON FOREIGN AFFAIRS AND DEFENCE****Report on the Australian Army**

**Senator PRIMMER** (Victoria)—I present the report and transcript of evidence of the inquiry by the Standing Committee on Foreign Affairs and Defence into the adequacy of the Australian Army to perform its necessary part in the defence of Australia.

Ordered that the report be printed.

I move:

That the Senate take note of the report.

In considering the matter of the adequacy of the Australian Army the Committee has attempted to review and assess the efficiency and capabilities of the Army at the present time and for the years immediately ahead. The terms of the reference have been taken to include not only consideration of the size and structure but also a range of factors relating to the Army's capabilities, efficiency, competency and professionalism. Although we have focused our attention primarily on the Army we have been acutely aware that the Army's part in our defence cannot be isolated from the overall effort which involves all 3 Services. Accordingly we have referred to each of the Services and have recommended various courses of action which affect them. The Committee has been conscious also of the need to view the Armed Services' role in the defence of Australia in the much broader context of the social, economic and political determinants of national wellbeing.

The Committee's report comprises 3 broad parts. In the first the Committee considers Australia's strategic situation together with other considerations and constraints relating to the practical problems of defence planning. We have aimed in this part to highlight the principal features which affect Australia's defence policy and hence determine the scope of the overall defence effort required of the 3 Armed Services within the context of our total national capacity—in other words, to formulate our views concerning the nation's overall defence requirements. The second and by far the greatest part of the report concentrates on the Army as a whole. In this section we have considered and recommended various courses concerning the organisation and capabilities of the Army, its arms, equipment and manpower, and the support which is provided by the Royal Australian Navy and the Royal Australian Air Force. Higher command and control problems have also been examined, together with the problems which confront the profession at arms in peacetime. Our conclusions

and recommendations are summarised for convenience in the final part of the report. Although I do not wish to speak at length at this stage, I believe the Committee's recommendations are worthy of close consideration by the Government. We feel sure that the report, which has the unanimous agreement of the members of the Committee, will promote considerable debate in a variety of forums, including this chamber. We look forward to such debate.

On behalf of the Committee I wish to express sincere appreciation to the many individuals and organisations who presented evidence to us and who assisted with the inquiry in a host of ways. The Committee is appreciative of the specialised advice which was provided by Colonel J. A. Warr throughout the duration of the inquiry. Finally, special mention should be made also, I believe, of my colleague, Senator Drury, who chaired the Committee from the commencement of the inquiry through to the final stages of the preparations of the report prior to leaving in August for the United Nations. I commend the report to the Senate.

**Senator SIM** (Western Australia) (11.31)—I support the motion that has been moved by Senator Primmer. I join with him in offering the appreciation of the Senate Standing Committee on Foreign Affairs and Defence to Colonel Warr, our special adviser, and to the Senate secretariat, Mr Hocking and Mr Livermore who worked so well during the course of this important inquiry. I would also like to join Senator Primmer in expressing the appreciation of myself and, I am sure, of the other members of the Committee to the former Chairman, Senator Drury, under whose chairmanship the Committee, in discussing a sensitive political area, worked with the greatest of goodwill and co-operation and never once allowed political considerations to cloud its judgments. I would like also to pay tribute to Senator Primmer who took over at a late stage of the inquiry. Under his chairmanship the Committee continued to meet in the spirit of goodwill and co-operation that had characterised its considerations of this important subject.

I speak only in a very limited way to the report but I wish to mention two or three matters. I join with Senator Primmer in hoping that this report will receive close examination in the Senate, in the Parliament, in academic circles and in the armed forces because I believe it is deserving of that consideration. I am particularly concerned about our national attitude towards defence. I would draw the Senate's attention to the Committee's views regarding Australia's overall defence requirements. I particularly draw attention

to the crucial issue of appreciating the long lead times required to develop the Army, the Navy and the Air Force and hence the need to maintain a viable force irrespective of short term strategic prospects. For example it is 5 to 10 years from the time the decision is made to order any large item of equipment before delivery. It takes 8 to 10 years to train a company commander and 7 years to train an infantry sergeant. These are just indications of the lead time that is required. The Committee is concerned about this aspect because threats have a habit of arising quickly and developing before the—

**Senator Bishop**—I would like, without trying to interfere with Senator Sim's remarks—

**The PRESIDENT**—Are you taking a point of order?

**Senator Bishop**—Yes, Mr President. Without interfering too much with what Senator Sim will say, I suggest that it has been a convention in this place that when a report from a committee is presented and honourable senators do not know the conclusions or recommendations in the report, as far as I am aware only general comments are made. I suggest to Senator Sim that he is getting into an area that is obviously either part of the report or his own views. I respectfully suggest that such matters should not be debated until honourable senators have had a chance to read the report. Senator Sim is arguing some of the things that we have done. The point I make is that such matters should be best left until the report is available to honourable senators and we have had a chance to look at what the Committee said.

**Senator Cotton**—I speak briefly to the point of order. Senator Bishop observed that there is a convention in this place as to behaviour in relation to these matters. Perhaps it is a desirable convention but I can recall quite a number of previous occasions when it was not observed. I suggest, Mr President, that it is entirely a matter for Senator Sim, as a member of the Committee, to develop his argument as he wishes to do so.

**Senator Douglas McClelland**—Speaking to the point of order, I can say to my colleague Senator Bishop that I received an indication that the report of the Committee was to be presented. Frankly, I was automatically under the impression, although I certainly did not ask, that the appropriate Minister had been notified that the report was being presented. Senator Sim told me that he would like to speak for about 10 minutes on the contents of the report and that at the conclusion of his remarks he would seek leave to

continue so that he would not be closing the debate. That would give honourable senators the opportunity to debate the matter on some future occasion.

**The PRESIDENT**—Senator Sim, I think Senator Bishop quite rightly raised that point of order. It has been the custom for the debate to be adjourned. I was under the impression that an arrangement had been made and, knowing of your very keen interest in this matter, that you may have had some remarks that you wished to make at this stage. If you confine your remarks and later seek leave to continue I think every honourable senator will be happy about the arrangement.

**Senator SIM**—Thank you, Mr President. I have no wish to raise controversial issues. I am referring to matters contained in the report. I accept your direction. The Committee reported its concern about the size of the Regular Army and made certain recommendations. It believes that a Regular Army of approximately 38,000 is the minimum necessary to ensure maintenance of a viable and efficient force, and that we should strive to achieve this goal as soon as possible. It warns against allowing it to fall below a minimum viable force. The Committee dealt with the deployment capabilities of the Regular Army and commented on that point. It also dealt with the nature and role of the Army Reserve and commended the report by Dr Millar which we believe is of tremendous value. We believe that the primary role of the Army Reserve should be to provide, with the Regular Army, a basis for expansion of the whole Army at times of mobilisation and in situations short of defence emergencies. Generally I believe we support the recommendations by the Millar Committee.

The Committee made a close examination of naval and air support for the Army and visited both Army and Air Force establishments. While concluding that the Royal Australian Air Force air transport support is adequate for the Army's likely tactical and medium range strategical requirements, we believe that some problems may arise in meeting the simultaneous needs of the Army and the RAAF in an initial deployment period.

Transport capability of the Royal Australian Navy is much less satisfactory. The Committee believes that we should acquire a multi-purpose logistic assault ship to aid the deployment and maintenance of the Army. The Committee was concerned at the lack of close air fire support from the RAAF and commented, and made

recommendations upon, this field. The Committee also is conscious of the requirement that the Army may be needed to meet a guerilla type attack on Australia or terrorist activities, and made some comment upon these possibilities. We are also very conscious of the difficulties in maintaining a peace time army and make recommendations concerning adventure training, realistic training and imaginative training in the Army to maintain interest and efficiency. Comments are made in the report in relation to civilian-military relationships, and the Committee has expressed some quite serious concern in this regard.

The final matter on which I would comment is the concern of the Committee on the question of housing. I think that we could refer back to the lack of attention paid to this matter by previous administrations. The Committee is concerned at the overall problem of housing and the number of houses of sub-standard quality in which Army personnel have to live. This is a serious matter affecting morale and family relationships, and the Committee regards a substantial number of these houses as being of unsatisfactory standard. I am aware that the Government is taking an interest in this, but there are past deficiencies to be made up. The Committee has recommended that in future Service housing should not be built in military suburbs but dispersed throughout the cities and towns concerned. I believe that there is great value in the Army population mixing at all times with the civilian population. The Committee also makes comments in its report about professional military training of Army officers and the professionalism of the Army generally.

I have dealt in a very limited way with some of the aspects of the report. I believe it is a very important report and I hope that at some stage during the next session an opportunity will be given for the Senate to debate this report, at which time perhaps other issues can be raised. I seek leave to continue my remarks at a later date.

Leave granted; debate adjourned.

#### PUBLIC ACCOUNTS COMMITTEE

**Senator McAULIFFE** (Queensland)—As Chairman of the Joint Committee of Public Accounts, I present the 149th and 150th reports of the Public Accounts Committee.

Ordered that the reports be printed.

**Senator McAULIFFE**—I seek leave to have a short statement incorporated in Hansard.

**The PRESIDENT**—Is leave granted? There being no objection, leave is granted.

(The document read as follows)—

The 149th report of the Public Accounts Committee comprises 4 Treasury Minutes relating to previous reports of the Committee. These reports are the 137th report which dealt with the Auditor-General's report for 1970-71, the 139th report relating to internal audit, the 140th report relating to expenditure from the Advance to the Treasurer 1971-72 and the 141st report relating to expenditure from the Consolidated Revenue Fund 1971-72. The 150th report concerns the Committee's inquiry into aspects arising from the report of the Auditor-General for the financial year 1972-73. The committee would again command the Auditor-General and his staff for the sustained effort they have made over the years to present his report to Parliament early in the Budget session. As we have indicated in previous occasions the tabling of the report at this time each year has assisted the committee considerably in this important area of its work.

In its inquiry the Committee took evidence from the Department of Aboriginal Affairs, the Department of the Army, the Department of Defence, the Postmaster-General's Department, the Department of Supply and the Department of Works. In all, our inquiries related to 7 matters.

The Department of Aboriginal Affairs, through its Northern Territory Division, inherited overall responsibility for the self-help housing scheme from the welfare division of the former Northern Territory Administration—the Department of the Interior. The Committee inquired into the arrangements made in 1971-72 by the Northern Territory Administration for the purchase and delivery of 34 demountable houses to be erected for occupation by Aborigines at three aboriginal settlements. The evidence shows that suitable arrangements had not been made by the welfare division of the Northern Territory Administration for the delivery and storage of these houses at the settlements and that damage and deterioration had resulted. The Committee has criticised those responsible and has suggested that delivery and inspection problems in remote areas should be fully considered before delivery to site clauses are written into contracts relating to the Northern Territory.

In the case of the Department of the Army our inquiries were directed towards ascertaining the reasons why a prototype trailer-mounted refrigerator unit was passed by the Department as suitable for production when it was later found that the prototype and the 85 units produced were unsuitable for the purpose for which they were purchased. The committee has criticised the quality of the tests made on the

prototype and has drawn attention to the principle it has previously enunciated that in contracts with a developmental content, the prototype should be subjected to exhaustive testing before authority is given for the rest of the production to proceed.

The evidence taken from the Department of Defence related to the lack of control in the administration of a cleaning contract which resulted in a number of underpayments and overpayments to the contractor. Action was taken by the Department to improve the administrative control over the contract by increasing staff and instituting new verification procedures. The Department intends to terminate the existing contract and replace it with a new contract which will include a more precise formula for adding new areas and for wage adjustments.

In connection with the Postmaster-General's Department the evidence taken related to the development of a computer-based message switching and data network, the awarding of the contract to UNIVAC Australia and the resultant delays in the completion and acceptance of the network which the Post Office considers could affect its profits to the extent of \$12m. From the evidence presented, the Committee concluded that a proper evaluation of the tenders was made and that the decision to award the contract to UNIVAC seems to have been the correct one based on the information available to the Post Office at the time. However, the Committee considers that the delays could have been shortened had the Post Office made representations to the contractor's parent company in New York earlier than it did.

Evidence was taken from the Department of Supply in relation to a payment made to a contractor towards the end of the financial year in what appeared to be an attempt to avoid the lapsing of an appropriation. The Committee was satisfied that the New South Wales district contract board acted quite properly in authorising the payment to the contractor.

In connection with the Department of Works the Committee inquired into the circumstances of a payment made by the Department's regional office in the Australian Capital Territory to a contractor before the supplies had been received and before the payment was required to be made under the contract. In all the circumstances the Committee concluded that the payment should not have been made before the equipment was delivered on site. Again in connection with the Department of Works, the Committee inquired into a number of instances

in the Department's regional office in the Northern Territory where cheques were drawn towards the end of a financial year and held by departmental officers for subsequent delivery to contractors. The Committee concluded that the rate of payments had been deliberately accelerated in June 1973 in order to expend the appropriation, which was contrary to the directions issued by the Treasury. Action has been taken by the Department to improve the financial procedures at its regional office in Darwin. I commend the reports to honourable senators.

#### DISTRIBUTION OF HANSARD

**The PRESIDENT**—A request was made of me by Senator Young about the entitlements of retired senators to receive copies of Hansard. I would like to state that retiring senators are entitled to receive Hansard. Their names are automatically placed on a mailing list on request, and the onus is upon the retiring senator to make the request. I will have a review made of the list of retired senators with a view to acquainting them of their entitlements.

#### SENATE STANDING COMMITTEE ON SOCIAL ENVIRONMENT

**Motion (by Senator Mulvihill) agreed to:**

That there be referred to the Senate Standing Committee on Social Environment the following matter—the impact on the Australian environment of the current woodchip industry program.

#### JOINT COMMITTEE ON PECUNIARY INTERESTS OF MEMBERS OF PARLIAMENT

**Senator DOUGLAS McCLELLAND** (New South Wales—Manager of Government Business in the Senate)—I move:

1. That the Senate concurs in the resolution transmitted to the Senate by message 157 of the House of Representatives, namely, that paragraph 12 of the resolution of the appointment of the Joint Committee on Pecuniary Interests of Members of the Parliament be omitted and that the following paragraph be substituted:

(12) That the committee report within the shortest reasonable period, not later than 29 May 1975, and that any member of the committee have power to add a protest or dissent to any report.

2. That the foregoing resolution be communicated to the House of Representatives by message.

**Senator Sir MAGNUS CORMACK** (Victoria) (11.40)—Before the motion is put, I was wondering whether the Manager of Government Business in the Senate could inform the Senate as to the reasons it has been found necessary to make this substitution.

**Senator DOUGLAS McCLELLAND** (New South Wales—Manager of Government Business

in the Senate)—in reply—I am given to understand that this substitution is necessary because the question of time is involved. Certain details have been sought by the Committee. I understand a questionnaire has been sent to members of the Committee. It is felt the Committee will need the additional time before it will be able effectively to report its deliberations to the Parliament.

**Senator Sir Magnus Cormack**—I can well understand the factor of time. But there is a second matter involved. Why is it necessary—

**The PRESIDENT**—Order! We have to get this in order. Senator Douglas McClelland technically closed the debate. The honourable senator will have to seek leave to make a statement.

**Senator Sir MAGNUS CORMACK** (Victoria)—I ask leave to make a short statement.

**The PRESIDENT**—Is leave granted? There being no dissent, leave is granted.

**Senator Sir MAGNUS CORMACK**—I am grateful to the Senate. The question, of course, of time is one that is relevant. I offer no objections to that. What concerns me is why it is necessary to add the words he proposed:

... that any member of the Committee have power to add a protest or dissent to any report.

Without having examined anything on parliamentary practice, I believe that it is normal in any committee operating in the Parliament that members may dissent from any report. They do not require the sanction of either House to make a report dissenting from the report of any committee of the Parliament. That is my understanding of the situation, unless in the Standing Orders of another place there is a provision of which I have no knowledge. Therefore, I ask: Why is it necessary to insert the words:

... that any member of the Committee have power to add a protest or dissent to any report.

**Senator DOUGLAS McCLELLAND** (New South Wales—Manager of Government Business in the Senate)—by leave—I am given to understand that it is necessary to make the provision because this is a joint select committee of both Houses of the Parliament. I understand that the Standing Orders of the Senate provide that a member of a select committee of the Senate may submit a report dissenting from a majority report of the committee. I am told that there is nothing in the Standing Orders of the Senate relating to joint standing committees. There is no provision in the Standing Orders of the House of Representatives for a dissenting report to be provided by a member of a House of Representatives select committee or a joint select committee.

Therefore it is necessary to get an authority—by resolution of both Houses—to provide that any member of the committee have power to add a protest or dissent to any report. That is the reason I propose that these words be added.

**Senator Sir Magnus Cormack**—I am quite satisfied with that.

Question resolved in the affirmative.

#### DEFENCE SERVICE HOMES BILL 1974

Bill received from the House of Representatives.

Standing Orders suspended.

Bill (on motion by Senator Cavanagh) read a first time.

#### Second Reading

**Senator CAVANAGH** (South Australia—Minister for Aboriginal Affairs)—I move:

That the Bill be now read a second time.

As the second reading speech is a repetition of that made in the other place I seek leave to have it incorporated in Hansard.

**The PRESIDENT**—Is leave granted? There being no dissent, leave is granted.

(The document read as follows)—

As honourable senators will be aware, one of the first steps taken by the Labor Government when it took office in December 1972 was to carry out a comprehensive review of the then war service homes scheme. The changes which were subsequently made by the Defence Service Homes Act 1973 were the most significant since the enactment of the original War Service Homes Act, which received the royal assent on Christmas day 1918. The Government has carried out a further review of the scheme and this Bill makes provision for a number of additional important changes in the scheme which are designed to improve substantially the borrowing arrangements under the scheme.

Provision is made in the Bill for an increase in the maximum loan to \$15,000. The Government considers that this is necessary in view of the increase in the cost of acquiring a home since the maximum loan was increased to \$12,000 in 1973.

The Bill provides also for a liberalisation of the eligibility provisions of the Act which will remove the restrictions which, since the inception of the scheme, have prevented single men and widows with the necessary qualifying service from receiving assistance. A similar restriction relating to the granting of assistance to single and widowed females was removed last year.

This amendment will remove all discrimination in the Defence Service Homes Act against single persons, thus giving full recognition to the principle that defence service homes benefits are granted not only as a measure of repatriation, but also as a reward for service.

The Bill contains limited provisions which will enable the balance of an existing loan to be made available for the acquisition of another property in special circumstances.

Since the inception of the scheme in 1919 it has been the intention that an eligible person shall be granted assistance under the scheme in respect of only one home. In conformity with this intention, the Act provides that the Director of Defence Service Homes shall not grant to any one person a loan in respect of more than one property, except with the approval of the Minister.

Under the existing provisions of the Act, when a purchaser or borrower sells his defence service home and discharges his liability, the amount received must be paid into the Consolidated Revenue Fund and is not available for allocation towards the building or purchase of another home. While the Act empowers the Minister to approve the grant of assistance for another property, the loan must be provided from the annual appropriation of funds for defence service homes. As a consequence, where a second loan is approved, the funds available for applicants who have not previously been assisted under the scheme are correspondingly reduced.

Although the policy is being administered more liberally and sympathetically than prior to December 1972, it has been necessary to be careful and conservative in approving second loans, in order not to jeopardise the interests of persons seeking initial loans.

The Government feels there is a need for more flexible arrangements which will enable the balance of a loan to be transferred in special circumstances, without adversely affecting the interests of persons seeking assistance for the first time. Accordingly provision has been made in the Bill for a standing appropriation of moneys in the Consolidated Revenue Fund to the extent of the balance of the moneys outstanding under a contract of sale or advance under the Act paid to the Director, where, by virtue of an approval by the Ministers under section 19B and 20A of the Act, the Director has entered or enters into a further contract of sale or advance with that persons in respect of another dwelling-house.

In conformity with the intention of the scheme, the balance of an existing loan will be made

available for the acquisition of another home only in special circumstances. In general, approvals will be limited to cases where the applicant is compelled to move from his present defence service home through circumstances beyond his control. An application for approval must be made before the first home is sold and the amount of assistance will ordinarily not exceed the balance of the existing loan.

The Bill provides for an extension of the definition of 'holding' in the Act to include a lease on Norfolk Island from Australia or from the Administration of the Territory granted for a term of not less than 28 years. At present the only leasehold interests on Norfolk Island which can be accepted under the Defence Service Homes Act are leases in perpetuity or leases for a term not less than 99 years. This has caused some difficulty as leases on Norfolk Island are normally limited to 28 years.

The Government has reviewed the interest rate charged on loans made under the Act. The present rate of 3½ per cent per annum was fixed in 1946. Since then, the long term bond rate has risen from 3½ per cent to 9½ per cent per annum. The Bill provides for an interest rate of 3½ per cent per annum to be charged to a purchaser or borrower in respect of a loan not exceeding \$12,000. Where the amount of loan exceeds \$12,000, the Bill provides for interest to be charged at the prescribed rate in respect of that part of the loan which exceeds \$12,000. Provision is also made for interest to be charged at the prescribed rate in respect of any additional loan made to a purchaser or borrower.

It is proposed that the prescribed rate shall be 2 per cent below the most favourable rate charged by the Commonwealth Savings Bank on housing loans. The most favourable rate at present is 9½ per cent and accordingly the Bill provides that the prescribed rate of interest shall be 7½ per cent per annum or such other rate as may be prescribed.

In reviewing the interest rate to be charged on defence service homes loans, the Government noted that loans were being made to eligible persons such as widows, totally and permanently incapacitated pensioners, persons living on an age or invalid pension or small superannuation payment who ordinarily could not meet the obligations of home ownership except under the concessional conditions presently provided in the Act. Provision has accordingly been made in the Bill for the granting of a measure of relief in relation to the instalments payable in cases where those instalments include an amount of interest

calculated at a rate exceeding 3.75 per cent per annum and the Minister is satisfied it would cause hardship to the purchaser or borrower if he were required to pay the amount of instalments in full.

The Bill includes a number of other amendments to the Act which are either of an administrative nature or are consequential upon the proposed changes in the interest rate provisions and other measures included in the Bill.

The defence service homes scheme has now been in operation for more than 55 years. During that time nearly 350,000 persons have been assisted under the scheme to become homeowners. Since it took office in December 1972, the Government has liberalised and extended the scope of the scheme and it can look with pride on what it has done to provide homes for service and ex-service personnel under the scheme. The provisions of this Bill will enable the valuable contribution made in past years by the defence service homes scheme to the housing of the Australian people to be maintained and improved upon.

I commend the Bill to the Senate.

Debate (on motion by Senator Cotton) adjourned.

#### **DEFENCE FORCE RETIREMENT AND DEATH BENEFITS (PENSION INCREASES) BILL 1974**

##### **Second Reading**

Debate resumed from 21 November on motion by Senator Bishop:

That the Bill be now read a second time.

**Senator MAUNSELL (Queensland)** (11.53)—The Opposition supports this Bill. As was outlined in the second reading speech, it seeks to increase the pension of those who have retired under either the Defence Forces Retirement Benefits Act or the Defence Forces Retirement and Death Benefits Act 1973-1974. These are interim payments to offset inflation and what has been taken into account in arriving at these increases is the 16.2 per cent increase in the average weekly earnings from March 1973 to March 1974. The Opposition has supported in the past increases in pensions, particularly to those who were eligible under the pre-1959 Act and the post-1959 Act. The Joint Select Committee on Defence Forces Retirement Benefits Legislation, known as the Jess Committee, recommended that there be automatic annual adjustments based on average weekly earnings. So far the Government has not been able to bring down legislation to give effect to that

recommendation. I can understand that there are problems associated with it. The Committee also recommended that the anomalies that have existed between those who retired prior to the 1972 Act and those who have retired since be cleared up.

The Opposition queries whether the 16.2 per cent increase of these pensions is sufficient to combat the galloping inflation which is taking place in this country at present. It also feels that although the Government has a committee working apparently to try to iron out the anomalies between the provisions which operated prior to the 1972 scheme and those which apply to members who retired after the 1972 scheme, it is apparently taking a long time for this to be done. The Opposition, as was mentioned in the other place, recommends that the Jess Committee or its equivalent be re-established in order to check on the anomalies and to bring, as we call it, justice to a lot of those people who retired prior to the new scheme coming into effect on 1 October 1972. I believe that a case has been made out for this move. In considering this question we can only go on actuarial figures. I ask the Senate to compare the 1972 scheme with the 1959 scheme. In 1959 the contribution of the employer, that is the Government, was about 78 per cent. In fact it may have been more than 78 per cent. The scheme was designed to comprise a 78 per cent contribution by the Government and approximately a 22 per cent contribution by the contributors. The Actuary has given figures for the DFRDB scheme as at 1 October 1972. They show that there was a 91 per cent contribution by the Government and a 9 per cent contribution by the contributors.

If these figures are correct and the Government was contributing 78 per cent in 1959 the Government would have paid \$350 for every \$100 paid by a contributor. Under the new scheme with a 91 per cent contribution by the Government—I am going on the Actuary's estimate in this case—for every \$100 paid by contributors the Commonwealth will contribute something like \$1,000. In other words under the previous scheme \$100 worth of contribution would purchase something like \$450 of benefit and under the present scheme will purchase about \$1,100 worth of benefits. There is very little drain on the funds of superannuation schemes when the schemes are first implemented. Funds of superannuation schemes are usually built up to a high degree in the first few years of a scheme's operation. This is what happened, of course, in the original DFRB scheme. Under this scheme the Commonwealth

does not contribute at the same time as do the contributors. In most superannuation schemes the employer matches the employee's contribution at the time the employee's contribution is made and both contributions are paid into the fund. But under this scheme the Commonwealth pays its share only when withdrawals from the fund take place. Consequently, until the introduction of this new scheme, a great deal of the money that had been withdrawn from the fund had, in fact, been contributors' money. I think we recommended that the Commonwealth's contribution should be paid at the same time as is the contributor's. I know that there was a surplus of some millions of dollars prior to the new scheme's coming into operation. Anyone who was a serving member of the Forces until 1 October 1972 was able to adjust his contribution and become a member of this new scheme. Of course those who retired prior to that date were paid under the provisions of the old scheme.

I think when we have a scheme that is as beneficial as the new one has proved to be—this can be seen from the figures I gave earlier—there is a case for ensuring that those people who retired prior to 1 October 1972, whether as a result of accident or because they had to retire, have a deal that is at least reasonably comparable to the scheme applying to those who retire after 1 October 1972. This is why I believe we should set up a committee. I know that a letter has been sent to the Minister for Defence asking that a committee be set up with the following terms of reference:

(1) Are there any anomalies, inequities or injustices suffered by beneficiaries under the DFRB Act 1948-1973 who retired prior to 1 October 1972?

(2) What measures should be taken to correct the anomalies, inequities or injustices, if any, revealed by such inquiry?

If the Government is prepared to reconstitute this committee to look at those 2 aspects and report back to the Parliament we will be able to satisfy most of the complaints of those people who retired prior to that date. I think something like 8,000 or 9,000 people are involved. They feel that they have suffered an injustice because they do not come under the provisions of the new Act. They want to know how they can come under the new Act. I think it is a matter for a committee of this Parliament to sort this out as promptly as it can.

**Senator Devitt**—Do you mean an investigation confined to those 2 particular points?

**Senator MAUNSELL**—Yes, those 2 matters I mentioned. We welcome this Bill and we hope it has a speedy passage through the Parliament.

**Senator BISHOP** (South Australia—Postmaster-General) (12.1)—in reply—I thank Senator Maunsell and the Senate for the contributions which have been made on this matter. Senator Maunsell was a member of the Joint Select Committee on Defence Forces Retirement Benefits Legislation, as was Senator Devitt, which, I think it is fair to say, under the guidance of the Minister for Defence (Mr Barnard) quickly adopted the Jess report and introduced the improvements in this area as quickly as possible. There are, of course, some anomalies which the Minister has stated previously will be considered but at the present time that cannot be done. Senator Maunsell referred to the need to set up a joint select committee. This was raised by the honourable member for Herbert, Mr Bonnett, in the other place. The Minister for Defence has already invited Mr Bonnett and the Opposition parties to make suggestions in relation to this proposal. As far as I am aware, it is under consideration by the people concerned but it has not yet been submitted to the Government. In reply to a question from Mr Bonnett the Minister for Defence said:

As I have already explained in this House, in reply to the honourable member's earlier question on this matter, there are a number of matters raised by and on behalf of retired members of the forces that are already under examination by the Department of Defence in consultation with the Services and with the Defence Force Retirement and Death Benefits Authority. I cannot see any real need for the appointment of a parliamentary committee, as he suggests, to inquire into these matters. However, if the honourable member wishes to submit terms of reference to me, which I presume would incorporate the anomalies that he is referring to, then I would be happy to examine the matter on its merits.

We also know that during the debate in this place in May or June last year a suggestion was made by Senator Byrne to provide for reversionary benefits to flow to specified relatives on the death of an unmarried contributing member. That is at present being considered by the Government but it is not yet in a position to decide what to do. In my second reading speech on this Bill I pointed out that it had been decided to defer the question of a permanent method for adjusting servicemen's pensions under both schemes until all relevant aspects had been thoroughly examined. On behalf of the Minister I said:

I would have hoped by this time that it would have been possible for details of the adjustment methods to apply in the future to be incorporated in the principal Acts.

Because of the need to make adjustments and in response to current superannuation movements it was necessary to carry out these improvements at the present time. It is also fair to say, I think, that the legislation on the new superannuation

scheme to come before the Parliament will raise new considerations in relation to these schemes. I can only say—most of us would agree—that what has been done is a vast improvement and that the matters raised by Senator Maunsell and by his colleagues in the other place are under active consideration. As the Minister has said, he hopes to bring in some remedies in the near future. In addition, if the Opposition wants a select committee as has been proposed, the Minister is prepared, I think, to give the suggestion full consideration. I thank the Senate for its consideration of this Bill.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

### STATES GRANTS (CAPITAL ASSISTANCE) BILL 1974

#### Second Reading

Debate resumed from 14 November, on motion by Senator Wriedt:

That the Bill be now read a second time.

**Senator COTTON** (New South Wales) (12.7)—The States Grants (Capital Assistance) Bill 1974 is not opposed by the Opposition. It is a straightforward measure. It contains some very interesting areas that would be available for discussion, but I shall not take a good deal of time on this. There has been an assessment of the position which relates to the grant of \$326m in round figures being equal to 32.1 per cent of the total programs. It is the same percentage share as in the year 1973-74. It is possible to criticise the fact that this might well have been capable of being increased but certain adjustment processes have taken place in regard to tertiary education and other matters that have to be allowed for in these calculations. It pays, as it normally does, regard to the fact that capital grants in the first 6 months are paid at equal to one-half of the 1974-75 amount.

As is, I think, known fairly broadly the Commonwealth by an earlier initiative during the time of the previous Government made arrangements to do some funding of State and Loan Council operations in the form of interest free grants in order to supplement what otherwise would be a borrowing by the States. I believe that was an extremely useful and sensible thing to do at the time. When one had regard to the total Australian debt it became quite clear that the share of the debt which belonged really directly to the Commonwealth had diminished substantially whereas the share of the debt which was ostensibly in the hands of the States had

increased markedly. When one looks at the construction of that position in the overall concept that Australia's overseas debt had hardly increased at all in 20-odd years, one sees that the real burden of debt structure has changed from the Commonwealth to the States and the State budgets therefore have a substantial problem in meeting the interest burden of those expanding State debts brought about largely by their infrastructure and all kinds of activities involving schools, roads, hospitals, health programs and that sort of thing.

One could make a very useful argument some four to five years ago that the time had come for the Commonwealth to assume some of that interest debt burden or, alternatively, to pick up part of the debt. The decision was to pick up some part of the interest burden, and that has been done by making money available in interest free form. I do not want to delay the Senate at this late stage in the year by embarking upon a long debate on this process. But I am of the view that the time has come—and the Senate may well be a good place in which to do this—to make a relatively calm examination of the total Australian Government debt structure and the interest burden on that debt structure in order to ascertain whether or not it is not possible to have a better system of distribution of debt and interest on the basis of the overall revenue of the States and the Commonwealth and the overall disbursement. In this way we could see whether there might not be more efficiency, a better distribution and really a better sense of responsibility if some of these things were adjusted.

One does not need to go into that matter in a great deal more detail. In the second reading speech there are some references to the details in chapter III of the Budget document 'Payments to or for the States and Local Government Authorities 1974-75'. There are some relevant details on page 145 of the document for earnest students of this matter. The whole document itself is very impressive. On page 145 there is a table showing the total payments and Loan Council borrowing programs by the States set out in context and how they have moved relatively through time and through a kind of pattern of change. Of course, there is a disparity when one makes a comparison with population. For instance, in 1973-74 the State of New South Wales received \$288.84 per head of population, the State of Western Australia received \$435.78 per head of population and the State of Tasmania received \$565.15 per head of population. This is inevitable in a situation in which some States are smaller than others and have less opportunity for

raising revenue than others. Some financial adjustment has had to be made as between those States themselves and the Commonwealth.

I just express the general view that in the Australian scene with which we are dealing there is a fairly substantial case for the whole Australian financial scene to be looked at with rather new eyes. The general position that I take in this matter is that which I elaborated in 1971 and, I think, ever since in the great hope that one day somebody will seek to do something positive in the Australian Federation on financial and monetary management, rather than standing off and shouting at each other, which I think has been inimical and not at all useful for the total Australian community. I argue very simply along these lines: This is a Federal system historically and geographically but equally sensibly. This is the sort of country that ought to operate under a well constructed Federal system. It is not a wise thing to try to turn history, geography and commonsense into a unitary position. The country is not suited for it, and its people are not suited for it. So what becomes extremely important is for men of goodwill in government, wherever they may be found, to seek to make the Federal system work efficiently.

The general approach that I have proposed for a long time now—and I shall continue to propose it in the hope that one day we will have a change of government and we can introduce it, because that is our policy, or the people now involved in government may see some wisdom in this approach—is that there ought to be a properly constructed national economic and works council. It ought to consist of the Prime Minister and the Premiers who should meet regularly in alternate capital cities in rotation. They should discuss the total Australian economic and monetary program and the capital works program together as Australians interested in their country. They should try to bring the total demand of all governments back into some relation to the available resources. There would not be a voting process because that could be hostile to getting what you need, which is some kind of broad consensus. That economic and works council would have 2 groups of advisers: The Commonwealth and State Treasurers and their officials, and the Commonwealth and State works program people and their officials. It would introduce the element of consultation into the community regularly on the same basis as sectoral responsibility is accepted by the New Zealand Development Council.

What we should try to do is to get the Australian governments totally to work together in

the hope that out of that the Australian people would see leadership in the governmental sense. It is in that kind of construction that I believe you would be able to examine in the broad Australian context the whole of the Australian debt position, the whole of the Australian interest burden falling on that debt position, and the relative positions of the debts between the States and the Commonwealth. You would do this on the basis that what Australia has to do is to get its governments to work together and give a lead in order to try to bring the total demand of governments into some sensible relationship with the available resources. I make a strong case for that. I observe in passing that I personally have been extremely distressed to see the Prime Minister of Australia adopting towards the State Premiers an attitude which seems to me to be quite hostile and really quite useless. When I see him going around the world preaching brotherly love, I wish that he would apply some of that feeling towards the running of Australia in a better sense of the full family responsibility of the nation.

**Senator STEELE HALL** (South Australia—Leader of the Liberal Movement) (12.16)—I agree almost entirely with Senator Cotton's remarks and the case that he makes for a better allocation of resources in Australia and a better method of reaching agreement on how those resources should be allocated. However, I do not share his optimism that this position can be arrived at easily and certainly not at the behest of the States. I remember very clearly being involved in South Australia in the presentation of a new financial approach to the Commonwealth Government. This approach was worked out between all State Premiers working together over a number of meetings—certainly more than 3 meetings—and many meetings held subsequently by the Under-Treasurers. A new updated and composite case was presented to the Commonwealth Government for resolution of the problems which bedevilled Commonwealth-State financial relationships.

All of the States were united in making a most impressive new-deal approach for the States in Australia. But they were united only until they got to the conference table and there was the final confrontation with the Commonwealth of Australia. Whilst there was no basic difference in the politics of the governments which confronted each other, the States immediately divided. After almost 12 months of hard slogging in order to compile an aggregation of ideas into an agreed approach to the Commonwealth, when the States approached the Commonwealth they divided on parochial interests. I say to Senator

Cotton that it was the Liberal governments that sold out the agreed approach. They were the governments of Victoria and New South Wales. When they obtained what they wanted to obtain in a separate offer outside the hard-won agreed State approach, and on a parochial basis, they left the agreement lamenting. The brand new agreement which was to be negotiated with the Commonwealth fell to nothing once again under the parochial interests of State governments.

**Senator Wriedt**—What year was that?

**Senator STEELE HALL**—I believe that it would have been 1969. It took more than a year to work out the approach. It was documented and printed in a publication which I am sure is available in the Parliamentary Library. I believe that it would have been the most significant approach on financial matters to the Commonwealth since Federation, considering the seriousness with which the step was taken by the States and the seriousness with which they allegedly agreed to make the final presentation of the negotiated approach to the Commonwealth. As I have said, this fell to nothing when the parochial interests of the 2 larger States were satisfied by the Commonwealth government of the day. From a great deal of experience, because I was privileged to be involved in these negotiations and arrangements, I say with despair, to Senator Cotton: Under the best conceivable conditions for the States to come together, in that they were not divided politically one against the other, and under the best conceivable conditions for the promotion of their common stance in negotiations with the Commonwealth, the States divided when the pressure was on. I believe, and I say this, from experience, to Senator Cotton: The States are not capable of presenting a unified case to the Commonwealth.

**Senator Cotton**—Senator, I am not interrupting you, but I am interested in your observations. I wonder whether you might develop out of them for my elucidation whether you therefore favour a centralist system.

**Senator STEELE HALL**—No. I am not saying that at all. I say this to Senator Cotton: The arrangements were entered into, and the very hard work was proceeded with on the basis that Federation should work. I am a great supporter of that. South Australia played a very large part in the negotiations at that time because of the quality of its Under-Treasurer and his staff, which was of course recognised throughout Australia. It would be wrong not to face the fact that it was the States which fell apart and not the

Commonwealth. It was not really the Commonwealth's fault that the States fell apart. Not knowing the answer to Senator Cotton's question and agreeing with his basic assumption I say that the States so far have found themselves incapable of going about the business of arranging the solution which I think both Senator Cotton and I would like to find.

**Senator Cotton**—I am suggesting that the Commonwealth has a responsibility to lead in a family sense the dissolution it found.

**Senator STEELE HALL**—I agree with that and I would like to have thought that the Federal Liberal-Country Party Government of the day would have done it, but it did not. It bought the States off individually so that it could destroy the approach that the States made to it. In that circumstance, I suggest that we will have to look at some other disciplines which will bring about the support of federation that both Senator Cotton and I want.

Having said that, as a representative of a State which has a larger per capita debt than any other in the Commonwealth, I say how much I support that portion of this grant which is for the support of the capital works projects in my State. In so doing, I believe that I have an opportunity of spending a few minutes discussing a project in South Australia which, of course, is greatly allied to the dispersal of capital funds in my State, that is, the proposed Redcliffs project south of Port Augusta on Spencer Gulf. I take this opportunity of doing so because this subject is current in South Australia and is one which has provided great doubts as to the methods by which it has been handled by the State Government and as to the advisability of proceeding with the Redcliffs proposal. One of the reasons why there is doubt is the committal of State and Commonwealth loan funds which would be required as a basis for the building of the infrastructure which would stand behind the Redcliffs proposal.

This proposal was first publicised in 1973 as part of the election program of the Premier of South Australia, Mr Dunstan. His proposal was introduced in his policy speech, under the heading 'Regional Growth Centres', in this fashion:

South Australia's second regional growth centre will be established with the industrial integration of the three northern cities on our 'iron triangle'—Port Pirie, Port Augusta, Whyalla.

As a take-off point, and the basis for a complex of new industries in those cities, the Government is already in an advanced stage of negotiation for the establishment at Redcliffs, 17 miles south of Port Augusta, of a \$300m petrochemical industry of world scale, together with a fully integrated refinery to treat Cooper Basin and imported crude oil.

These enormous works will have their own port facility. A liquid gas pipeline will be laid to Redcliffs, and natural gas will be provided to the 3 cities. The works will be established in such a way as to avoid ecological or environmental damage or pollution in the general area.

That was the introduction of the matter. I remember clearly how I questioned Mr Dunstan during the election campaign as to what protection there would be of the environment of Spencer Gulf, especially in relation to the prawn industry, which is based on a very delicate environmental factor in those waters, and of course other factors of general pollution. The Premier's reply during the election campaign was that he had a report from the Department of Fisheries which gave the all clear to any possibility of the pollution of Spencer Gulf. I may say that the Premier, when asked after the election in 1973 to table the report in the House of Assembly in South Australia, said:

Mr Speaker, I have lost the page—

Pointing at me, he said:

The previous Premier, I believe, has friends in the Premier's Department who have stolen it.

I mention that matter only to illustrate to this House the very low standard which the South Australian Government has used to promote a most extensive and expensive new industry in my State. I may say that the proper promotion of this industry has been greatly handicapped by this low standard of approach. Before I leave the environmental factor I wish to remind the House that the Premier said in April before the 1973 election that the environmental question had been cleared; yet in May 1974, over one year later, a report of his own Government—of course, a report obtained under the pressure of politics in my State—under the heading of 'Effluents', in part of a very large report of the South Australian Department of Environment and Conservation, said that little information is yet available on the nature and quantities of plant effluents and noise. That was said over 12 months after the Premier had said that the all clear had been given.

On the question of costs and planning the project has suffered very greatly indeed. In the State Parliament on 29 October of this year a colleague of mine asked a question concerning the costs of the project in very minute detail. I wish to give one of the Premier's answers to illustrate the slack, haphazard planning of this project. His reply reads:

The original cost of the infrastructure is a difficult figure to quantify, because of the changing size of the complex and escalation in price. The power station, for instance, has risen in price because of these 2 factors from \$9m in 1971, to \$69.5m in 1977 price terms.

If a project of this magnitude is to be sensibly promoted should we initially have everyone come in behind it on the basis of a cost of \$9m which will now end up as \$69m? That is just one further reason for doubting very greatly the situation which has been promoted in South Australia by the South Australian Government.

I turn to the subject of supply. Whilst the Cooper Basin is expected to yield a very much greater total quantity of gas and liquids than is known as yet, on present known reserves the Cooper Basin will supply the Adelaide and Sydney market for 12 years from 1977. If Redcliffs is included in that supply position the Cooper Basin, on known reserves, will be effective for 10 years. In relation to Adelaide alone it would have been effective for 19 to 20 years. It is contended by some that three major motives are involved in the promotion of the Redcliffs proposal. The Minister for Minerals and Energy, Mr Connor, is not so much concerned about the establishment of a new industrial complex in South Australia but wants to use the future requirements of the Redcliffs proposal as a reason for building an intercontinental pipeline for gas to the northwest shelf of Western Australia. It is contended that the company concerned, through the indenture which I will mention directly, will get South Australian gas at most favourable terms and will be able therefore to supply in a major sense an overseas market and that Mr Dunstan will have a political advantage in being able to claim that he has at least produced one large new industrial complex in South Australia amongst the desert of his non-performance at the moment.

It is interesting to note that the supply position in South Australia of the Redcliffs plant could be very much in jeopardy unless a pipeline is constructed out of the Cooper Basin fields in the future. It is also interesting to note what the Liberal Party spokesman for the Opposition in this House has said about such a pipeline. I refer the Senate to a statement in the House recently by Senator Durack in which, in reference to the intercontinental gas pipeline proposal, he said that he hopes that it has been abandoned because it is a ridiculous scheme which would be depriving Western Australia of a valuable resource. At this stage of the early consideration of the merits or demerits of an across-the-continent pipeline I do not become involved in a discussion as to whether that pipeline should or should not be built, but on the question of whether Redcliffs should be built to use the finite resources of the Cooper Basin I do become involved because the Party that is likely to be more often in government than the Party that is now in

government has as its spokesman a person who says that the pipeline should not continue. Therefore, in planning the petro-chemical complex at the moment and in allocating to it the gas resources in South Australia one must consider the practical political point that it may very well not be backed by an intercontinental gas pipeline. That is a very important factor in saying whether the complex should proceed.

I come now to the indenture about which I asked a question in the chamber this morning. I received access to this indenture only yesterday. I understand that it is a document that is still unavailable outside. I am astounded, as my question today indicated, that the State Government of South Australia is endeavouring to subvert the new trade practices legislation that has been passed by the Senate. It seems to me incredible. This Parliament, after great discussion, passed the trade practices legislation. The Opposition in this chamber, whilst it had strong feelings about certain provisions, did not prevent the legislation in the final assessment from passing. It can be said that the trade practices legislation has the approval of Federal Parliament.

**Senator Webster**—Not my approval.

**Senator STEELE HALL**—That is for the honourable senator to say. It is his right to say it, but I do not think he voted against the third reading. Federal Parliament has approved the trade practices legislation which seeks to set up in Australia a fairer system of free competitive enterprise. The State Government of South Australia is trying to get around it and to make it void in relation to what would be, if it was proceeded with, one of the biggest industrial concerns in this nation.

**Senator Webster**—So is the Federal Government in relation to the airlines issue.

**Senator STEELE HALL**—I do not wish to confuse the issue or to downgrade the honourable senator's interjection. I do not wish to confuse this very vital question. I ask the honourable senator to bear with the argument on that basis. The Commonwealth Labor Government has promoted pioneering legislation in trade practices in Australia. A State Labor Government has introduced a specific clause to exempt this major new company from that legislation. I trust that Senator Murphy will treat this matter with sufficient gravity. I believe he will. I thank him for the answer so far to my question. I can now read this important clause more fully than the shorter passage that I had to read at question time. Part 25 (2) of the draft indenture states:

For the purposes only of the Restrictive Trade Practices Act 1971 or any other legislation of the Commonwealth relating to trade practices whether passed in substitution therefore or otherwise (and only for such purposes) the State hereby approves those agreements practices arrangements acts or things in connection with the undermentioned matters which would, but for this Indenture, be a contravention of such act or other legislation.

The matters hereinbefore referred to are—

- (i) the acquisition of raw materials power steam and services for use in the Petrochemical Complex;
- (ii) the manufacture of chlorine caustic soda ethylene, ethylene dichloride polythene and any other products of the Petrochemical Complex or any part thereof by the Company;
- (iii) the sale or disposal of the aforementioned products to the Company South Australian EDC Company Limited, South Australian Ethylene Company Limited, South Australian Gasoline Components Company Limited, South Australian Polythene Company Limited, South Australian Chlorakali Company Limited, ICI Australia Limited, Alcoa of Australia Limited, or Mitsubishi Corporation or their respective subsidiaries (such companies are hereinafter collectively called 'the Companies').
- (iv) the acquisition holding or disposal of shares in the Companies.
- (v) the management of the Companies.

It seems to me incredible and no wonder that Mr Dunstan has been keeping his indenture under wraps so that no one will see it until the day it comes before the Parliament. Of course it has not got there yet. The Committee of Inquiry that was set up very sensibly by the Commonwealth Government—I compliment it for doing so—and the respective Federal Minister had to bring discipline to the question of the environment in this matter because the State Government was incapable, following the first standard that the Premier set, of looking after environmental questions of the Spencer Gulf in South Australia. I would say to Senator Cotton, if he were in the chamber, that it is another blow for federation that a State government cannot even look after the polluting effects of a proposal for its own gulf waters and that the Commonwealth must step in to look after the matter for the State Government. It is a blow for federation that the Commonwealth should have to do it. Thankfully it did. The finding of the commissioners was that the indenture was defective and that the Bill supporting it should not be passed until it was suitably amended. Of course negotiations have fallen down on this point. The companies and the State Government under Commonwealth discipline have been unable to agree and the indenture has not been proceeded with. I understand that the State Parliament is rising today.

**Senator Webster**—Could I take you back to the point about the Trade Practices Act? What

was the Attorney-General's reply to that, particularly on the point as to whether a State government can override the Trade Practices Act? One would have no doubt that the Labor Premier would have been in touch with the Attorney-General on this matter.

**Senator STEELE HALL**—First of all, I am not certain that the Labor Premier has been in touch with the Attorney-General. I understand that my colleague in South Australia will be inquiring about that today in another place. I do not wish to do the Attorney-General an injustice. I have not yet seen his reply in writing, which will be in Hansard. I understood him to say, firstly, that a State does have this power within its own borders but that it could come under the discipline of a regulation which the Attorney-General would have to frame under the Federal Trade Practices Act. I await the Attorney-General's further detailed reply. It would be unfair to criticise him because obviously it would be a matter of some legal study. I hope that he continues what I thought was a good standard.

**The ACTING DEPUTY PRESIDENT (Senator Marriott)**—Order! The Chair cannot condone senators interrupting another senator in the second reading debate, particularly when the remarks are inaudible to the Chair.

**Senator STEELE HALL**—I hope my remarks are not inaudible. I was addressing myself to the general question which is that it is most important, firstly, at the political level that there is apparently a division within the Labor Party at the State and Federal level as to the intentions of what I thought was a very firmly held precept of the Party and, secondly, that it has been done under cover and that the public, while talking very rightly in South Australia about the environmental prospects of Redcliffs, should have this sort of thing done on the quiet without being able to answer it publicly.

There are other points about this indenture which are also defective. Whilst there is great public argument about the requirements of the indenture and its disciplines on the company, I find that there are 15 points on which the company itself might void the indenture. One of them is simply if the project does not appear to be viable. But the indenture may be varied with the written agreement of either party. This great \$800m complex, that the funds about which we are talking in part would support, may be varied, despite the public argument and the indenture which is to go through the State Parliament, in writing by both parties, the company and the State Government, as long as the variation is not

a substantial variation. It is within the province of the Government to define the meaning of the term 'substantial'. I could go on for a while but it would not do any service to the Senate. I bring to the attention of the Senate the gravity of the situation in South Australia and the extremely low standard which the State Government started in presenting this project and which has continued through the negotiations. The fact is that it has hidden from the people of South Australia some of the more obnoxious proposals of the indenture. I ask in this debate that the Attorney-General (Senator Murphy) view with considerable gravity the question I put to him today. In general terms this is a proposal which South Australia needs. We need the industrial base it can give us. We need it to bring to South Australia an additional liquids pipeline from the Cooper basin so that gas producers can market a valuable but limited production of petroleum in liquid form from that basin but we do not need it at any cost. We do not need it at the destruction of the environment of Spencer Gulf; we do not need it at the destruction of the operation of free competitive trade in Australia. I ask the Federal Government to take the same disciplines in regard to other parts of the indenture as it has taken in relation to the part which has included the environment of South Australia.

**Senator WRIEDT (Tasmania—Minister for Agriculture)** (12.41)—in reply—I am pleased, on behalf of the Government, that the Opposition is not opposing this legislation. We realise that it is the main avenue whereby the Australian Government provides payments to the States. As Senator Cotton pointed out, the Government is continuing the basic agreement reached in 1970 in respect of means whereby the debt burden of the States can be relieved to some degree. I think it fair to say that the comments he made have some substance insofar as a total look at the debt structure of the Australian and State governments is concerned, but it should be borne in mind that this was done under the previous Administration in 1970 and currently it is intended that the same debt structure be again reviewed along the lines he suggested. I understand that the Prime Minister (Mr Whitlam) recently wrote to all the Premiers seeking their views on new financial relations as part of the preliminary study of the financial assistance arrangements to be considered. It is true that the Australian Government must take into account the burden borne increasingly by the States over the years. This appears to be recognised now both by our predecessors and by the present Government.

Referring to the last point made by Senator Cotton about the Prime Minister being anti-Premier, I do not think that that can be substantiated. Certainly as was pointed out by Senator Hall, I think there are certain things which the Australian Government can do more effectively than the States, either because of their inability or perhaps because of a lack of sense of purpose. Nevertheless there are areas where the Australian Government can operate more effectively and it is in this area where the present Government seeks to extend the role of the Federal Government to ensure that these things are done as part of the normal States programs. In the second reading speech reference is made to the funds available to the States and their authorities in 1974-75 for capital purposes. Over \$3,390m, or about one-third more than in 1973-74, is being provided. Of this amount the Australian Government will provide or support over 40 per cent more than it did in 1973-74. That is hardly the action of a Government led by a Prime Minister who adopts an anti-State approach to Commonwealth-State financial relations.

Senator Hall pointed out the difficulties which the States experience in combining together to present a united front to any Australian government. It has been the history of the States that they tend to look after themselves which is, I suppose, a fairly natural reaction. Nevertheless it does not help them in their bargaining position with respective Federal governments. This is something which the States must resolve as time goes by. As to the honourable senator's specific comments about Redcliffs, it is true that there has been some delay in the availability of the indenture Act to which he referred, but in fairness to the South Australian Government it should be said that problem areas have arisen over the Redcliffs project. For example, the South Australian Government was not able to manage the financing of it and financial assistance was sought from the Australian Government. I understand that at this stage that matter has not been resolved. There is no finality. Also, there was some question as to the marginal economics or some re-appraisal of the economics of the project. It was not possible therefore for the South Australia Government to reach finality on these matters. I certainly am not in a position to comment on the manner in which the South Australian Premier has acted. I am not sufficiently conversant with what has happened in the South Australian Parliament. I am sure that nobody else in this place is as conversant with it as Senator Hall—obviously not. Nevertheless I feel quite safe in refuting any allegation that Mr Dunstan

has not acted properly at any time in respect of these matters. No doubt he has had his difficulties in attempting to get this industry established but I am sure he has done the best he possibly could do under the circumstances for the South Australian people.

Matters concerning the Trade Practices Act must be left, I believe, for a reply from the Attorney-General (Senator Murphy). I am sure Senator Hall would not expect me to give any views on that aspect of the debate. I do not think we need prolong the debate any longer as there is general agreement on the passage of this Bill. I believe we should now put it to the vote.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

#### STATES GRANTS (SPECIAL ASSISTANCE) BILL 1974

##### Second Reading

Debate resumed from 14 November, on motion by Senator Wriedt:

That the Bill be now read a second time.

**Senator COTTON (New South Wales)** (12.49)—The Opposition does not oppose this Bill. Its main purpose is to provide special grants of \$24.795m to Queensland and \$23.5m to South Australia. These grants flow from the recommendations contained in the 41st report of the Grants Commission for special assistance to those States. I think it is well known by the Parliament that the Grants Commission in its operations seeks to find areas in which there is need for assistance in certain States, based upon the situation in the 2 main States of New South Wales and Victoria, and, through its recommendations to make special assistance grants to those particular States. It is pointed out in the second reading speech of the Minister for Agriculture (Senator Wriedt) that when these grants were first instituted they were the only form of grant that was available for these purposes. But now compensation for this particular area of deficiency is coming more from the higher per capita grants for the four less populous States than it does to the special assistance areas. These special assistance areas still exist and supplement that deficiency. One might observe in passing that if the Commission is indeed to continue the process of making assistance available by higher per capita assistance, it may well be that there will be a diminution of the functions of the Grants Commission which, of course, would be regretted in many ways because it has a very high reputation and its work has, I think, been quite remarkable.

One is referred in the second reading speech to the Commission's report of this year and to a new method of assessment of the need which is contained in paragraphs 3.16 to 3.30 of the report. I have been through those paragraphs. They are most interesting. I do not propose to refer to them in detail here, but it does suffice to say that there has been some obvious discussion between the Treasury and the Commission on the method of assessment. Treasury has suggested different methods of arriving at the grants. The Commission has taken this into account. There have been hearings with the States. There have been discussions about these particular matters. A conclusion has been reached that a new style of assessing these grants might well be worth taking up, and it has been taken up. The Commission states on page 34 of its report:

Queensland and South Australia indicated that the new approach was generally acceptable but Tasmania did not see any real advantage in its adoption. In particular, Tasmania considered that an expression of the grant in the manner proposed gave the appearance of the Commission making a series of grants for specific purposes.

#### The report continues:

The Commission has decided to adopt a new approach in this Report.

On reading the report, it seems that this ought to present no difficulty to anybody who is involved in getting a grant. It may refine the process; it may make it a bit more precise. To that extent it would seem to me to be desirable.

Also in the second reading speech we are referred to the principles under which the Commission operates as contained in its third report. Without going into great detail, those principles also are quite interesting as an expression of the view of the Commission in the days when it was set up. I quote one or two passages from that report:

Putting the matter in quite general terms the conclusion we have arrived at is that with a group of States operating under a Federal Constitution it is impossible to adjust a financial scheme so that the financial resources available to each would be exactly apportioned to the expense of the function it is to perform.

Some members of the union will have a potential financial superiority and others may have less than they need. Inequalities of this kind may at times become so acute that correction is imperative. In the Australian Federation this superiority of financial resources exists in the Commonwealth.

This report was written quite a long while ago but we are hearing the same sort of words taking form now. It is still argued that it is a continuous process between the Commonwealth and the States to seek to get justice and some form of equality of living standards and opportunity in the Australian scene. It is equally of interest to

note that the writers of this third report so many years ago stated that the grounds of the claims of the States can be classified under the following general heads: Defective working of the Constitution; effects of Commonwealth policy; poverty of resources and economic inequalities; and financial needs. One might say that through the passage of the years little seems to have changed. One still wonders whether we do not have to grow up a great deal faster in Australia and learn to work together more effectively to see that all Australians maximise their opportunities and have the greatest possible living standards.

**Senator STEELE HALL (South Australia—Leader of the Liberal Movement) (12.54)**—As a representative of one of the recipient States included in this States Grants (Special Assistance) Bill 1974, I am pleased to speak in support of it. I want to take a few minutes in which to mention a particular theme which I think is allied to this legislation. I was pleased that Senator Cotton referred to the principles which are mentioned in the second reading speech of the Minister for Agriculture (Senator Wriedt). Whilst Senator Cotton mentioned that a new method of assessing the appropriate amount of grant has been used, he also went on to say that the change does not reflect any alteration in the basic principles on which the Grants Commission operates. Although I was aware of the general tenor of the basic principles under which the Commission operates, like Senator Cotton I referred back to them and read them again. I find them, for the purposes of the theme which I said I want to develop on this Bill, to be extremely useful. The principles are clearly set out first in the third report of the Commission in 1936, which Senator Cotton has mentioned.

I find the Commission's conclusion very helpful indeed, and the one that I have taken as my chief guideline is the one which states that special grants are justified when a State, through financial stress from any cause, is unable efficiently to discharge its functions as a member of the federation and should be determined by the amount of help found necessary to make it possible for that State by reasonable effort to function at a standard not appreciably below that of other States. Of course, that standard refers basically to the living standards of the people within that State. The system adjudicated or recommended by the Grants Commission has been one of the great features which has underpinned living standards across this wide continent. It is one of the great features which has built the States into the strength which they now enjoy. We can look at each State in Australia and

look at their respective strengths. The strength of the smaller States has depended, without doubt, on the extra grants that they have received over the entire operations of the Grants Commission. Of all government documents, the reports of the Grants Commission, I believe, are the most lucid and easily read. Over the long years that the Commission has been operating now, I think it should be complimented on the clear and explanatory way in which it has reported to the public and, of course, to Parliament.

But there are other amplifications of the principles which I think are also important. On page 78 of its third report, the Commission under the heading 'Principles' said, in extract, this about the States:

Whenever they are in this position we say that special grants should be made, and should be determined by the amount of help found necessary to make it possible for the State by a reasonable effort to function at a standard not appreciably below that of other States.

They are the words that were used in the original statement to which I made reference earlier. The report continues:

Thus we base special grants on needs . . . We have said that there is no other course for the Commonwealth but to come to the assistance of a State when a strict examination of financial position shows no hope of its continued solvency except by special assistance.

This is something of an aside, but a rather interesting one. The report continues:

This is not strictly true, and there are two alternatives. One is to exclude the State from the federation by an amendment of the Constitution; but, as that would leave the Commonwealth responsible for the State's debts, it could hardly be chosen as a practical alternative to a special grant. The other alternative is for the Commonwealth to take over the government of the State in risk of default and administer it as a territory.

The possibilities of this happening at present seem remote but they are not to be disregarded. When I read that paragraph in the report I somewhat obliquely thought of Queensland and the Commonwealth's present problems with that State. I wondered whether Queensland would prefer, if the Commonwealth would like to manipulate its grants situation and the backing it gives to Queensland, that the Commonwealth forced Queensland into being a separate State outside the Constitution or whether the Commonwealth would like to take it over as a Territory. I assume that the Commonwealth is interested in neither of those propositions at the moment. In the summary of its 1974 report the Grants Commission said:

To assess the amount of these needs the Commission has compared the fiscal capacity of each claimant State with that of New South Wales and Victoria, taking into account differences in revenue-raising capacity and differences in the cost of providing comparable services. A two-State standard,

based on a simple average for New South Wales and Victoria, was first adopted for the year of review 1960-61, following a change in financial arrangements between the Australian Government and the States under which South Australia ceased making annual applications for special grants to be recommended by the Commission.

South Australia subsequently in 1970, I think it was, came back under the Grants Commission. But the most important point relevant to the argument I am developing is that, as we know here, it is a 2-State standard, taking into account differences in revenue raising capacity and differences in the cost of providing comparable services. South Australia, according to many available present day statistics, has a lower standard of operation than have other States. It is certainly lower than that of the 2 States which are taken as a standard for the study of the Grants Commission.

#### Sitting suspended from 1 to 2.15 p.m.

**Senator STEELE HALL**—Before the suspension of the sitting I was developing the theme that South Australia in being judged by the Australian Grants Commission against the standard set by the 2 large States in Australia would obviously be poorer in a number of ways which can be proven statistically. I was going to refer to one or two of these points. The Commission stated in its report this year that in recent years South Australia and Tasmania have had growth rates well below the Australian average. That, of course, is a significant reference to the lack of progress within South Australia. In relation to personal income on page 10, the report states:

. . . South Australia (including the Northern Territory) is approximately 8 per cent below. New South Wales (including the Australian Capital Territory) and Victoria are well above the other States.

That indicates that South Australia is below by approximately 8 per cent. The report states further on page 11:

The 1972-73 figures show Queensland, South Australia and Tasmania in a range 10 to 13 per cent below the Australian average and Western Australia 4 per cent below that average.

That relates to personal consumption expressed as expenditure per head of population. Therefore, quite provably the States—including the 2 claimant States, but particularly South Australia—are in need of financial assistance.

I want to refer specifically to the imposition by South Australia of rural land tax. This is something which is of very great importance to rural people in my State. It is important because South Australia is the only State on the mainland which charges rural land tax. It is becoming a matter of very great concern to rural producers, despite statistics which still reflect the boom of a year

ago. Producers are, in some aspects, now particularly hard hit by a very severe increase in the amount of rural land tax that they have to pay. It is one thing to complain but it is another to prove that the complaints are justified. I repeat that the South Australian Government is the only government in Australia on the mainland which levies rural land tax in isolation. South Australia is one of the two remaining claimant States. However, even more important than this, the standards which are set by the Commission have a big bearing on whether Western Australia should in fact charge rural land tax. The Commission, under its heading of 'Assessment of Financial Need' uses this standard:

In making this direct calculation, the claimant State's financial needs have been assessed as the sum of:

- (a) its revenue needs, defined as the difference between
  - (i) the revenue it would have raised if it had applied the average revenue effort of the standard States . . . to its own revenue base, and
  - (ii) the revenue it would have raised, on the basis of the standard revenue effort, if its per capita revenue base. . . had been the same as the average revenue base of the standard States;

The third point raised by the Commission is, in effect, that the States which are claimant States should apply, in the standard of their own revenue raising, the same standard as the 2 major States. The point about this argument is that Victoria and New South Wales do not levy rural land tax. Yet South Australia which has to measure up against them for claiming special assistance under the Grants Commission does levy rural land tax. The Commission makes further reference to standards which are expected. Under the heading of 'The Budget Standard' it states:

. . . after consideration of submissions by, and evidence from, the representatives of the Australian Treasury and the claimant States, the Commission decided that it would adopt a two-State standard based on the simple average of the budgetary experience of New South Wales and Victoria.

In other parts of its report the Commission lists the categories which are considered. The report states:

The main categories into which revenue and expenditure have been classified for this purpose are:

- Revenue
  - (i) all forms of taxation;
  - (ii) land revenue;
  - (iii) mining royalties and revenue;
  - (iv) other revenue.

The situation, therefore, is that on a comparable basis South Australia should not need to penalise its rural producers with a tax which the other States do not levy. The Commission makes a direct reference to land tax in this financial year's

report. In section 4.86 of page 65 of the report it states:

It does not accept the argument that it should assess needs for land revenue by considering revenues from land tax and land rentals together, in relation to the aggregate of unimproved land values, as suggested by the Queensland and Australian Treasuries. This is partly because of the valuation problem mentioned by South Australia and partly because, like South Australia, the Commission does not believe that freehold and leasehold tenure can be regarded as having the same revenue-raising capacity. Differences in revenue-raising capacity as between land taxes and land rents do not only reflect past differences in State alienation policies. They also reflect a tendency in the standard States to exempt rural land from land tax, thus largely removing rural land from the base on which taxes are levied.

The Commission itself, without dealing with it as a major aspect, in passing, says that rural land taxes are largely removed from the basis on which taxes are levied. Of course, land taxes between the States largely reflect in their great majority that land tax which is gained from other than rural lands. In South Australia, as a rough comparison, the total yield from land tax is about \$10m and rural land tax is about \$1.35m of that total of \$10m.

As I understand it, the Commission has not fully categorised the types of land taxes for the purposes of a true comparison but the principles under which the Commission searches for its standard and establishes a standard are clearly set out in the last reference which the Commission made in relation to these standards. The practical exemption of land tax as a base is there for all to read.

South Australia, of course, has a number of small holdings and yet pays a remarkably heavy amount of land tax on a per capita basis. New South Wales land tax collections in 1972-73 on a per capita basis were \$9.94; Victoria, \$8.20; Queensland, \$3.20 and South Australia, \$8.00. I know that the other States exempt rural land from land tax. Our tax, as at current values, would be a little higher in that relationship. A true figure for South Australia would probably be \$7m instead of \$8m. When one compares the eastern States of Victoria and New South Wales with their huge capital cities of Melbourne and Sydney, the headquarters of financial and industrial empires of Australia, with South Australia, one realises that South Australia pays a remarkably heavy per capita amount of land tax, excluding rural land tax. The estimated rural component for 1973-74 for South Australia is \$1,375m.

The South Australian Government simply refuses to listen to any plea from its citizens about this question. As recently as the last few weeks it has refused to act in the House of

Assembly in South Australia. The type of increases I am talking about are quite significant. I will give 3 examples of the recent current revaluation which is proceeding in South Australia in rural areas. I will give this illustration of 3 examples in the mid-north of South Australia. They are all one-man operated properties which will, certainly in normal times, return just a living and some small excess, and at the present rate of incomes they may return less than that. The first property comprises 1,397 acres and on it the previous land tax payable was \$98.88; it is now \$480.94. The second property comprises 1,233 acres on which the previous land tax payable was \$127.89; it is now \$887.50. The third property comprises 2,218 acres on which the previous land tax payable was \$169; it is now \$1,066.66.

Lest the Minister run away with the idea that because grain, on a unit basis, is returning, an extremely high price at the moment, let me tell him that not everyone is enjoying that bonanza. There are people living not far from where I live who for 3 successive years have lost their wheat crops through disease, and that is the only agricultural activity which would have any likelihood of making a return of capital investment in my district and in most of South Australia at this time. So the call for justice is a very strong one in South Australia on behalf of rural landholders. It is a call which is not being answered by the South Australian Labor Government and the rural producers in South Australia are therefore subjected by their State Government to a lower standard of living than any other producer on the Australian mainland, because no other producers have to pay this particular tax. If one looks at the per capita usage of superphosphate in South Australia one will note the added expenses in other directions incurred in that State which some of the more fortunate areas of Australia are not involved with.

So I make the plea that somehow somewhere the South Australian Government be made aware that it is making charges on South Australian rural producers which it does not have to make, and that if it lifted them and did not proceed with them the Grants Commission would make good to South Australia the revenue thus forgone because that is the standard upon which the Grants Commission operates. The South Australian Government is needlessly taxing South Australian rural producers. The State Government would not suffer as a State administration from lost revenue because the Grants Commission would make it up, and what we vote on here year by year would reflect the added

sustenance given by the Grants Commission if the State Government acted as it ought to act. So I make the plea, at this specific and proper time when we are dealing with the passage of grants recommended by the Grants Commission, that the South Australian Government should stop depressing an important section of its citizens to a lower standard of living than is required by the Grants Commission.

**Senator WRIEDT** (Tasmania—Minister for Agriculture) (2.28)—I will not take the time of the Senate in replying for more than a minute or so. There has been no real opposition to the Bill. Senator Cotton has indicated the Opposition's acceptance of it and Senator Hall presumably is also supporting it. As to his remarks concerning the land tax or rural tax being imposed in South Australia, that is entirely a matter for the South Australian Government and one on which I personally would not comment.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

#### ELECTORAL LAWS AMENDMENT BILL 1974

##### Second Reading

Debate resumed from 26 November, on motion by Senator Willesee:

That the Bill be now read a second time.

**Senator WITHERS** (Western Australia—Leader of the Opposition in the Senate) (2.29)—I indicate at the outset that the Opposition will be voting against the second reading of this Bill and I will state the reasons therefor. It is interesting that when introducing this Bill in the other place, the Minister for Services and Property (Mr Daly) said:

Australians can be justly proud of their electoral machinery. We have not suffered the electoral malpractices common in many other countries.

In that statement the Opposition concurs because our electoral system, conducted in the way in which it is, is recognised as a system which is fair and equitable. In view of what is so often said about the present electoral system one thing which continually seems to be overlooked is that our present system has returned to government the party or parties which have obtained a majority of the vote at any election. I have a table here which shortly I will seek leave to have incorporated in Hansard. What this table shows is that between 1949 and 1974 the party which obtained the majority of the primary votes, except for one year, 1954, obtained the majority of seats. After all, the boundaries in 1954 were

set by the opposite party in 1948. I seek leave to have this table incorporated in Hansard.

**The PRESIDENT**—Is leave granted? There being no dissent, leave it granted.

(The document read as follows)—

#### ELECTION RESULTS

Election Year	Proportion of formal votes (per cent)	
	ALP	Others (a)
	per cent	per cent
1949 . . . .	46.68	49.69
1951 . . . .	47.66	50.23
1954 . . . .	50.10	47.00
1955 . . . .	44.63	52.81
1958 . . . .	42.93	55.77
1961 . . . .	47.99	50.63
1963 . . . .	45.52	53.43
1966 . . . .	39.98	57.29
1969 . . . .	46.95	49.35
1972 . . . .	49.60	46.73
1974 . . . .	49.3	47.15

(a) Liberal Party, Country Party and DLP

**Senator WITHERS**—One of the things which we in the Opposition cannot understand is why the Minister in the other place, Mr Daly, who is in charge of the relevant Department on behalf of the Government, is so determined to alter the electoral system. That is not to say that we cannot understand why he wants reform in some areas because we are not opposed to reform. We know that Mr Daly is well-known for his sense of humour and is good company, and he is no doubt given to making interesting jocular remarks at times. But when Mr Daly said on television that he had legislation coming forward which would give one of the Opposition Parties in this Parliament a heart attack, the Opposition Parties can hardly be blamed for being somewhat suspicious of what he is about. I would also like to remind honourable senators early in my speech that Mr Daly in his third reading speech in the House of Representatives on 25 November said:

None of the Opposition members have read the Bill. They have had months in which to do it.

They have not had months in which to read the Electoral Laws Amendment Bill because the first time that any person in the Opposition saw this Bill was the day on which it was introduced into the House of Representatives, and that was 13 November. The Minister then went on to say:

It must be 6 months since I gave the Opposition spokesman on electoral affairs in the Senate all the details of this Bill.

I make it quite clear that I have not had all the details of this Bill. In fact I had not seen the Bill

until it was introduced. What I did obtain from Mr Daly some 6 months back—my office informs me that it was in April so it might have been 7 months back—were 2 Press releases issued by Mr Daly showing the areas in which he intends to seek amendments to the Act. I think Mr Daly has been longer in this Parliament than has any member of either House at the moment. For Mr Daly to suggest that by sending me a Press release, which was public knowledge anyhow, some 6 months or 7 months ago he gave me all the details of this Bill, I think is stretching his credibility a little too far.

One of the problems with electoral reform is that there is a natural suspicion from parties in opposition as to the government's intention. I do not say that in a party partisan manner. It does not matter what party is in government or which parliament in the world is involved, no matter which government introduces electoral amendments the Opposition in those parliaments tends to be somewhat suspicious of the Government's intentions.

**Senator Devitt**—That is the Irishman's approach. No matter what government is in power he is against it.

**Senator WITHERS**—It is a fact of political life that governments do not alter electoral Acts to advantage their opponents. That is a fact of political life. Therefore the corollary of that fact is a suspicion—I did not put it any higher than that—that when a government seeks to amend the electoral laws it is doing so for its own advantage. I put it only as a suspicion because I am trying to keep this debate on a fairly low key.

Therefore one would imagine that the Government, having introduced this Bill into the House of Representatives on 13 November, would have been reasonable and sensible and allowed a decent interval to intervene before the Bill was debated so that the Opposition parties could have a real look at the proposals contained in it. As I understand the record, this Bill was introduced into the House of Representatives on Wednesday, 13 November, after dinner, and was debated on Monday, 25 November. I think there were some eleven or twelve days between the introduction of the Bill and the debate on the second reading stage, when the Minister generously allowed a 3-hour debate. If a government expects an opposition party to have some faith in a government's proposals it cannot act like that. Apart from a salaries Bill I suppose there is no Bill that ever comes before the Parliament which so directly affects the 187 members of these 2 Houses than an electoral Bill does. Again apart

from a salaries Bill there would be no other Bill on which each and every one of the 187 members of this Parliament would claim to be an expert. After all an electoral Bill is one of the few pieces of legislation, apart from the income tax Bills, of which we have total personal experience. Therefore one would imagine that a government attempting to carry out what Mr Daly is pleased to call reform would have allowed a reasonable and proper interval for the Opposition parties to look at the matter.

It is not as if this Bill was what might be termed a simple Bill. I think it has in excess of 60 clauses and one clause, that dealing with the registration of political parties, has 20-odd sub-clauses. I know that Mr Daly in the other place round about 9.30 on Wednesday night said, in his usual effervescent style, that it was a very simple matter and very easily understandable. What the Government has overlooked in this piece of legislation is that within Australia there is a role for the organisation of political parties. This Bill just does not affect only people within this Parliament. It affects the 6 million electors also. There should have been an opportunity, not only for the political parties and organisations represented within the Parliament but also for those political organisations which at the moment have no representation within this Parliament, to make a full study of the Bill. I know it could be answered that Mr Daly's Press release of six or seven months ago was fairly lengthy and contained clauses (aa) to (ii)—I cannot work out in my head how many points that is. But for Mr Daly to imagine that within the Press release he spelt out what was within the Bill I think is too much for any of us to swallow. It was nothing more than a statement of intent. One cannot expect political parties or people who happen to be elected to this Parliament to come to finite decisions on a statement of intent until they see the Bill. Any group within or without the Parliament which comes to conclusions without seeing the Bill certainly ought not to be represented within this place.

I know that Mr Daly made a great deal of play in the other place of the point that quite a number of these amendments had been previously introduced by Mr Hunt when he was the Minister in charge of electoral matters, I think, in 1971. Mr Daly did not say, of course, that neither for the remainder of 1971 nor for the whole of 1972 were any of those amendments proceeded with by the Government. Whilst they might have been the Government's intention on one day they certainly were not necessarily the Government's intention after the amendments were seen

in a Bill form. After all as I understand it most of those amendments which were put down by Mr Hunt and which Mr Daly quite rightly claims emanated from the Commonwealth Electoral Office were not necessarily acceptable to members of the Parliament. I am not in any way denigrating the Electoral Office, but what is necessarily good for the Electoral Office is not necessarily good for the electors. I think this fact is often overlooked within any administrative department or any part of the Public Service. I know there are some reasons and some arguments for advancing some of the matters put down by Mr Hunt and now taken up by Mr Daly. But it is wrong to talk to members of the Opposition parliamentary parties as if they have the same members and are debating the same proposition in 1974 as was brought forward in 1971. The situation is completely different. Also we have had the benefit of further experience in looking at those clauses. That is all I will say on the non-controversial clauses, as Mr Daly would call them, which were contained in Mr Hunt's Bill.

In addition the Bill before the Senate at the moment proposes certain other changes. One of course is whether there ought to be registration of parties and whether those parties, when registered, shall have party affiliations or endorsements shown on the ballot paper. Whether that ought to be done I am not going to say here because quite frankly we have just not had time to come to a finite decision on that clause with its 20-odd sub-clauses. Mr Daly went further. He not only took up what he says Mr Hunt agreed to in 1971 but also he started to alter the Act in quite a remarkable manner in 2 areas in particular. One is in relation to postal voting and the other to the method of voting. To whip that Bill into Parliament and expect to have it debated eleven or twelve days later and to get Opposition consent is totally unreal. I know the argument in respect of postal voting. I have heard it. But is it more important for politicians to know the result at midnight on Saturday or for electors to have a proper opportunity to vote? If there is any delay in the counting of postal votes, a lot of it must lie at the foot of the postal system rather than at the foot of the electoral system. I do not believe in taking away the right of those people who have had the right of a postal vote up to this time. It is as simple as that.

One may say that we are also somewhat suspicious politically in regard to this proposal because it is a statistical fact that certainly over the last 20 years postal votes have favoured my

side of politics, not the Government side of politics. When the Government says that the postal voting system must be reformed merely to speed up the count on election night, one cannot help but think: 'Is that the real reason for the proposed change? Is it so desperately necessary that politicians must know the result by midnight on Saturday or is the proposed change put by the Government to disadvantage its political opponents?' The Opposition believes that the Government's proposal on postal voting needs a good deal more study than we have had the opportunity to give it.

As to the proposal to change from full preferential voting to optional preferential voting, voting systems are always argued by large numbers of people both within this Parliament and outside it. I do not suppose there is any perfect system of voting. The systems include first past the post, optional preferential voting, full preferential voting and there is also the border system or the points system. People can be elected on tickets, as they are in this place. There can be single member electorates as in the House of Representatives. The names of candidates may be put on ballot papers. Symbols are used on ballot papers in the more primitive countries. Having regard to the percentage of informal votes for this place sometimes, perhaps we should have symbols too. In the Australian Capital Territory I understand that with optional preferential voting the informal vote still ran to 7 per cent, yet the Territory has the highest number of tertiary graduates in Australia.

**Senator Sir Magnus Cormack**—They are still learning in the university, that is the trouble.

**Senator WITHERS**—I always thought that was rather a handicap. They certainly cannot write and they have certainly forgotten how to use English. There is a great variety of systems of voting. It appears that the Government is saying that we ought to change to optional preferential voting because it will do a number of things. But there is one thing that it will not do. Optional preferential voting will not speed up the count. So we rather have the dilemma posed to us by this Government which says that we must alter the postal voting system to speed up the count but we must change from full preferential voting to optional preferential voting which would slow down the count. The Government cannot have it both ways.

Another argument put by the Government is that optional preferential voting will reduce the number of informal votes. I suppose that is a

statement of some doubtful validity. I understand that the results of the last election for the House of Representatives—this proposed system is to apply to both Houses—showed that the average number of candidates for each electorate was four which meant that an elector had to fill in only three out of the 4 squares to have a valid vote because, as we all know but do not tell electors, they do not have to fill in the last square. I think the electorate was able to vote one, two, three. As I understand it, in the election for the House of Representatives this year the informal vote was only 1.92 per cent of the total votes cast throughout Australia. Of course, this varies from electorate to electorate, but I am talking about an informal vote of 1.92 per cent. In 1972 it was 2.17 per cent. In fact, since 1900 the percentage of informal votes for House of Representatives elections has hardly moved, up or down. The figure has been fairly constant. It is not as though the figure was 2 per cent one year and 20 per cent the next. As to the Government's argument on informal votes for House of Representatives elections, I do not think that has much validity.

Turning to Senate elections, if one uses the argument that optional preferential voting will reduce the percentage of informal votes, I do not know how the Government can attempt to substantiate it. I do not believe it is valid to take the results of an electorate here, an electorate there and an electorate somewhere else and talk about the percentage of informal votes within the electorate generally. What one must do is look at the informal votes cast in Australia because, after all, we are talking about a Bill for an Act which will affect all electors in Australia in elections for the whole of Australia. As I understand it, the informal vote at the last election for the Senate was 10.77 per cent. The informal vote for the Senate has always been higher than the informal vote for the House of Representatives, and this has applied since Federation.

**Senator Devitt**—That is when elections are held at the same time.

**Senator WITHERS**—Whether they are held at the same time or whether they are held separately, the informal vote for the Senate is always higher than it is for the House of Representatives. This applies irrespective of whether it is a conjoint election or a separate election. The Minister for Services and Property, Mr Daly, in answer to a question on 19 September 1974 by the honourable member for Phillip (Mr Riordan) said that an optional preferential system was used for Senate elections between 1919 and 1931. So we have had some experience of this system in elections for this place. I am informed

that if one looks at the informal vote in that period it will be seen that there is virtually no difference between the informal vote under the optional preferential system from 1919 to 1931 and the preferential voting system we have had from 1934 to 1974. So one cannot really understand the arguments that optional preferential voting will reduce the percentage of informal votes. I do not think there is any opposition to an attempt to look for a simplified system of voting. There is no doubt that what happened at the last election after the double dissolution of the Parliament, particularly in New South Wales where there were 73 candidates, did create some problems, but I think everybody was surprised at the smallness of the informal vote within that State.

**Senator McAuliffe**—There was a very extensive educational program,

**Senator WITHERS**—I was coming to that and I was going to say that I put a lot of that down to the fact that the Electoral Office prior to polling day ran a very successful campaign, both through the newspapers and particularly on television, to educate the people on the importance of filling in their ballot papers correctly. After all, surely that ought to be the method of correcting informal votes, namely, by education rather than by saying: ‘Well, it is really too hard so let us alter the system’. Another point arises about optional preferential voting. Does the Government believe it to be the fairer or the more accurate method of voting? If it does, one would think that it would, first of all, use the system within its own Caucus.

**Senator McAuliffe**—Our standing orders are under review.

**Senator WITHERS**—Wait until we get the optional preferential voting system in Caucus. Then we might see how much Senator McAuliffe prefers that system. As I understand the position within Senator McAuliffe’s Party organisation, candidates are selected on a full preferential voting system. His Party does that because it thinks that it is the fairest and most accurate way of determining who ought to be endorsed to stand for Parliament.

**Senator McAuliffe**—It has been under a lot of challenge.

**Senator WITHERS**—It may have been under a lot of challenge. I think it is fair to say that the full preferential voting system has been under some challenge within the Parliament, but nobody has altered the system because basically everybody in Australia is satisfied that it is the most accurate means of determining what the voter wants. It determines not only whom the

voter wants but more importantly whom he does not want.

**Senator Willesee**—Might I help you by saying that that is not the system we use in Caucus, so you are on the wrong track.

**Senator WITHERS**—Honourable senators opposite still do not use the optional preferential voting system. In fact they use a better system than the full preferential voting system.

**Senator Willesee**—If you knew that why did you not say it in the first place?

**Senator WITHERS**—I was not going to put that gloss on it. In fact, honourable senators opposite go further, but the system that they use in Caucus would be impossible to use in an Australian election. If we were seeking really to discover what is the true intention, we would put their system as the best system at the top, the full preferential voting system as the next best system below it and then the optional preferential system at the bottom.

**Senator McAuliffe**—And it is easier to alter the system here than it is in the Caucus.

**Senator WITHERS**—You never alter a system from which you are a beneficiary. That is why I am somewhat surprised that the Government wants to alter the Act now.

**Senator Devitt**—I think that you are dealing with an entirely different thing. One is dealing with a situation where people want to vote for one particular party and let it go at that. You have a multiplicity of parties.

**Senator WITHERS**—That is an interesting question. But what is more interesting if one is going to talk about the rights of people is that people should also have the right to decide whether or not to go and get a ballot paper. Let us be true democrats about this. What we have in Australia is the greatest system. We have compulsory enrolment, we have a compulsion to attend to receive a ballot paper, which is generally termed compulsory voting, and we have a full preferential voting system. There is an argument for having compulsory enrolment. It is a far tidier system than that used in most other countries where various voluntary methods are used. If you are saying that you should not be compelled to vote for someone whom you do not like, why should you be compelled to obtain a ballot paper? That is just as much compulsion. One would think that if we were really interested in discovering what the electors who are interested in politics really think, we would go for voluntary voting.

**Senator Devitt**—No.

**Senator WITHERS**—Honourable senators opposite shake their heads at that. They want some reform but perhaps they do not want total reform. I am not here to argue back and forth across the chamber about all these details. What I am doing is referring to the fact that the Government has attempted to achieve major amendments to the Electoral Act by trotting the Bill into the House of Representatives one week, calling it on for debate on the Monday of the following week, jamming it through in a 3-hour debate, and then trotting it up here and expecting the Opposition parties to say: 'Oh, Mr Daly, you are so clever. You are so right. Australia has been waiting for you for so many years'. To expect us to vote for the Bill in those circumstances is asking too much. I personally and my colleagues are not opposed to having a proper look at the Electoral Act. My colleague in another place, Mr Killen, who led for the Opposition when this Bill was debated in that place, said to Mr Daly: 'If you are going to achieve electoral reform or amendments to the Electoral Act, and knowing full well how suspicious all oppositions are of all governments in this matter, surely there ought to be a bipartisan approach to achieving a better Electoral Act'. Mr Killen put forward the proposition that there ought to be a joint committee of the 2 Houses to look at the whole proposition—not a committee dominated by the Government or by one House.

In many areas there have been problems which all honourable senators know from their experience on committees have been solved by the adoption of a bipartisan approach. The other approach with which we had a great deal of success concerned the framing of the Standing Orders for the Joint Sitting of this Parliament. We all know that for weeks before the Joint Sitting took place the media were saying that it was possible the Joint Sitting would never take place because there would be such a confrontation between the 2 Houses and between the Government and the Opposition. It is not for me to say how these problems were solved, or that they were solved in detail. They were basically solved by people sitting around and coming to a consensus.

**Senator McAuliffe**—But the Constitutional Review Committee of 1958 has accomplished what Mr Killen sets out to do.

**Senator WITHERS**—I was not here in 1958; I am here in 1974.

**Senator McAuliffe**—You can get a copy of its report in the Library.

**Senator WITHERS**—I am not interested in what the members of that Committee thought. They thought that in those times. We are dealing with the 2 Houses of the Parliament in November 1974. Mr Daly rejected out of hand the idea that there should be a committee of both Houses or both Parties to look at this matter. If electoral reform is ever going to be achieved in this Parliament, unless one party has the brutality of numbers in both Houses of the Parliament, that reform will be achieved only by adopting a bipartisan approach. I said before that the Opposition parties are not opposed to looking at things. We are prepared to approach these things with an open mind. But it is totally unreal to bring in a Bill on Tuesday night and call it on for debate the following Monday night, with all the other legislation which the parliamentary parties have to consider and take up views and attitudes on. It is totally unreal to achieve electoral reform in this way within the time scale, especially when it is overlaid with the natural political suspicion which attaches to this matter.

Therefore I appeal to the Government by saying that should this Bill be lost at the second reading stage, the Government should take up our offer. We are prepared to look at this matter in an atmosphere of coolness and calmness and take it out of the heat of political debate in the parliamentary chambers. The Government will not solve these problems by confrontation within the Parliament or between the Houses. People ought to sit down and take a considered view on these matters. We may well come to the situation where there is agreement on a large number or more than half the number of matters concerned. If that be the case, why should not there be prepared a Bill containing those matters which are totally acceptable and in respect of which a bipartisan approach can be adopted? That reform could be carried out. The matters in respect of which there is party political conflict could be contained in another Bill and fought in that narrow area. To put together in one Bill matters on which agreement could be reached by adopting a bipartisan approach, and matters on which agreement cannot be reached at the moment because of the party partisan approach that is adopted to them is not the way to achieve electoral reform. That is not the way to do something about amending the Commonwealth Electoral Act. For those and the other reasons which I have enumerated, when the question for the second reading is put the Opposition will vote against it.

**Senator MISSEN** (Victoria) (3.4)—Mr Acting Deputy President, I rise to support the Leader of the Opposition in the Senate (Senator Withers) in what is, as I think many of us will say, a regrettable but necessary course of having to vote against the Bill in total. It is a Bill which, as has been pointed out, is not dealing with one major issue, it is dealing with 34 major alterations to the Electoral system. It constitutes a Pandora's box of various gifts that are to be given to the Australian people. No one has any idea of what will flow out of that box if it is opened.

Many of us have the view that in this Bill there are ideas which have attraction and which promise some improvement to the electoral system. But it is quite clear that the carrying out of those ideas has not been well thought out. It is clear also that very little information has been given to members of the Parliament as to the reasons why the various amendments have been put forward. Where is the background material? What investigation has been conducted as to the way in which the various reforms will operate?

A short time ago Senator McAuliffe pointed out that the systems of voting used in the caucus of the Australian Labor Party are under challenge. Apparently there has been a strong challenge to the electoral system used merely inside that political party. It seems strange to me that a Party which has such vigorous challenge going on inside it as to its own internal electoral systems should feel the certainty that it has in preparing the system it now puts before the Parliament without consultation with the other parties, the means of operating the whole electoral system in this country.

Senator Withers has already pointed out the time factor insofar as this Bill is concerned. It has been in existence for only a very short period, unfortunately. It was in the House of Representatives for something like 10 days or so during which debate was permitted on it for 3 hours. Although the Bill provides for something like 34 major alterations, the House of Representatives did not go into Committee to examine it. The Bill, including those 34 suggestions, was railroaded through the House of Representatives. Common sense does not suggest to us that it could be possible that all members of the Australian Labor Party are in complete agreement with all of the 34 proposals. We have had this Bill before us for a couple of days or so.

It has been pointed out that all the political parties in this Parliament have organisations in the States with which consultation on the various

details of this Bill would be necessary. Surely the parliamentary parties should not be expected to ignore the advice, consideration and experience of the party organisations in the various fields of action and make decisions on this Bill, but that is what we are expected to do in connection with this Bill. It is for those reasons, among others, that we must regrettably vote to reject the whole of the Bill. I am sure that rejection of the whole of the Bill, if that should happen, would not be the end to this whole matter. It may be that there will then be a turning towards consideration on the basis put forward by the Opposition in both Houses, that is, that a committee comprised of members of all political parties in both Houses of the Parliament should consider not necessarily in the public forum but in a non-political atmosphere the merits and demerits of the proposal.

There are, as I have said, some difficult propositions contained in the Bill. There are, for example, difficulties of implementation. Let us take the idea which I think has a lot of attraction, that party names should be registered and that party affiliations should be shown on the ballot paper. I have no doubt that there is very considerable public interest in this idea. It is my personal opinion that it would save a great deal of confusion and a great deal of informal voting. But when one looks at the details of the proposals put forward one sees that extraordinary powers are sought to be given to the Chief Electoral Officer. He can accept a name or he can reject it if, in his opinion, it is an unsatisfactory name. I think that a great deal of excessive power is sought to be left with the Chief Electoral Officer without any power of appeal being provided in relation to the determination of the names of parties.

Another proposal is the provision for the registration of parties, which requires a party to nominate candidates in something like 25 per cent of the electoral divisions in a State before it can be requested. That is a very arbitrary figure. A party which may be of significance in the country as a whole may be much stronger in one State than in another. Therefore why has it been decided that 25 per cent has to be the figure in a particular State for a party to obtain registration? I cite those as problems—the idea may be good—that could arise in the execution of an idea like this.

**Senator Webster**—Do you not find, though, that in so many things ideas which originally sound good can become disastrous? The one that you have mentioned would stop all small parties from getting off the ground.

**Senator MISSEN**—Perhaps I am being a little more generous in saying that the ideas may be good. The result might not be disastrous. There is a point of view, of course, that small parties have a right to exist just as individuals have a right to stand for Parliament in their own right. There is no reason in the world why a Parliament which consists of a number of major parties should introduce legislation which denies to other parties the opportunity to obtain public support, if they can, by building up their strength and entering the Parliament.

I wish to give one more example on this aspect of the difficulty of implementation. There is a widely held view that deposits lodged are too low and that, with inflation, there is a case for increasing them. That being so, what is the specific reason for increasing the deposit of a Senate candidate by 5 times—from \$200 to \$1,000—and of a candidate for the House of Representatives by only 2½ times—from \$100 to \$250? I do not understand the logic of that. It is certainly not explained in the accompanying notes. We are merely told that that is the amount required to be lodged. I think that there is a lot to be said for the counter argument that this is not the way in which to deprive people of the opportunity to stand for, say, the Senate. If in the eyes of many people there are too many candidates standing for the Senate the idea of using the power of the purse to deny such persons the opportunity of putting themselves before the public is not the most desirable way of overcoming that problem. It may be better to require such a person to have more electors sign his nomination or to follow some other course of action. We should not necessarily use the power of the purse to deprive him of the opportunity of standing for the Parliament.

Another matter which has been mentioned is the provision in the Bill for the introduction of an optional preferential system of voting. That is a matter to which one would expect considerable consideration to be given. I have made a great deal of investigation of this matter and have views on it. I must say that the more I have looked at it the more I have realised there is better available evidence of the actual effect of the system. One must make judgments on these proposals and there is very little way of judging exactly what will be the effect of the introduction of an important reform like that. It ought to be a matter which is considered very thoroughly by a committee of the Parliament. The Committee could call in the experts in the electoral field and work out what should be the result?

In the course of the debate in the House of Representatives suggestions were put forward by Mr Wilson and Mr Giles, both South Australians, on a system of simplified preferential voting which they suggested might be a much more effective way of changing the system. It retains the preferential system but it enables a person to vote for one person—for the Liberal Party, Country Party or Labor Party man that he chooses—and, because the preferences of the parties have been registered, that one vote will bring with it the total preferential scale of the parties. Thus they suggest that there would be much less informal voting as a person would vote only once. But if a person wanted to vote in a different way—in a different order of preference—he could write out his preferences on his ballot paper. I think that this system may have merit. It is an idea which should be investigated thoroughly.

There is a lot to be said for the registration of how-to-vote cards. Those who have been active in electoral matters over many years know that every now and then there is some sort of attempt at fraud and some effort to try to fake how-to-vote cards in the interests of a particular candidate. I think that there is a lot of merit in the registration of the how-to-vote cards of candidates.

As I have said, there is a lot of merit in investigating this simplified form of preferential voting which Messrs Giles and Wilson have put forward, but there is no suggestion in this Bill of investigation of any other scheme.

When one looks at the second reading speech of the Minister for Foreign Affairs (Senator Willessee) on this fairly important matter one sees that one page has been devoted to this proposal and that no real argument or evidence has been advanced in support of the proposal. Consequently it is not surprising that members of this Parliament who are concerned about the fairly high rate of informal voting. They realise that every effort ought to be made in this community to ensure that people do not get disbarred by mere accident or mere inability to count, and they are often confused as to what is the best system to achieve the result which is sought.

I repeat that this is obviously another matter on which there ought to be an investigation conducted by—I was about to say impartial—a committee comprised of people of all parties. They would have their own interests, which they would serve. They would also be there to look at the evidence. From this could come agreed areas where reforms were necessary.

I will take the risk of mentioning two or three matters in this Bill which could be called agreed areas and which seem to me, purely personally, would have a considerable amount of merit if they were on their own. The proposal to prevent candidates changing their names so that they can obtain a better place on the ballot paper and sometimes cause confusion with some other popular candidate is, I think, a matter of merit. There is also the idea that there should be a draw for positions on the ballot paper. It seems to me that the time has long since gone when we in this country ought to be considering that whether one's name states with 'Z' or 'A' should not matter in the electoral process. Why on earth should not the same system apply to candidates for House of Representatives elections as applies to candidates for Senate elections? Why should there not be a draw for positions? It seems to me that there is a lot of merit in that proposal.

**Senator Webster**—What do you think of the circular card idea?

**Senator MISSEN**—I have heard of the circular card for some years. I think that circular cards might be rather difficult for the workers in the field. I think it has some merit in theory, but it would be very difficult to operate. I do not dismiss the idea. It is one of the ideas that ought to be looked at by a committee.

**Senator Devitt**—Would not counting and identification be very difficult with a circular card?

**Senator MISSEN**—I think that might be so, because some names would be upside down. I think there could be a lot of incidental difficulties.

The third suggestion in this Bill that is worthy of consideration—there are more than three—is the change to 6 p.m. closing of the polls, which operates in Queensland at present. I know that again one must consider the people, including the strict Jewish community which would not be able to vote, and whether it would be adequate for them to record a postal vote. Many of the people who have worked for the Liberal Party, the Labor Party and the Country Party over the years have worked at the polling booths until 8 p.m. One wonders whether it is necessary in these days for the polls to be open quite as long.

I cite these examples as some of the many excellent ideas in this Bill. Some of the ideas are not necessarily well drafted, and they would not necessarily be free of embarrassment for all parties.

I believe the Government is to be condemned for the way in which it has introduced a Bill on a very serious and very important matter which is of great concern to the people. Perhaps it has done so and forced the matter along in this way for the purpose of setting up the first leg of a double dissolution situation hoping that this may appeal to the people if a double dissolution should come about. If this is the reason, it is an unworthy reason. I suggest that the Government ought to take notice of what can effectively be done in this Parliament by joint committees comprised of members of different parties. The Government should withdraw this Bill. It should take a constructive attitude and agree to look at all the alternatives. It should not regard this as a matter for a party but as a matter for democracy and for all members of the Parliament to seek to reach agreement. Therefore, I oppose the second reading of this Bill and regret that it has been forced upon us by the activities of the Government. I urge it, even at this late stage, to think again.

**Senator BAUME** (New South Wales) (3.19)—We are discussing the Electoral Laws Amendment Bill 1974. The stand that is to be taken by the Opposition has been made clear by our Leader and by Senator Misson. I wish to speak only briefly on a couple of provisions in the Bill. I hope that the Government will listen to some of the propositions that I will put to it. It is a pity that this is an omnibus proposal. It is a pity that so many different proposals are wrapped up in the one package. It has been made clear already by other speakers that we have only the option of accepting or rejecting the total Bill when it would have been quite possible to examine any one of the proposals or to have negotiated on them and to have found some basis of agreement in at least part of the Government's package. It has been made clear that we will not accept the Bill as it has been presented. Senator Misson has said—I agree with him and emphasise his position—that that is not to say that we are against all the proposals in the Bill. We are against the total package as it has been given to us, and we are against the way in which we have been given no time really to examine the implications of the Bill.

I wish to refer to only 2 points. I wish to refer to clauses 45 and 39 of the Bill. Clause 45 provides that voting for the Senate can be done by optional preferential voting rather than, as at present, by complete preferential voting. I would remind the Senate that this proposal might have been interesting if it had come from the Liberal side. Senator Misson has already had a few words to say about optional preferential voting

or systems other than full preferential voting. Let us be quite clear. The present system that we enjoy is Labor's system. It is the system which the Labor Party uses, and it is a system which the Labor Party introduced. It is probably worth while emphasising the history of the type of voting for the Senate today.

In 1948 the Labor Government introduced a Bill to provide for the application of proportional representation to the election of senators. At that time we had already had preferential voting since 1919, it had always been full preferential voting and moves to consider optional preferential voting had been rejected. When the Bill to have proportional representation for Senate elections was introduced in 1948, the Attorney-General of the day, Dr Evatt, in his second reading speech, was critical of any proposal to make voting optional. It is worth reminding ourselves of the words that he used. He said that in his view the requirement that voters must indicate the order of their preference for all candidates—I quote:

... might have the effect of continuing to produce a fairly high informal vote, it definitely precludes the possibly greater evil of exhausted votes—that is, votes which become exhausted in the process of transfer. ... one result of a system that does not require electors to vote for all candidates whose names appear in the ballot paper is that a candidate may be declared elected although the total number of votes credited to him falls short of the required quota. At the parliamentary election in New South Wales in 1922 and 1925, the exhausted votes, which far outnumber the informal votes, were the cause of much dissatisfaction and dispute.

Later on he amplified the point when he stated:

Under proportional representation a very low preference may become either an effective vote when candidates are excluded from the bottom of the ballot paper, or a fraction of an effective vote when candidates are excluded from the top of the paper.

I suppose the position is that the system that was introduced in 1948 and vigorously defended by Dr Evatt is what one might call a Labor electoral system and we now find the Labor Party abandoning it with no real explanation as to why it is being done and no real statement to guide us as to the possible advantages. It is sometimes stated that if we introduce optional preferential voting for the Senate we may reduce the number of informal votes. Some information is available from elections for the Australian Capital Territory Advisory Council, as it was, from 1949 to 1970, and it gives us some indication of what the effects have been in at least one electoral system. I have a table showing the effects of optional and complete preferential voting. I seek leave to have the table incorporated in Hansard.

**The ACTING DEPUTY PRESIDENT  
(Senator Georges)—Is leave granted?**

There being no dissent, leave is granted.

(The document read as follows)—

**ADVISORY COUNCIL ELECTIONS 1949-1970**

Date of Election	No. of candidates	No. of Members to be elected	Total votes	Informal votes	Percentage
1949	8	3	9,464	471	5.8
1951	7	3	11,278	440	4.0
1953	12	5	11,475	804	6.6
1955	9	5	12,992	842	6.2
1957	13	6	15,585	1,404	9.0
1959	14	8	18,624	1,882	10.0
1961	13	8	23,466	2,270	9.0
1964	14	8	32,060	3,770	11.0
1967	16	8	42,953	3,740	8.0
1970	18	8	53,956	4,769	8.0

**Senator BAUME**—If we examine the table we find that optional preferential voting in Advisory Council elections was introduced in 1959. In the table all election figures for 1949 to 1957 are complete preferential voting figures. We find that during that time a percentage of informal votes between 4 per cent and 9 per cent. We find that after 1959, when there was optional preferential voting, the rate of informality was between 8 per cent and 11 per cent. One may not say that it is a significant change. It certainly is not any significant reduction in the rate of informal votes.

**Senator Webster**—It is a change upwards, is it not?

**Senator BAUME**—It is a slight change upwards. I would not like to suggest that it is a significant change upwards in the statistical sense but it certainly does not bear out the proposition that by introducing optional preferential voting we will reduce the rate of informality. I have carefully stayed away from the question whether we should have optional preferential voting in elections for the House of Representatives. I have confined myself to Senate voting. I remind the Senate that more than anyone else in Australia, perhaps with the exception of Mr Westerway, I had reason to understand the argument that the Senate election result was slow after the 18 May election.

**Senator Missen**—There are other experts around too.

**Senator BAUME**—I must say to Senator Missen that it took longer in New South Wales than anywhere else. It took 5 weeks to the day before we knew the result of the Senate election in New South Wales. For my part I would say that what we got was a fair result.

**Senator Withers**—It was a very fair result.

**Senator BAUME**—Thank you. The point we have to answer is whether it is better to get a quick result or whether it is better to get a result that accurately reflects the wishes of the electors. The argument that you will get a quicker result does not impress me really, and the argument that you will reduce the rate of informality lacks any evidence to back it up. All I have to say to the Government is that we require from it some basis of argument and some demonstration of logic to show why it wants to introduce optional preferential voting and what advantages this will have.

The only other part of the Bill to which I wish to refer is clause 39 which seeks to amend section 111 of the Act to provide that polling hours shall be from 8 a.m. to 6 p.m., not from 8 a.m. to 8 p.m. as at present. The only possible reasons for introducing this is to help the returning officers to get a quick result on election night. It has been argued that it is undesirable that people should have to wait. Again we have to look at the equity involved in the proposal. Is it fair, for example, that polling places should be closed at 6 p.m.? The people of at least 2 religions—not just the Jewish population of Australia which Senator Missen mentioned, but also the Seventh Day Adventist community—are severely disadvantaged by the electoral laws as they operate here. They should be able to expect that they have the right to go to a polling place and cast their votes as other Australians do. I am not going to enter into the detailed arguments about what is being done to alter the right to cast postal votes. The fact that someone has the right to get a postal vote is not the same as having the right to go and cast a vote.

In many other countries around the world elections are held mid-week. They avoid holding elections on what is the sabbath day for at least 2 religious groups. Certainly those groups are small in number but the people concerned feel strongly about it and feel that the present situation is discriminatory. I have taken the trouble to find out how severely these 2 groups are affected. I remind honourable senators that sabbath for both the Seventh Day Adventist community and the Jewish community runs from sunset on Friday to sunset on Saturday. In terms of actual hours, it varies therefore at different times of the year. Sunset occurs at or before 6 p.m. from about 1 April to 23 September.

**Senator Townley**—Approximately where?

**Senator BAUME**—These are figures throughout Australia. We approached the Bureau of Meteorology and were given these figures as

representative of what applies generally throughout Australia. Using standard time, sunset is never after 8 p.m. Using summer time—daylight saving—sunset occurs after 8 p.m. from about the end of November to the middle of February. That means that with the present arrangements under which the polling booths are open from 8 a.m. to 8 p.m. people of the Jewish faith or Seventh Day Adventists might be excluded from casting a vote themselves for about 10 weeks of the year, that is, between the end of November and the middle of February. Where standard time is used they are not excluded from voting because the polling places are always open for some of the hours following sunset. If we accept the proposition in this Bill that polling places will close at 6 p.m. it still will be before sunset for almost 27 weeks of the year. This proposition in the Bill, if it is carried, will make it impossible for people who adhere to those 2 religious faiths to cast a vote in person because it is their sabbath and they are specifically forbidden to carry out activities such as casting a vote on those days.

I raise that point simply for the consideration of the Government. Maybe some way can be found of amending its proposals or obtaining some other solution to try to ensure complete preservation of the rights of all Australians. People of every group have a right to vote and have a right to cast their own vote for themselves. It is not fair that it is so difficult at present for these people. I have been medical officer to a Seventh Day Adventist hospital for some years. People of that faith have to wait until an hour or half an hour before the polls close, and then there is a great rush on the polling places because that is the only time on election day when they are permitted under our law to cast their own vote. I intervened in this debate simply to make those 2 points and to join with my leader, Senator Withers, and other members of the Opposition in saying that the Bill in its present form is unacceptable and that I, with my colleagues, will vote against the Electoral Laws Amendment Bill 1974.

**Senator STEELE HALL** (South Australia—Leader of the Liberal Movement) (3.32)—This Bill contains some major items which I would like to see defeated but it also contains, in the words of Senator Missen, many excellent ideas. It is obvious that the Opposition is using every excuse it can find not to deal with the Bill. Nearly every speaker has expressed some support for something or other within the Bill yet the Opposition says, for some mysterious reason, that it cannot accept a package deal. Why it says that, I

do not know because it has the capacity to defeat every clause which is not suitably amended to meet its wishes. No convincing argument has been given to the Senate why we should not proceed to examine this Bill, with all its great detail, sorting out principle from detail where necessary, and allowing to pass what both sides of the House obviously agree on. There must be a reason why the Opposition does not wish to do this but it has not stated that reason.

Firstly, I cannot understand why the Opposition adopts this attitude since the last Senate election was held in great controversy about the effect of very long papers on which very many voting details were required. I know that the Party leaders gave their ideas at that time on what ought to be the solution to this greatly extended detail which faced the voters. I think Mr Anthony, the Leader of the Country Party, gave quite a detailed assessment of the views of his Party about the number of preferences that should be required. Any Party that has not formed a view of how to handle Senate voting procedures since the election of 18 May is not capable of governing. That is a simple fact of life. Many months have been available to a Party which has chosen shadow Ministers to meet the responsibilities of Ministers of the Government. It is quite ineffectual for the Liberal Party to say that it has not had the time to deal with those matters in relation to which it has already a publicly stated view or which are simple in their procedure and in the manner in which they need to be assessed.

There are some issues which I am sure every honourable senator would support. I intend to vote for the second reading of the Bill in the rather hopeless search for an opportunity to deal with those issues on which I am sure all honourable senators would be in agreement. Although I intend to vote for the second reading of the Bill, this does not mean that I give my support to a number of the issues which I think have been fairly well stated by the Leader of the Opposition in the Senate (Senator Withers). I do not have a great deal of disagreement with his objections to some of the issues with which he dealt. But it is plain that the Opposition in the main is dealing with objections and refuses to look at those issues on which the Senate would concur. The provision to upgrade the oversight in relation to voting in hospitals is extremely necessary. Following the last federal election, my Party in South Australia had very serious talks with the Commonwealth Electoral Officer in South Australia on the basis of misconduct we believe occurred in electoral voting in the division of Boothby which is now

represented by Mr John McLeay. My Party was very dissatisfied indeed with the ethics or lack of ethics exhibited by the South Australian Liberal Party in that division at that election.

In fact, the South Australian Liberal Party was very defective in its approach and incurred the wrath of all smaller parties, including the Australian Country Party, which was bitterly resentful of the way in which it too was treated by the Liberal Party in South Australia. It protested publicly. Our Party sent an official letter of complaint to the Electoral Officer asking him to prosecute the Liberal Party for what we believed was a serious malfunction and breaking of the laws provided under the Electoral Act in South Australia. This was particularly so in relation to the fact that the Liberal Party advertised widely that a vote for any minor party was a vote for the Labor Party. Our Party was not the only party affected; the Country Party was distinctly affected also. I am pleased to see, however, that the Country Party is taking its own electoral action and now intends to fight very heavily for its own federal representation in South Australia. May I say that in relation to those areas which naturally belong to that Party I wish it well, and I will assist it.

Let me return to the point about the breaking of electoral laws. I believe that we certainly need to tighten those laws. If they are amended, especially in relation to voting in hospitals, the standard adopted by the Liberal Party in South Australia during elections will be lifted. Despite the fact that the Liberal Party may have been a chief offender in this regard in my State, I am sure that it would have to support any proposal put to the House which seeks to upgrade the electoral laws.

The use of frivolous names also needs to be controlled. In bringing in his Bill in the lower House the Minister for Services and Property (Mr Daly) illustrated this need by mentioning one or two names that have been used in the past. Certainly one name that was used in previous years was the Happy Birthday Party. The use of that name may have been a rather humorous way of livening an election, but it did not really add to the seriousness of the result. The Stop Asian Immigration Now Party was another name that was used as a device. This practice certainly needs to be controlled because once it is entered into there is no end to the ingenuity that may be used to confuse the electors or simply to reduce the quality of the result that can be obtained by a serious consideration of proper people or proper parties.

I do not support the provisions of the legislation which are concerned with the registration of parties. On this issue, as I understand it, the Bill is built specifically to support a 2-party system in Australia. It is aimed at putting in the hands of the electoral officers and the electoral machinery means by which small parties can be suppressed, and this extends through to the amount of deposit which is required and the registration of names. The registration of a name is not always a simple matter. I remember what happened in 1973 when the Liberal and Country League in South Australia was going through the convulsion of splitting. It gave prior notice to those of us who now form the Liberal Movement that we would be given an ultimatum as to whether we should get out of the League. Several days beforehand I went to the Companies Office to see about registering a name since we were to be given an ultimatum to get out. I found that the Liberal and Country League in South Australia had, a few days beforehand, registered the name of Liberal Party of Australia—South Australian Division. It was rather ironic that that name was not used for a year. I found also that the League had not registered the name which it had been using since 1932. The name of Liberal and Country League had never been registered up till that time, and I suspect that it has never been registered at all. But the members of the League took the precaution of registering a new name to prevent someone else in South Australia from using it. Good luck to them. They did not worry us. We have our own name. However, it was an interesting finding and it is an illustration of how people can be smart about names. They can perhaps forestall the proper use of names by others.

I believe that is only a small aspect of the general aggregation of electoral muscle given to political parties by the fact that they become officially recognised. We then take the spectacle of democracy out of the hands of the individual and give this power to the type of organisations, of whatever sort—commercial or political—which have been known around the world at particular times to be less than savoury. So I do not believe that we should shift the emphasis from the individual to the organised party in the recognition of the electoral machinery. I think that is a very big mistake and it is one of the major drawbacks of this Bill.

Perhaps I should list the items in the Bill of which I approve and for which reason I will support the second reading of the Bill. I support the proposal in relation to voting procedures in hospitals. I support also the control of misuse of

obviously frivolous or harmful names. Balloting for names on postal ballots is an essential part of the system in order to remove the search for candidates whose surname begins with a letter as close to 'A' as possible. It is a silly search really because it does not take into account loyalty to the party, service to the community or the quality of a candidate. For a party to choose a person whose name starts with 'A' is demoralising to the political system.

A system of preferential voting for Senate elections is, I think, something to which practically all political leaders have subscribed since the last Senate election. As I have said, I remember one Country Party leader in particular who had a detailed plan to overcome this problem, and it seems that the Government has met it pretty well in its proposals in relation to preferential voting in Senate elections. The adoption of those proposals would be subject to varying opinions, of course, but I could not imagine that any party would not have in the time since 18 May developed an official view which could be put to this debate on this matter. That would not be imaginable.

So we ought to deal with those issues. It is worth giving the Bill a second reading so that we can get to them. They are important. I believe it could easily be said that the big majority of the members of this House would agree with them. Why should we forgo consideration of them because, for some technical political inter-party reason, the Liberal Party does not want to consider this Bill in Committee? That just does not seem to me to be a reasonable proposition. I repeat that the Opposition has the final safeguard. No clause can be passed without its approval. What the Opposition proposes just does not seem to be a decent way in which to deal with an important piece of legislation.

There is one other issue which I would like to see attended to, and this could be done during the Committee stage of the Bill. The Bill intends to prohibit members of the new Assemblies in the Territories from standing for Federal Parliament. I think that the Bill is wrong in this regard, having come through this experience recently myself. It did not hurt me personally to resign from a State Parliament and stand for a Federal position. At no time were we as a party fearful of not winning that position. But it does seem to me to be an injustice that a person involved in a State Parliament is unable to offer easily, or at least safely, whatever experience he or she has to the Federal Parliament on behalf of a State. I can see no justification for treating members of State Parliaments in a different way from members of

the Public Service or members in any private activity. To me it is an inhibition which is distinctly harmful to a State because it prevents State experience being brought to the Federal scene on behalf of the State. If it does not prevent it, it certainly inhibits it. In a practical sense, it prevents it. I would certainly vote against a clause which attempted to extend that provision to the Territories. I would prefer to leave those people free to serve their Territories, after they have had experience in State assemblies, in this House or in the other place. During the Committee stage of this debate I will certainly move an amendment to try to delete that whole clause. I think we would be doing the States and the country a better service than we might understand.

I believe that the deposits required of candidates are too high. Compared to the deposit paid in the United States and other countries, I think we are going too high. This tends to fall in with the general proposition in this Bill—that it is meant for 2 major parties in Australia. I have received some literature from the Australia Party which I have no doubt other honourable senators have received. I imagine that the Australia Party would have well lobbied the Parliament of Australia. I think it is worth reading a couple of paragraphs of a letter from the National Campaign Director of the Australia Party. In part it states:

In its short-sighted way, the Labor Party has endeavoured to ensure that the deposit requirements are weighted in favour of itself and its largest competitor, the Liberal Party. Under the Bill, the Country Party, DLP, Liberal Movement and Australia Party would all suffer severe financial difficulties compared with those major groupings. While it may suit both the Liberal and Labor Party to conspire—

**I do not charge conspiracy, I am reading this document—**

To rig the system in this way, we believe that the interests of Australians demand action to put the case favouring the right of individuals and small groups to seek support from their fellow Australians.

Obviously, the Bill in its weaker sections owes much to a yearning on the part of some Labor Party members for the days when political life was simply a contest between the major parties.

I believe that is the yearning of the Federal Minister in so framing this particular clause.

**Senator Missen**—They probably regret giving their preferences to the Labor Party.

**Senator STEELE HALL**—Yes, they probably do. I may say that is a very good observation by Senator Missen. The Australia Party probably do regret giving their preferences to the Labor Party. The Government will of course, wreck the Australia Party's reward, if this Bill is passed with that particular clause still in it.

I would also reject any thought of altering the full preferential system for the lower House voting. Whilst it is necessary to do something about it for the upper House, to alter the system in regard to the lower House is to take a long step towards the system of first past the post voting which the Labor Party will introduce in Australia, as soon as it controls both this House and the lower House. When that occurs there will have to be some sort of revolution in the organisation of non-Labor people in this country. I hope that it never occurs.

Whilst this may be a big Party Bill—it seems that the Opposition regards it as such or sees the danger, and perhaps might react sensibly—I can see no disagreement between the Opposition and the Government on individual issues. No doubt there would be some variation in emphasis but I can see no variation in general consensus as expressed by anyone on this side of the House on the way the debate has been presented this afternoon. For that reason I cannot understand why we cannot get busy and pass the second reading of this Bill. Even if we adopt only three of the major measures and make use of them it will make the system just that little bit better. Not to do so to me seems to be hiding the real reason, whatever it is, that the second reading cannot proceed.

**Senator WOOD (Queensland) (3.49)**—This is an important measure. There is no question about the fact that there are some aspects of this legislation which honourable senators must treat with suspicion. One matter that has been featured quite a lot is optional preferences. I do not think this has been introduced with the idea of getting the best result, so far as the people are concerned. That system of voting has been tried before and it has been given away. If I remember rightly, it was tried in Queensland in the 1930s but it does not exist today. It was changed but not by a party of my own political thinking. Compulsory preference voting is something that was brought about to get the ultimate decision of the people. It clearly works in this way. If the majority of the people do not want a person and indicate that they want somebody else they are given a chance to get somebody else. I think that ultimately it is the best way of finding out the expression of the people. That should be our aim when we introduce electoral laws.

People get airy fairy ideas about this matter and speak about optional preferences. If we want to get the best result from the people I am convinced that the best way is the system of compulsory preference voting. The people who advocate optional preferences argue that we must have

compulsory voting in many cases. Why do we have compulsory voting? We have it to try to make sure that everybody in Australia records their opinion by voting for a Party which they want to lead this country and which they think will be of benefit to the people. If we want compulsory voting, why do we stop at compulsory preferences? It is rather interesting that this legislation should be introduced now. I am convinced that if the Government felt that it was going to get the best deal on compulsory preferences we would not have this legislation before us now.

I make no bones about saying that the Labor Party, over a number of years, has never been averse to acting quickly and doing something which it believes is to its advantage. As a matter of fact, the very creation of the system that we have in the Senate today was brought about by a Labor government. It was not brought about with the idea of making sure that everybody had an equal go. That was not in the mind of the Labor Government at that time. I well remember at that time that those who were prominent in the Labor movement were talking of it then as something that would ensure that Labor would have control of this chamber for many years.

**Senator Missen**—It succeeded for 2 years, too.

**Senator WOOD**—But it has not succeeded much since. That was really the basis of it.

**Senator Primmer**—Honourable senators opposite must have fiddled the books or something.

**Senator WOOD**—No. We did not fiddle the books. We have been very honest about it. By the process of elimination, on the working of the preferences, we have got the ultimate result. I believe that this system is the best way to get the ultimate decision of the people. We should want a government that represents what the people ultimately would prefer more than anything else.

There are many other aspects of this Bill. I do not propose to talk much longer because I understand there is a load of legislation to come before the Senate. Senator Hall mentioned the matter of State parliamentarians not being able to stand for election to another House. This is something I have never considered to be right. I agree with Senator Hall. If a person is a member of a State chamber why should he have to resign from that chamber in order to stand for the Federal Parliament? I think that one should have the right to stand for Federal Parliament. I think a member of any parliament should be able to transfer to the Federal Parliament. If a person is a successful candidate at a Federal election he could then submit his resignation to the State House.

Great play has been made on postal voting and the infringement of the electoral legislation at various elections. But I do not think that members of this Government and their supporters have been altogether lily-white in the practices they have indulged in during various elections. I can recall many malpractices occurring in order to secure votes. In my area of Mackay if it came to awarding a prize to the person who was the fastest racehorse in the malpractices stakes we in the Liberal Party would not be in the race. That puts it very simply and might make honourable senators realise who is the champion in this respect.

The attitude has been brought forth that we should go through this Bill and amend it. Senator Hall at times has indicated that the Government of the day has the right to do this and that in respect of certain aspects under government control. Continuing in that vein, I take the view that it is not the responsibility of the Opposition to take this legislation and knock it into shape for the Government. So far as I am concerned, the quickest way for us to fix this Bill is to throw it out neck and crop.

**Senator SCOTT** (New South Wales) (3.56)—I rise to say briefly that along with my Party I oppose this Bill in its present form. It contains no fewer than 34 specific points and I am somewhat surprised and disappointed that such a massive Bill as this should come before us at this time when on 11 April this year the Prime Minister (Mr Whitlam) said in a Press conference: 'There will be no amendments of the electoral laws under my Government in the next Parliament other than those which are set out in the policy speech'. The Labor Party's policy speech made no reference to changing the preferential system. I wanted to make the point that I am surprised and disappointed that in those circumstances and in view of that statement we are confronted with a Bill which has so many parts to it.

**Senator Missen**—Perhaps that is why the Labor Party is not defending it here.

**Senator SCOTT**—Perhaps that is the reason. A system of first past the post or optional preferential, call it what you will, basically gets around in logic to assuming that everything is either black or white. Naturally we all know and must admit that this is not the situation. This sort of attitude will construct a system in which minority views and minority parties virtually have no place and in which the total scene resolves itself into a battle of the giants. Consequently I do not believe that this really contributes anything to an

effective democracy. It has been shown in many places on many occasions that a first past the post system, or a system of optional preferential voting which is perhaps a prelude to first past the post, is a form of voting which has elected minority governments on many occasions. I have in mind the present Labor Government in the United Kingdom which is in office after having polled 37 per cent of the votes. I am sure that that is not a result which the Australian Government would suggest was a true reflection of the feelings of the people or one which was giving to those people a proper measure of representation. This system was tried, as Senator Wood said, in Queensland in the 1930s and when it last operated there, in 1941, I notice that with something like 51 per cent of the votes the government of that day was elected with 66 per cent of the seats. Had this sort of system prevailed for the last Federal election in Australia 49 per cent of the votes would have won 58 per cent of the seats. The fact that came from the 1974 election was that with 49 per cent of the votes the Labor Party became the Government, having won 51 per cent of the seats. I do not think we could get much closer to a proper and fair representation of the people than that. Whilst looking through these many points—there are 34 of them in this Bill—I find that perhaps I would put a cross beside only two or three of them and put a tick beside most of the others, with perhaps a few question marks against some. But I am not prepared to accept those two or three crosses and I am sure that if those particular provisions were taken out they would, from a Government point of view, virtually destroy the Bill. So with those few remarks I indicate that I oppose this Bill.

**Senator WILLESEE** (Western Australia—Minister for Foreign Affairs) (4.0)—It has been a rather unusual debate. At first we were confronted with a closed mind from the Opposition when Senator Withers announced that the Opposition would not let this Bill go to the Committee stage. Of course, the Bill did not go to the Committee stage in the House of Representatives either, although if the Opposition had wanted it to it could have. Then in the next breath the Opposition here says that it wants a committee set up to talk about this Bill. But it refuses to use the provisions of the Parliament to carry the Bill to the Committee stage in order, as Senator Hall pointed out, to agree with the things it found acceptable and to amend the others. Senator Scott said that he agreed with a tremendous lot of the provisions in the Bill and that there were only a couple of them besides which he would put crosses and only a couple beside

which he would put query marks. Here is an ideal situation for a Committee debate and an ideal opportunity, because of the state of the numbers in this place, to agree with those provisions that are acceptable and to amend those that are not. Then the House of Representatives, whether it liked it or not, would have the Bill again placed before it and that House would have to do something about the amendments.

But the Opposition has said that it does not want to go into Committee but wants some other form of committee set up to look into it. If the Opposition is sincere in this attitude—I do not know whether it is or not and I do not like questioning people's sincerity—it seems to me that it is rather muddled in its thinking. On the question of full preferential voting and all the rest of it what the Opposition has been doing in the second reading debate on this Bill has virtually been conducting a Committee debate. I do not want to get dragged into discussing what was said because I would then be making the same mistake of going into a Committee debate, but Senator Wood took an over-simplistic approach when he said that the full preferential system is the perfect system because if the first candidate is not elected he then looks to preferences from the second candidate assuming he is not elected and so on down the list of candidates.

This in theory is right but it is right only if there is something else available besides a full preferential vote, and that is full knowledge of the people for whom one is voting. This may work in any small body of people but it may be that it would not work in respect of the bigger political parties where the numbers would be too many. In a small political party or in a small committee consisting of, say, 25 people, these people probably have worked with one another over a long period of time. If three or four of them are seeking a position within the organisation one is able, because of a knowledge of them, to judge the order in which one should vote for them. But in the last Senate ballot how many candidates did we have in New South Wales? I think there were 78 candidates or something like that.

**Senator Scott—Seventy-three.**

**Senator WILLESEE**—They are people the electors have never seen before and therefore it is impossible for them to judge the worth of each candidate. Yet the electors are bound to vote for each of the 73 candidates. That is an exaggerated position; it has happened only once. It is not uncommon to have 15 candidates or 28 candidates. It is obvious, because of the results of elections over the years, that if the full preferential

system is to be effective the voting public must have full knowledge of the candidates. The voting public cannot possibly have full knowledge, even with the advent of television, in elections in Australia today. The Opposition could have amended our suggestion if it had decided to consider the Bill in the Committee stage. It could have come up with something else.

I understand some people on the Opposition benches would disagree with Senator Hall's proposition of moving towards a party system but would seek to adopt the system that some of the American States have where people say that they want to vote for a particular party and that they do not care who the people are. After all that is the reality of voting, particularly in regard to the Senate in Australia today. Some members of the Opposition would want to move to that system, but Senator Hall would not. It is obvious that this Bill should be considered by the Committee of the Whole. Opposition senators are denying that. They are saying that they want the Bill to be considered by a Senate Committee. What will be the difference in doing that? Senator Baume dealt with the question of voting from 6 a.m. to 6 p.m. He said that it was detrimental to religion in Australia. Again this matter could have been dealt with in the Committee stage. It has been acknowledged in the Act that voting from 6 a.m. to 6 p.m. could have some difficulties. The voting time of 6 a.m. to 6 p.m. could have been amended if the Bill had been debated in Committee. I do not think it is a vital part of the Bill and I do not think the effect of the Bill would be lost if it was amended in that regard.

**Senator Baume**—You agree that the 2 hours is critical?

**Senator WILLESEE**—Yes. The Opposition could have amended that time. The amendment may have been accepted. Of course we are not taking out of the Bill the provision for voting before the Saturday. People can still vote before the Saturday. I know honourable senators opposite take the view that this is still discrimination because the people do not vote in the normal way. How senators opposite might have suggested that it is a pretty mild sort of discrimination. People would still have their right to vote. Still I take the point that the people might like to go along on the Saturday and vote in the same way as others vote.

I am glad that Senator Hall raised the question of hospitals. Honestly the practice in this regard has been unethical—I will not put it any worse than that; I nearly used a harsher word—over the years. I think it is quite wrong that some parties

try to get some sort of 'in' with hospitals, old people's homes and that type of establishment. Quite obviously, when this vote can be discerned, it does not follow in many cases the normal voting pattern throughout the community. One of the things to be done was merely to let electoral officers take over the responsibility. I am sure that is something about which there would have been no argument from anybody. The practice at the moment is just an unethical type of thing. Honourable members opposite are agreeing with the draw for candidates, the restriction on silly names and all these things; yet they take the angle that they will not even let the Bill be read a second time. Honourable senators opposite dealt with the question of speeding up the result of elections. I think Senator Baume stated that it was better to get a correct decision than a quick decision. I agree with that, but on the other hand there is no need to have an unnecessarily slow decision. By not very radical sorts of amendments to the Act there could have been a correct decision and not an unnecessarily slow decision.

In 1972 my Party had a 2-man government. This was brought about because of the way my Party works. As honourable senators know we elect our Cabinet. Therefore we are at a disadvantage compared with members of the Opposition in getting a Cabinet quickly. The Prime Minister of the Opposition Parties chooses his own Cabinet. In 1972 we had a 2-man government, this duumvirate, for some time. We often jokingly say that we are glad the 2 members resigned and gave the rest of us a chance. We thought they might have carried on. We had to have a 2-man government because all our members were not known at that time. We could not ask the old Government to carry on; it had been defeated. We could not form a new government with a full Cabinet. So that bears out that the system is unnecessarily slow. There is no suggestion that we intend to speed up the system to bring about a bad decision or to produce something where somebody is disadvantaged. With modern transport today it is obvious that postal and absentee voting can be speeded up.

Some honourable senators have been saying that they are disappointed that the Bill has come forward in this form. Members of the Opposition say that they had little time in the other place for debate. They could have debated the Bill in the Committee stage, but they did not choose to do so. Honourable senators opposite could have debated the matter in Committee in this place but they chose not to do so.

**Senator Missen**—They had 3 hours.

**Senator WILLESEE**—They had 3 hours and members of the Opposition in the other place could have debated the Bill in Committee but they did not do so. They could have had extra time but they did not choose to take it. Honourable senators can have extra time to debate the Bill in the Committee stage here, but they are not choosing to do so. So honourable senators opposite should not blame the Government and say that they are being pushed. Honourable senators opposite had a chance to debate the matter in Committee in both places and have refused to do so. So, to use the words that have been used so frequently today, just as the Opposition is disappointed that we put in an omnibus Bill, I am disappointed that the Opposition is taking the angle that it will not even debate the Bill.

Question put:

That the Bill be now read a second time.

The Senate divided.

(The President—Senator the Hon.  
Justin O'Byrne)

AYES	NOES	
Noes . . . . .	27	
<b>AYES</b>		
Bishop, R.	Anderson, Sir Kenneth	
Button, J. N.	Baume, P. E.	
Cameron, Donald	Bessel, E. J.	
Cavanagh, J. L.	Bonner, N. T.	
Coleman, R. N.	Carrick, J. L.	
Devitt, D. M.	Chaney, F. M.	
Everett, M. G.	Cormack, Sir Magnus	
Georges, G.	Davidson, G. S.	
Gierzelt, A. T.	Drake-Brockman, T. C.	
Grimes, D. J.	Durack, P. D.	
Hall, R. Steele	Greenwood, I. J.	
Keeffe, J. B.	Guilfoyle, M. G. C.	
McAuliffe, R. E.	Jessop, D. S.	
McClelland, Douglas	Laucke, C. L.	
McClelland, James	Lawrie, A. G. E.	
McIntosh, G. D.	Marriott, J. E.	
McLaren, G. T.	Martin, K. J.	
Melzer, J. I.	Maunsell, C. R.	
Milliner, B. R.	Missen, A. J.	
Mulvihill, J. A.	Rae, P. E.	
O'Byrne, J.	Scott, D. B.	
Primmer, C. G.	Sheil, G.	
Walsh, P. A.	Sim, J. P.	
Wheeldon, J. M.	Townley, M.	
Wilsesee, D. R.	Webster, J. J.	
Wriedt, K. S.	Wood, I. A. C.	
<b>Teller:</b>		
Poyser, A. G.	Teller:	
	Young, H. W.	
<b>PAIRS</b>		
Murphy, L. K.	Withers, R. G.	
Drury, A. J.	Wright, R. C.	
Brown, W. W. C.	Cotton, R. C.	

Question so resolved in the negative.

#### SUPPLEMENTARY REPORT OF THE AUDITOR-GENERAL

The PRESIDENT—I lay on the table the following paper:

Supplementary report of the Auditor-General upon Other Accounts for the year ended 30 June 1974.

#### URBAN AND REGIONAL DEVELOPMENT (FINANCIAL ASSISTANCE) BILL 1974

Bill received from the House of Representatives.

Standing Orders suspended.

Bill (on motion by Senator Cavanagh) read a first time.

#### Second Reading

**Senator CAVANAGH** (South Australia—Minister for Aboriginal Affairs) (4.15)—I move:

That the Bill be now read a second time.

I seek leave to incorporate the second reading speech in Hansard.

The PRESIDENT—Is leave granted? There being no objection, leave is granted.

(The document read as follows)—

This is a short and uncomplicated Bill which sets out to do 3 things. One, it provides that my colleague, as Minister for Urban and Regional Development, may, in consultation with a State Minister, approve programs of urban and regional development for that State. Two, it provides that the Australian Government may agree with a State government upon the financial assistance to be provided for expenditure by the State or an approved body in the State for approved programs. Three, it provides that all agreements made with the States under this legislation be tabled before Parliament. Although this is a simple and concise Bill, it will have a momentous impact upon the day to day lives of the people of Australia. For the first time it sets the seal on the concept and function of co-operative federalism in Australia. It allows the Australian and State governments to get together in co-operative measures to improve the quality of life in Australia.

For far too long laissez-faire attitudes have dominated the thinking of Australian governments in the area of urban and regional development. There is no doubt that in the past much has been done at State and local government levels to rectify defects which have arisen in the system. These defects have distorted the distribution of the good things of life which should be available to all of our people. The great merit of this Bill is that for the first time the resources of Australia are marshalled to provide national strategies and national programs. It is the first attempt by an Australian government to recognise the national

character of the problems of the cities. In particular it allows the Australian Government to join State and local authorities in planning and implementing programs with a broad national perspective.

Ad hoc programs based on limited funds will never achieve the wishes of this Government and the States to give a reasonable standard of urban environment to all Australians. When my colleague, the Minister for Urban and Regional Development (Mr Uren), spoke to the House in support of the Budget on 15 October, he outlined in broad terms the Government's strategies for urban and regional development. He said that the main thrust of our programs was to improve the way of life of our city dwellers. During 23 years of government by the coalition parties, the non-urban population of Australia fell from 31 per cent to 14.7 per cent. Now when we speak of the cities we speak of the home of 85 per cent of Australians. I do not wish to turn debate on this Bill into a sectional wrangle based on cities against the country. Our programs have strong regional elements as shown by the recent grants given to rural shires and councils throughout Australia. We intend to improve and extend our regional development programs. Having made this clear, I must stress that the main thrust of this Bill is to reduce the problems of the cities and other urban areas. This will help the millions of people who have always lived in the cities. It will also help the million or so country dwellers who moved into the cities during 23 years of Liberal-Country Party government.

Before outlining the major aims of this Bill in more detail, I want to stress that all of the programs I describe will be undertaken jointly with the States. The Bill provides for consultation with the appropriate State Ministers. This sort of consultation has been a continuing theme of my colleague's Ministry. He has always consulted with State Ministers and officers of his Department and the Cities Commission have been in constant dialogue with their counterparts in the States. Together they have worked out strategies and the States have suggested programs which they can implement. It is important to remember that with only a handful of exceptions all of our programs are carried out by the States and bodies within the States.

With this Bill the Government will make a three-pronged drive to improve the quality of life of our Australian people. Firstly, we will work together with the States to change the growth patterns of Australian cities. We will work together to cut back the growth of the larger capitals and build alternative population centres

of a very high quality. In achieving these aims we will give the highest possible priority to dialogue with the people who live in centres and the organisations that represent them. Changing urban growth patterns will allow us to keep the severe problems we now face in existing urban areas to a level which can be managed by our programs. It will also provide the opportunity to show greater foresight in the development of new centres of population. Despite these initiatives, existing cities will continue to expand though at a slower rate. The second prong of our program is to ensure that the major cities grow in a way which avoids the problems of the past. To do this we must provide an urban environment which includes all of the facilities and life style demanded by the Australian people and provide them at a reasonable cost. The third part of our program is designed to arrest and to reverse the decline in the urban environment of our great cities, and to improve the services within them. All of these programs are inter-connected. It is impossible to sift out the separate elements of an urban and regional development program and put each into its own compartment. The State governments and their agencies understand this only too well. For these reasons, this bill is devised as an important step towards a more efficient and economic approach to urban and regional development.

The origin of this Bill, in one respect, was a meeting held on 22 October last year between representative State Ministers and my colleague the Minister for Urban and Regional Development. They agreed that they were united in their support of the following basic objectives: To contribute to the orderly and pleasant development of urban areas and in their broad planning and the assembly of land for urban purposes; to assist decentralisation through the development of attractive growth centres; to ensure that the rise in values from governmental announcements of growth centres and similar projects accrues to the community rather than to individuals; and to ensure the lowest possible prices for urban land, and to achieve all this for the benefit of people with the assistance of Australian Government funds. At that meeting the State Ministers agreed that the Australian Government should remove the artificial and detailed categories under which funds for urban and allied purpose were currently being offered by the Australian Government. This Bill is the first step in that direction.

I turn now to the respective roles of the Australian and State governments. As I said earlier, this Bill enables the Australian Government Minister in consultation with a State Minister to

approve programs. Further, it provides for the Australian Government to decide on the terms and conditions of financial assistance to be given. Quite clearly our course is consultation and co-operation with the State governments. I stress here that in most cases this willingness to consult and co-operate has been returned in full measure by the State governments.

The co-operative arrangements made over the last 12 months are very impressive. I list them for the benefit of honourable senators:

**Agreement with every State on financial assistance for Sewerage Works.**

**Agreement with every State on financial assistance for the National Estate.**

**Agreement with New South Wales and Victoria on the development of Albury-Wodonga.**

**Agreement with South Australia on the development of Monarto.**

**Agreement with Victoria on the establishment of an Urban Land Council.**

**Agreement with South Australia on the establishment of a State Land Commission.**

**Agreement with New South Wales and Victoria on area improvement programs.**

**Agreement with Victoria on Emerald Hill.**

**Agreement with Victoria on the south-east sector of Melbourne.**

**Agreement in principle with Victoria on the establishment of an interim steering committee for the development of Geelong.**

**Establishment of a joint steering committee to plan for the redevelopment of Woolloomooloo.**

**Agreement with the Tasmanian Government on a development strategy study of Tasmania and on open space acquisition in the Tamar Region.**

In the past 12 months my colleague has met with State Ministers on all aspects of Australian Government policy on urban and regional development. He has been greatly encouraged by the widespread acceptance between all on the need for urgent action. These State Ministers have made a very significant contribution in the application of our programs. It is clear from these examples that the State governments welcome our initiatives. In all cases the State planning and construction authorities have a major say in the use of financial assistance made available. For example, the urban improvement projects begun in the last financial year in the western sectors of Sydney and Melbourne were approved and endorsed by the relevant planning authority in each State. We are not imposing a grand design on the States. We do recognise that the

efforts of very able and very dedicated people in the States have been frustrated for too long by lack of finance and the lack of national direction. As a national government we must apply ourselves to defining national priorities and evaluating projects. This has to be done by the use of economic, social and environmental criteria applied at the national level rather than the State or regional level. This Bill will be a step towards creating an even better atmosphere for decisions on urban and regional development to be made on the basis of national interest.

For the benefit of honourable senators I would like to make 2 explanatory comments on the Bill. Firstly, the Bill contemplates financial assistance to the States by the amounts specified in the schedule for each of the programs covered by the Bill. I will refer in greater detail to the schedule when I talk on the individual programs. Secondly, as I have already explained, the Bill authorises agreements between Australia and the various State governments. During the discussions on the terms and conditions of finance for our programs of development on the urban fringe and in growth centres the States sought assurance from us that terms and conditions of finance could be reviewed after an initial period. We agree with this. The long-term nature of these programs is such that flexibility will be required in the initial stages. To achieve this flexibility and to satisfy the States we have included in clause 5 sub-clause 3, a provision to review the operation of these agreements. Against this broad background of our philosophy and objectives I turn now to look in some detail at our programs.

#### **Land Commission Program**

This is basically a program to operate in existing urban areas. Through Land Commissions we seek to organise a supply of high standard serviced land to meet an existing demand. The Australian Government has proposed that each State establish a Land Commission or some other body with powers to acquire and develop land. These bodies will operate within the existing administrative framework of the different States. Their activities will be mainly the acquisition and release of large areas of land ready to be put to urban use. The South Australian Parliament passed legislation setting up a Land Commission in October 1973. An amount of \$8m was made available by the Australian Government last year and was used to acquire 1,220 hectares of land. Negotiations are proceeding on an acquisition and development program for this financial year.

The Victorian Government agreed in May this year to establish an Urban Land Council. It is expected that \$16m will be made available to Victoria this financial year. An amount of \$3.5m of this will be used to purchase open space on the Mornington Peninsula to preserve an area which is of conservational and recreational significance for the whole of Melbourne. The balance of the funds available will be sufficient to purchase some 850 hectares of land for urban residential development in Melbourne.

Agreements in principle have been reached with New South Wales and Tasmania. Amounts of \$10.4m and \$2m respectively will be made available once suitable acquisition and development programs have been formulated and approved. Officers of my colleague's Department are discussing with New South Wales officers possible areas for purchase and development, and I am hopeful that a program will get under way early in 1975. I expect that the requirements for funds for this activity in New South Wales will be much greater once the program is operating through a full year. Substantial agreement has been reached in negotiations with the Queensland Government on the establishment of a State Land Commission. Few matters remain to be resolved. Australian Government and State Government officials have also reached an advanced stage in negotiations and setting a program in Western Australia.

#### Growth Centres

Our program for growth centres aims to encourage the rapid development of a small number of regional growth centres as desirable alternatives to existing cities. This involves the operation of a development corporation with the following functions: To acquire and develop land; to provide service headworks; to carry out both strategic and detailed planning for green fields urban developments. Development corporations are also responsible for attracting population and industry to the centres they manage. The role of a development corporation involves much more construction work than a Land Commission. A development corporation should also generate demand by making the particular growth centre an attractive alternative to other urban areas.

Our major growth centre program is Albury-Wodonga. In partnership with the New South Wales and Victorian governments we set up last year the Albury-Wodonga Development Corporation. Both States have passed necessary enabling legislation and this year we intend to make available \$40m for this program.

The Albury-Wodonga Development Corporation was set up by the Australian Government. Victoria and New South Wales have set up their own State Corporation to assemble and manage land in areas designated for development, and to provide municipal services to new urban areas. A Consultative Council representing community interests and local government has been set up to bring public participation into the development. We will assist other growth centres in co-operation with the States, including Bathurst-Orange, Holsworthy-Campbelltown, Gosford-Wyong, Geelong and Monarto. We will be carrying out major studies under the growth centres program in Western Australia, Queensland and Tasmania.

#### New South Wales

The Australian Government is committed to Bathurst-Orange and negotiations are continuing with the New South Wales Government on this region. Given a successful outcome to current negotiations, a major impact on the future growth of Sydney will be made through the Holsworthy - Campbelltown - Camden - Appin corridor and the Gosford-Wyong area. The Cities Commission is undertaking the planning, development and servicing of approximately 500 residential sites in the Holsworthy area. It will then report to the Government on the results of new social and physical planning and development arrangements. An amount of \$6m has been allocated to the Cities Commission for this program in 1974-75.

#### Victoria

On 4 October this year my colleague, the Minister for Urban and Regional Development, met the Victorian Minister for Decentralization and Development, Mr Murry Byrne, and the Minister for Local Government, Mr Alan Hunt. It was agreed that a new development authority for the Geelong region would be established by legislation early next year. In the meantime interim planning tasks and a program for development would be supervised by a steering committee. This steering committee is made up of representatives of the Victorian Town and Country Planning Board, the Geelong Regional Planning Authority, the Department of State Development and Decentralization, and the Cities Commission. Geelong as a growth centre will play an important part in the redistribution of jobs and people in south east Australia. At least \$10m has been allocated for this area in 1974-75.

### **South Australia**

The Monarto Growth Centre had already been started by the State government when we came to power. My colleague's Department and the Cities Commission have worked closely with the Monarto Development Commission and other agencies of the South Australian Government to plan the new city. We have agreed to provide financial assistance to Monarto on the basis of agreed development programs.

### **Western Australia and Tasmania**

We do not expect to fund actual growth centre projects in these States in 1974-75. We will be providing financial assistance under the growth centres program for major studies. In Tasmania we will provide funds for the Strategic Development Study which is being made for the whole State but with a focus on regional planning. We will also provide funds for the acquisition of open space in the Tamar Region.

### **Queensland**

As with Western Australia and Tasmania, Queensland is not receiving any financial assistance for actual growth centre projects. The Cities Commission has got excellent co-operation from Queensland Government officials for a study of the Moreton Region. This includes Brisbane and its environs. This study is for the most part financed on a joint 50/50 basis with the Co-ordinator General's Department of Queensland. The contribution of the Australian Government comes from the Cities Commission's study work.

### **National Sewerage Program**

The National Sewerage Program has 3 objectives. To remove existing backlogs of unsewered premises; to improve sewerage treatment, and to ensure by 1982 that all new homes can be connected to sewerage systems. The 1973-74 financial year was a gearing up year for the State authorities in which \$37.65m worth of approved works was carried out. The Treasurer (Mr Crean) said in his Budget Speech that \$105m would be made available this financial year. Of this amount \$10m is for works started last year and approved elsewhere. The States and in particular New South Wales and Victoria have asked for more funds to maintain full employment by the sewerage authorities. The Government has responded by approving an extra \$15m for this purpose. My colleague announced this new allocation in a Press statement on 13 November.

This Bill appropriates a total of \$110m to be made available for works started this financial

year. It includes at least \$5m for cities in a population range of 20,000 to 60,000 and \$2m to assist supporting activities. Officers of my colleague's Department have held initial discussions with State officers on allocating these funds within each State and on the terms and conditions to be included in the agreement between this Government and each State.

The allocation of funds to each State is made basically on the relative shortfall of funds in each State and on the following principles: The relative degree of self-help; the rate of progress towards eliminating the backlog; the ability to spend the funds within the financial year; the degree to which the capability will carry over into future years; the degree of consistency between the local sewerage program and the priorities of the relevant State planning authority; the importance of the program from a 'regional' point of view; and the relative population growth of the area concerned.

There are 1½ million people in major Australian cities living in houses and flats which are not connected to a sewerage reticulation system. There are also 100,000 people deprived of sewerage living in smaller centres of population in the 20,000 to 60,000 range. The funds announced in the first place for works this financial year were estimated by my colleague's Department and their State counterparts to be enough only to continue the activity at the level reached at the end of last year.

This would have allowed around 30,000 backlog dwellings to be served this year as well as works carried out on head works and treatment plants. The provision of an extra \$15m will allow activity to be increased and speed up the reduction of the sewerage backlog. The initial allocation was to be distributed in approximately this way: New South Wales, \$34m; Victoria, \$34m; Queensland, \$14m; South Australia, \$3m; Western Australia, \$15m; Tasmania, \$3m; and support activities, \$2m. No firm commitment has been made on the distribution of the extra \$15m but my colleague will announce details as soon as possible. Thirty percent of all moneys for sewerage will be made available as non-repayable grants. As was explained in the Budget Paper on Urban and Regional Development, the best estimate of the total cost of our objectives is about \$3,800m at June 1974 prices. The contribution of the Australian Government is expected to be around \$1,500m.

### **Area Improvement Programs**

Area improvement programs are directed to specific regions where we have decided to concentrate assistance for social and economic reasons, and because major deficiencies exist. We aim to give these regions a better living environment and to improve forward planning. The programs are developed in co-operation with Regional Organisations of Councils. They aim at linking all three levels of government and community groups together in a co-operative venture. The programs also seek to tie in with established sources of grants or subsidies available through other government programs. In some cases the specific funds made available under the program help to complement funds committed by State and local government and other Australian Government Departments.

My colleague's Department will work to ensure that the activities of all Australian Government departments involved in area improvement program regions take place within the framework of an overall regional development strategy. Grants are earmarked for designated projects or for a designated group of activities. Projects to receive these grants are agreed upon from time to time by a Minister representing the State Government and the Minister for Urban and Regional Development. In 1973-74 the program operated in 2 regions, one in the western suburbs of Sydney, and another in the western suburbs of Melbourne. These were regions with particular deficiencies in community services and a living environment which compared unfavourably with other parts of Sydney and Melbourne. Subject to States' agreement, the program will be extended in 1974-75 to 11 more regions. These regions may be undergoing severe growth pressures or are victims of imbalances in social make-up. For a variety of other reasons the living environment in these regions might not have realised its full potential.

In 1974-75 the Australian Government proposes to spend \$14.1m on area improvement programs. Of this amount \$13.5m is covered by this Bill. The balance relates to programs begun last year and appropriated elsewhere. An area improvement program is intended to encourage co-operative involvement of citizens and governments in regional planning and advancement. For this reason it involves an element of public education in urban and planning issues. Area improvement program funds will also help to rectify defects in parkland and open space, in drainage and water ways, in efficient garbage disposal systems, in community facilities such as halls and libraries. The programs represent one

element of the Australian Government's commitment to increasing the status of local government. It accepts the need for some reshaping of the way in which local government operates. The Government has already begun at a number of points to remedy these problems.

Programs now helping local government include direct financial assistance to local government through the Grants Commission, growth centres, urban and regional budget programs, local government information file, regions program and the area improvement program. With the permission of the Senate I will conclude my remarks on the area improvement program by tabling a list of the 13 regions to benefit from the program and the help each will get.

### **National Estate**

The objectives of this program are to preserve and enhance land and buildings of beauty and of historic, environmental or scientific interest as a heritage for the Australian people. Last financial year 101 programs were approved totalling more than \$2.2m. This year \$8m will be made available for the national estate program. Of that amount \$5,748,000 is provided by this Bill. The balance is for programs begun last year, grants in aid, and national estate projects in the two territories. An Interim Advisory Committee has been set up on the national estate on the recommendation of the Hope Inquiry, pending a Bill to create an Australian Heritage Commission. Officers have started discussions with each State on the projects to be included in this year's program. Submissions have also been sought by advertisement and personal representation from non-government bodies and private individuals. For too long we have permitted the bulldozer mentality to prevail. Our Government will seek to preserve for posterity things that were created by man or nature that are unique and beautiful. I regard this program as a key part of the Government's urban and regional development policies.

### **Urban and Regional Water Supply Schemes**

Water is a significant input in overall urban services. The role of the Ministry in this program is twofold: Firstly, to promote improved water management; secondly, to integrate the provision of water with overall urban and regional planning against the background of the Government's national water policy. Assistance for Adelaide's treatment scheme and the north-west Tasmanian regional water supply scheme are important parts of this approach. Both are most effective solutions to pressing problems.

Adelaide's water comes from local catchments and the River Murray. Both are contaminated and the city's water supply falls far short of international standards for bacteriological and chemical quality. An amount of \$4.4m will be made available this financial year on the same basis as for the national sewerage program—that is 30 per cent grants, the rest a loan at the long term bond rate. The allocations for sewerage in New South Wales, Victoria, Queensland and Western Australia are approximately \$34m, \$34m, \$14m and \$15m respectively while South Australia will receive approximately \$3m. This points up the efforts of the South Australian Government in adequately seweraging its own urban areas, at the expense of earlier improvement of water supplies.

Priority in the program of treatment works will be given to Hope Valley and Chandler where severe decline in the quality of water has been encountered. Hope Valley also services the second largest number of consumers and it will be possible to secure substantial benefits in a short time. The program will be extended in the years ahead to remove the blight of poor quality for Adelaide consumers. The north-west Tasmania regional water supply scheme is designed to integrate the present activities of 8 local governments and 10 separate water supply schemes. At present the water is contaminated and insufficiently treated. There is no transfer capacity between the different schemes and rationing has been needed in the past. The total cost is currently \$10.5m over the next 6 years. We have given the Tasmanian Government an agreement in principle to support the work. I anticipate that funds will be allocated in 1975-76 following the planning and design stage to be completed this year. Mr President, this completes my outline of the programs which come within the scope of this Bill. The Bill is an historic one. It is a major tribute to the growth of co-operation and consensus between the 3 levels of government in Australia. Above all, the Bill is a striking example of the spirit of progressive federalism in action. I believe this Bill gives a new richness and meaning to the practice of federalism in this country, and I commend it to the Senate.

Debate (on motion by Senator Carrick) adjourned.

#### **QUEENSLAND GRANT (BUNDABERG IRRIGATION WORKS) BILL 1974**

##### **Second Reading**

Debate resumed from 26 November, on motion by Senator Wriedt:

That the Bill be now read a second time.

**Senator Lawrie**—Mr President, I ask the Minister whether he will agree to deal with this Bill, the Queensland Grant (Clare Weir) Bill 1974, and the Queensland Grant (Proserpine Flood Mitigation) Bill 1974 together in a cognate debate.

**The PRESIDENT**—Is the Minister agreeable to those 3 Bills being taken together?

**Senator Wriedt**—The Government has no objection.

**The PRESIDENT**—I will allow the course to be followed.

**Senator LAWRIE (Queensland) (4.19)**—The first of these 3 Bills now before the Senate to which I want to refer is the one concerning the Bundaberg irrigation scheme. This scheme was started some years ago by a Liberal-Country Party government to remove the possibility of drought occurring in the area. It was an attempt to make the area as drought-proof as possible. A considerable sum of money was provided by the previous Government for the commencement of this irrigation scheme. It was to be handled in 2 stages. The one that this Bill refers to is the conclusion of phase 1 of the scheme. A good deal of the work has been done. The dam on the Kolan River is just about finished. A channel has to go to the Gin Gin area and eventually a pumping station is to be constructed to take water into the Burnett River. For various reasons, particularly escalating costs, the amount of money originally provided has fallen short by a considerable sum. The Queensland Government asked some time ago for an additional \$4.4m to complete this scheme, but in the meantime a further escalation of costs has taken place and that amount may not be enough to complete the scheme. Additional funds may be needed to complete phase 1 of this scheme.

As was pointed out when similar Bills were introduced some years ago, the Bundaberg area is well established. It is a large centre of population. It is mainly a cane growing area but some parts of the surrounding district suffer considerably in times of drought and cane yields vary considerably from year to year. When this irrigation scheme is completed it will overcome much of the difficulties that we have had in the past with the variations in yield, but it will go much further and instead of the district being mainly dependent on one crop it will promote the production of many other types of crops. This will greatly assist the whole area. The only objection that I have against this legislation is that possibly the amount of money involved is too little and it is being granted too late. It may be

that we will need more money to finish the scheme. The Opposition is supporting these Bills. We want the Queensland State Government to get on with the job as soon as it can of providing water to those areas that need it and where it can be provided comparatively easily.

The next Bill refers to the Clare Weir on the Burdekin River which is one of the largest rivers in Australia in terms of volume of water. I think it is about the largest river in times of peak flooding but like many Australian rivers it runs into the sea and does get very low at times. There is a big area to be irrigated around the twin towns of Ayr and Home Hill. This weir will provide water for this district. It will enable great development to take place in this area. So far the Burdekin does not have very much water storage on its tributaries. The big city of Townsville which is not very far away from it has possibilities of great industrial development. A nickel refinery plant is to be constructed there and other development projects will need an awful lot of water in the future. Townsville itself now has a dam for flood mitigation and a dam on the Ross River which, I am told, will keep the city provided with water for probably 10 or 15 years at the most and then water will have to be obtained from elsewhere. It will have to be obtained from the Burdekin River, probably at a point much higher up the river than the Clare Weir.

I believe that this is part of a very large development of this particular area of Queensland and Australia and that the provision of a greater water supply in this area would mean an even larger development. Water from the Burdekin River can be used for industrial purposes as well as for irrigation and the provision of town water supplies. We support this scheme on the Burdekin River. We hope that it will be in operation quickly and that it can be extended so that other dams can be built on the Burdekin River. One of the southern tributaries of the Burdekin River supplies water to one of the mining developments in the Goonyella area. The provision of a water supply for that mining development is playing no insignificant part in the building up and storing of water in my State.

The other Bill concerns the Proserpine River. I understand that during the floods this year the Proserpine River broke its banks in one area. The Proserpine River Improvement Trust has been set up and it has to rebuild some levy banks and strengthen the water channels. It is a very flooded area. It is a cane-growing area. The area has been subjected to great damage during the very wet years. For this scheme \$120,000 is being provided by the Federal Government,

\$120,000 by the Queensland Government and \$60,000 by the Proserpine River Improvement Trust. I think that this scheme is under way now, and we hope that it will be finished as soon as possible.

The only other point that I should like to make about these Bills is that the Queensland State department which is responsible for these matters has always had a very good engineering and water supply staff. It has a good set-up. It has been able to lay out and build big dams in the past. Now apparently, because Federal Government money is being used in these schemes, the Snowy Mountains Authority's engineers are sent to check most of the figures. I was told for the schemes we have mentioned this afternoon that nearly \$500,000 has been paid to the Snowy Mountains Authority in engineering fees just to check these matters after they have been done, I believe, in the first instance by the Queensland State department. These schemes are part of the development of water supplies in Australia. They are part of the program of trying to make as many areas as possible as drought-proof as we can make them in order that we can grow crops other than just sugar cane in particular areas. We in the Opposition wholeheartedly support these Bills and wish them a speedy passage.

**Senator MILLINER (Queensland)** (4.29)—This is a cognate debate on 3 Bills which concern the State of Queensland. I do not wish to appear to be parochial in any shape or form, but I just make my contribution to the debate and say that Queenslanders generally will welcome the support that is being given to this legislation. I speak particularly of the Burdekin River scheme. It has been a sore point with Queenslanders for many years that nothing has ever been done to dam the Burdekin River. I suppose that one could go back in history over the past 30 years and revive the story of the Burdekin River dam. I am pleased to say that I am part of a Government which, in co-operation with other governments and other authorities, is now to tackle this important task. I know that my colleagues on the other side of the chamber would agree with me when I say that the Burdekin River dam has been a long-standing issue in Queensland. Now we are tackling the matter and I believe that it will be to the advantage of all concerned. I have no wish to engender any heat in this debate, but if I heard Senator Lawrie correctly he said that it was a matter of too little too late. All I can say is: Thank goodness we have now reached the point where we are doing something about it.

**Senator Lawrie**—I was referring to Bundaberg.

**Senator MILLINER**—If I have misinterpreted the remarks of Senator Lawrie, I apologise. If his remarks related to Bundaberg, let me say again that this has been an issue with the Australian Government for many years. We have promised the money to finish this dam, and that promise will be honoured. An amount of \$4m is being provided to continue the construction of the Monduran Dam, and this project will be accomplished. I do not wish to speak at length on these Bills. I close on that point. I am pleased that the Opposition has recognised the importance of this legislation to the State of Queensland and has decided to give the legislation a speedy passage.

**Senator WRIEDT** (Tasmania—Minister for Agriculture) (4.32)—in reply—Very briefly, I wish to thank the Opposition and Senator Lawrie in particular for co-operating in securing the passage of these Bills. It is true, as both Senator Lawrie and Senator Milliner have said, that there has been work done in the past by other governments and other authorities and that it is being continued by this Government in order to ensure that the water resources of the State of Queensland are maintained at a satisfactory level and expanded as required by the various urban regions and the agricultural areas of that State. As there is no opposition to and no criticism of the legislation, I think that it should now be put to the vote.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

#### **QUEENSLAND GRANT (CLARE WEIR) BILL 1974**

##### **Second Reading**

Consideration resumed from 26 November, on motion by Senator WRIEDT:

That the Bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

#### **QUEENSLAND GRANT (PROSPERINE FLOOD MITIGATION) BILL 1974**

##### **Second Reading**

Consideration resumed from 26 November, on motion by Senator Wriedt:

That the Bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

#### **AGED PERSONS HOSTELS BILL 1974**

##### **Second Reading**

Debate resumed from 19 November, on motion by Senator Wheeldon:

That the Bill be now read a second time.

**Senator GUILFOYLE** (Victoria) (4.37)—Mr Deputy President, may I suggest that this Bill, the Delivered Meals Subsidy Bill 1974 and the Aged or Disabled Persons Homes Bill 1974 be debated cognately as they are related measures.

**Senator Wriedt**—The Government does not oppose the suggestion.

**The DEPUTY PRESIDENT (Senator Marriott)**—Is it the wish of the Senate to have a cognate debate on the 3 measures? There being no objection, I will allow that course to be followed.

**Senator GUILFOYLE**—The Opposition welcomes the measures provided for in the 3 Bills to which I have referred. The measures which have been introduced in these areas of social need are commendable and will be of assistance to the community. I will deal firstly with the Delivered Meals Subsidy Bill 1974 and simply comment that the increase from 20c to 25c in the rate of subsidy for each meal delivered will be of assistance. The fact that the subsidy will be increased to 30c if the meal includes a vitamin C supplement is also welcomed by the Opposition. These increases in the rates of subsidy will be of assistance to those voluntary and local government services which provide meals to elderly citizens in their own homes. It is always noteworthy to comment, at the time of talking about subsidies, that the service which has been developed in Australia is an enrichment of the lives of those elderly people who are often isolated without social contact. The daily contact which is made through the provision of this service is of assistance to them from the point of view that it not only provides a meal but also provides social communication. We therefore welcome any Government initiative which supports the continued development of this scheme. Indeed, I would like to think that we could provide for an extension of the existing system of subsidising delivered meals. It is in most communities a service which is able to be provided only on week days. Very often it is discontinued throughout the normal holiday period that occurs in the early

summer months at the end of a year partly because so much of the service is provided on a voluntary basis and people have other preoccupations at that time which prevent them from working in the voluntary community organisations. If this type of service could be extended to give a greater coverage in each year I believe that it would be of obvious additional benefit to those who use it.

It is also of note that in some municipalities it is impossible at the present time to offer even a daily service on a week day basis. I am aware of some areas in which it has been necessary to curtail this practice and to provide a service on alternate days. I believe that the support that is provided by the Government in the measures with which we are dealing will be of assistance because undoubtedly the cost of providing meals due to the inflation which we are experiencing, particularly in food costs, is becoming an increasing burden upon those who seek to provide such a service. For that reason we are delighted to give our support to the benefits which are contained in these measures and wish them a speedy passage.

I wish to refer now to the Aged or Disabled Persons Homes Bill 1974. Again I welcome the increase in the government support in this instance for a program of assistance to non-profit organisations and local government bodies for the cost of providing homes for aged persons. This assistance was first provided in 1954. The support for it has increased progressively from government to government. The present provision is one which seeks to increase the rate of subsidy from \$2 for every \$1, which represented government support of approximately 66 per cent, to \$4 for every \$1, which represents a government support of 80 per cent, in relation to the provision of homes for aged persons. I believe that this assistance is timely because there is an urgent need for an increase in the amount of accommodation available for elderly persons in this country. Anything which can accelerate the program for the development of the various types of homes which are needed is something which is welcomed by us.

It was of interest to me to learn that the Government has decided to extend the provisions of this legislation to include handicapped adults. Persons in this category were previously excluded from the benefits provided by this legislation. The extension of the provisions of the legislation to include them is a measure which is commendable. It will be of assistance not only to the handicapped adults themselves but also to the quite elderly parents who have cared for a

handicapped child until he has reached adulthood and is still in need of personal care. The access to the types of homes about which we are talking will be of assistance to a number of people in this category.

The Bill also provides for an increase in the personal care service for the aged from \$12 to \$15 a week. That is appropriate when related to the increasing costs. The hostels which provide care for the elderly people who are no longer able to care for themselves in independent homes but who do not need the nursing home type of medical care will be assisted by the increase which has been provided for. I hope that the personal care rate will continue to be reviewed from time to time. Undoubtedly the increases in recurring costs which are being experienced not only by institutions but also by individuals due to the high rate of inflation highlight the need for a review of the rate from time to time. I am hopeful that a review will be undertaken at quite frequent intervals in conjunction with a review of other costs in the community.

Another aspect of the Bill and the program itself which is of interest is the fact that local government authorities will have the opportunity of availing themselves of the subsidy for homes built for aged persons with loan moneys. It is naturally a program which has our support in principle. It is also a program which has not been used extensively by local government bodies in the past. They have had access to support in the construction of homes for elderly persons but, due to the fact that they have had other local government responsibilities and somewhat limited financial support, have not introduced this form of service to any great extent into the communities which they cover. However, it will be interesting to see whether they will use the access that they will now have to loan funds for this purpose. If it can provide an extension of service, we will welcome it. I wish to refer to aged persons housing in general and perhaps to seek from the Minister for Repatriation and Compensation (Senator Wheeldon) in his response some indication of whether the report of the committee of inquiry that was set up about 12 months ago by the Social Welfare Commission is now available, because the Minister said a few weeks ago that he expected the report to be available during this session. I would like to know when the report would be available, what recommendations were made and what provision, if any, was made by the Government for financial appropriation for any of the recommendations that it anticipates.

On 31 October the Minister stated that ceilings would be reviewed annually in the Budget context without hindering ad hoc reviews in times of rapidly increasing building costs. These ceilings of course relate to the program of support for the construction of the housing that we are discussing in these amendments. It would be quite clear to honourable senators that a ceiling that is the basis of the support that can be given would need to be reviewed in view of rising building costs. If the ceiling is unduly low and not improved, the fact that the Government improves the subsidy does not necessarily mean that local government or voluntary organisations would have access to the programs that the Government is attempting to encourage, because if there is to be too large a gap between the ceiling and the actual building cost, there are difficulties which may not be overcome despite the increasing subsidy that the Government has announced. The Minister for Social Security (Mr Hayden) said that the Government would subsidise program cost adjustments due to rise and fall clauses in building contracts for work carried out since 1 April. I think it is of interest to know that the Government has acknowledged that there are increases for buildings in the course of construction and in the course of contract arrangements, and to have the amendments made retrospective to 1 April is of assistance. For this reason also we welcome the provision.

There has been noteworthy support from voluntary charitable organisations in the care of persons. I think voluntary organisations have played a very important role in the program of care in this country. It is timely to suggest, with the increases in capital costs of buildings that are needed and with the increases in recurrent expenditure that are experienced, that voluntary organisations are experiencing grave difficulties in continuing the services that they have given for so long in this community. I regret that these difficulties are experienced. I would not wish to think that we are entering a stage in which the whole of social welfare needed to be undertaken by government. I think we would be removing from Australian society that capacity for compassion and community support that is a desirable feature. I am not drawing attention to the difficulties of the voluntary charitable organisations and laying that at the feet of government. I am simply acknowledging that we are experiencing difficulties in which perhaps we should all be sharing. I just draw attention to that matter, and I am sure that those in the Department of Social Security who are closest to the welfare programs would understand my reference to the difficulties

that so many voluntary organisations are experiencing at present.

The other Bill to which we are referring is the Aged Persons Hostels Bill. Here again we welcome the amendments because there is an immediate and urgent need for hostel type accommodation for Australian elderly people. I have seen figures that estimate that there are approximately 50,000 persons who urgently require accommodation of this type. That accommodation is not at present available. This legislation is complementary to the Aged or Disabled Persons Homes Act and there is a relationship between the 2 types of accommodation for those at this stage of their life. Entitlements are available for eligible institutions on the basis of 2 beds for every unsubsidised bed that they currently operate. That means that if one is operating a certain number of beds one could add to them double that number. This program was introduced in 1972. I can recall announcing the particular program of the McMahon Government at that time as a program to accelerate the development of hostel type accommodation in this country. We welcome the recent announcement that acknowledges that program as worth while. I simply regret that it has been impossible to accelerate the program to the extent that we had hoped that it would be accelerated.

The 1972 program that I talked about was a 3-year program. We know of the entitlement under that program; there were a certain number of existing beds and double that number could be added by support from the Government. It is of interest and concern to note that some 12,000 beds—the entitlement of existing organisations at this time—have not yet been built under the program. That is why the Opposition will be introducing an amendment to this Bill to suggest that the 3-year program that was introduced in 1972 could be extended for a further 2 years to allow this original entitlement of beds to be developed and built with support from the program. It would be understood by the Minister that at this time there is less than one year of the program to be fulfilled. To suggest that approximately 12,000 beds could be built, arranged and completed in one year perhaps is unrealistic. For this reason I will be introducing the amendment that was introduced by our spokesman in the other place, Mr Don Chipp, when this Bill was being discussed.

I was pleased to receive a news statement dated 26 November from the Brotherhood of St Laurence in my State which welcomed the Government program. It is headed:

New Subsidies Mean 'Go Ahead' for Brotherhood Housing Project.

It will be known that this organisation provides a variety of social welfare services and has introduced many new concepts into this field of care. That it will now be able to go ahead with the building of a 4-storey hostel in Fitzroy because of the new assistance will be welcomed by us all. I know how much it will be welcomed and how much assistance it will give in my State. In the news statement the organisation stresses that the average cost of a single room in the suburb of Fitzroy in Melbourne is now approximately \$14 a week. It will be readily understood that those people who live entirely on pension incomes and pay this rate of rental would be suffering some difficulties. We believe that the organisation's program for Sumner House, as they will call the hostel, will be of assistance. The Brotherhood of St Laurence stressed that voluntary organisations which deal with accommodation for the elderly have been asking for some time for a review of Government subsidies. The new rates are realistic and at last will make rapid expansion possible. This particular project will cost \$608,000. This cost will be met by funds from the Australian Government and from the voluntary service projects the Brotherhood runs to assist the work it does. The provision of more personal care accommodation will reduce the number of elderly people who now have to be hospitalised or who become permanent patients in nursing homes. That is the objective of the type of hostel that I am talking about. For this reason we welcome the opportunity to develop this program a little further.

In talking of care for elderly people I stress that Liberal Party policy for this type of concern is that assistance will be provided for home alterations so that families can accommodate elderly relatives in their own homes. The assistance my Party had in mind was aimed at members of a family who care for their elderly relatives. It would be in the form of taxation concession for building alterations needed to be made in the home, extensions or the provision of the things required for elderly slightly handicapped people such as ramps, special showers, handrails, and bathroom and other facilities. Some taxation concession should be granted to those people who are prepared to care for their elderly relatives in their own home and to make the necessary alterations to it. Our Party policy also is that we would continue the extensive development of hostels for the elderly and the chronically ill in which they could be watched over by resident staff and have communal meals if they so desire.

If adequate hostel accommodation was available and was suitably sited it would be appropriate for many people to use instead of their using nursing home beds as they are forced to do at present.

Perhaps it is apt to say at this stage that we feel we should attempt to improve the domiciliary services available to the elderly people in our community. We have talked of the Delivered Meals on Wheels scheme. We would like to think that there are other services in which the Government has a role to play. I am thinking of such things as laundry services which would make it possible for people to be visited by nursing and other medical services, to have meals and the other improvements to the care which they are able to provide for themselves. This would enable them to live in their own homes and to have the independence they want for as long as possible. I was interested to read a series of articles which some time ago I requested our library service to obtain from the United States about the care of elderly people in that country. Some of the articles are somewhat depressing because they tend to refer to the problems of the ageing and to the economic position of old people. In a recent account of older people one writer, Herman Brotman, observed:

It is a particularly frustrating irony that progress in man's search for a longer life should produce the 'problems of ageing'.

He pointed out that in making it possible for a large proportion of people to live to old age we have also made that old age into a stage of dependency in which the elderly person is robbed of his or her traditional role and status. Lots of articles are available. Some of them deal particularly with the problems of old people in rural communities and the lack of access to services we take for granted in suburban areas. Obviously these are questions on which we need to do a great deal of thinking and to take some prompt action. There is an urgent necessity in our communities for our elderly people to have access to suitable comfortable accommodation at rates they can afford. It also is desirable that people who choose to live in their own homes are able to do so with supportive services which originate either from government or receive a subsidy from government.

For the reasons I have stated the Opposition has pleasure in giving a speedy passage to the 3 Bills we are discussing. I wish to have the opportunity to move an amendment in the Committee stage of the Aged Persons Hostels Bill.

Senator SHEIL (Queensland) (5.0)—I rise to lend my Party's support for these 3 Bills. I wish

to say a few words about them and will take the Bills in turn following the order used by Senator Guilfoyle. I support the remarks she made about the Delivered Meals Subsidy Bill. I support the increase of 5c in the subsidy to bring it to 30c but I point out that this is still only a small amount of money and would not provide a very big meal. It is only a partial help and the Meals and Wheels organisation provides the rest. The meals are delivered only once a day and never on a Sunday and the facilities in nearly all centres are booked out at the moment. There is plenty of room for improvement in this field of operation. In his second reading speech on the Delivered Meals Subsidy Bill the Minister for Repatriation and Compensation (Senator Wheeldon) indicated his intention to extend the services further and to provide such things as housekeeping, shopping, sitting, linen and handyman services. He said that the States have made progress in supplying these areas but that he is far from satisfied with their growth. I point out that these services are of an intimate nature to the local areas and this really is not a matter in which the Australian Government can come in and help all that much. This is really a State or local government affair, or even a private enterprise affair, and those people can answer for the type of services they provide. I think that the food guide put out by the Department of Social Security for the Meals on Wheels organisation is more a matter for the Department of Health. It gives people an indication of the type of food wanted for home delivered meals.

I refer now to the Aged or Disabled Persons Homes Bill. The subsidy in this instance is given to the homes. It is being increased from \$2 for \$1 to \$4 for \$1. That is not really double although it sounds like it. In this instance I think it would be better to pay the subsidy to the patients rather than to the homes as it is now known that the religious and charitable institutions are in favour of deficit financing. I do not think that is a very good scheme because it will mean that they will lose their autonomy and wind up under government control. It would be a bad thing to have a huge Federal bureaucracy running these homes in the cities. The Minister said that organisations have been delaying commencement of their building projects. He cited various reasons for their doing this, such as that they do not have the economies of scale or that they might not have the necessary expertise. I suggest that Government interference has been the reason for the delay and that there is a feeling of uncertainty for the future as to their method of financing, particularly in regard to the amount of the subsidy.

Through all these Bills the Government, I am sure not through any ulterior or bad motives, is promising care for all people. I do not think the Commonwealth Government can possibly do that. I believe it should rely on the help of other agencies such as the State and local governments and private enterprise. The Commonwealth is stepping into a huge area. I feel it will run into difficulties in combining aged and disabled people because they are 2 separate areas. A huge rehabilitation aspect is involved in the care of disabled people. Many disabled people are younger and will not be happy if housed with old people. The rehabilitation section of such institutions requires different staff, different equipment, different facilities and a different design altogether for the buildings. The people to whom the subsidy applies in these homes receive a very good subsidy if they are pensioner patients, but the Bill does not provide for non-pensioner patients. I think that non-pensioner patients could quite easily be included under such a scheme as, say, the special account in the medical insurance funds. I notice that the legislation provides for at least one staff member to be on duty all the time, but the Minister did not mention whether he was to be a trained staff member. If you are dealing with aged or disabled people I think that you should have a trained staff member on duty all the time. This is only a minor point but I think that it is worth mentioning.

The Minister mentioned that local government bodies would appear to be well situated to enter the aged persons' homes field. I draw the attention of the Minister to the Commonwealth Statistician's report on nursing homes and convalescent homes which shows quite conclusively that private enterprise institutions can look after these people at a vastly cheaper rate than the Commonwealth Government does. It is an area in which private enterprise could well come to the rescue of the Government and take an awful load off its shoulders. The provision of such services as taking people for a drive, doing special shopping for them or taking them to theatres or sporting functions and things of that nature cannot be managed by a huge government department.

I note also that the Aged Persons Hostels Bill and the Aged or Disabled Persons Homes Bill, as well as being companion Bills, are also related to the Sheltered Employment (Assistance) Act and the Handicapped Children (Assistance) Act. This may be a good thing from a co-ordination point of view. I point out again that these matters fall into entirely separate areas. They encroach

into the whole field of health and would be better off administered by the Department of Health rather than by the Department of Social Security. Further on in his second reading speech the Minister mentions that the co-ordination of the whole of this hostels and homes policy is awaiting the report of the committee of inquiry into aged persons' housing. This matter again falls into an area entirely separate from social security.

As far as the Aged Persons' Hostels Bill is concerned, I would mention again that it has been shown quite clearly that private enterprise can manage these hostels much more cheaply than can the Government. I was not in the chamber to hear whether a change was proposed in the amount of the subsidy, but a subsidy of \$13,000 a bed to cover the whole of the capital cost of putting up these structures would not be nearly enough. I think in his second reading speech the Minister mentioned that the subsidy is to be increased to \$9,000 a bed, but that is far too small an amount and it does not take into account the provision of the land on which the buildings are constructed.

Once again the Minister has noted that there has been a delay in organisations using the funds made available. I would point out that that delay is brought about by a feeling of insecurity about the future, by the Government's interference and by the fear of government control. Once again I urge the Government not to allow the religious and charitable institutions to press on with their scheme for deficit financing. It cannot be successful. I think that the Government could be well advised to include in these hostels the provision of day care facilities for people who need looking after just during the day or who need rehabilitation, physiotherapy and other help to make them better. Such patients can be dropped off by their relatives and picked up after work. There are many young disabled people now who could well take advantage of this kind of service, but they would need medical supervision and appraisal from time to time to see whether the facility suited them. I am pleased to join with Senator Guilfoyle in supporting these Bills because they are intended to provide help in an area which needs a lot of assistance. However, I would warn the Government against trying to bite off more than it can chew.

**Senator WHEELDON** (Western Australia—Minister for Repatriation and Compensation) (5.10)—in reply—I thank both Senator Guilfoyle and Senator Sheil for the contributions that they have made. I know that both honourable senators have intended that their contributions

should be helpful to the administration of an area in which I know that all of us, and particularly the 2 honourable senators who have spoken, are concerned. The Government appreciates the position which has been taken by the Opposition in supporting a speedy passage of the Bills.

Senator Guilfoyle has asked me whether the report of the Committee of Inquiry of the Social Welfare Commission has yet been presented. The Committee has completed its inquiry but the report has not yet been drafted by the Committee. Therefore it is not yet in the possession of the Government. Accordingly, the answer to the subsequent question which she asked and which was concerned with whether the Government had made financial provision for any of the recommendations of the Committee obviously is no, because we do not know precisely what the Committee will be recommending. In order to forestall an unduly long debate when we do come to the Committee stage, perhaps I should indicate that we would be opposed to the amendment which Senator Guilfoyle has foreshadowed primarily for the reason that we do not have the report of the Committee. We feel that we should have the report in our hands—we do not know what the Committee is likely to be recommending—before we try to go ahead with extending the term from 3 years to 5 years. We feel, furthermore, that it might be better to have a look at the matter in a year's time to see how we are going before we take the step of extending the period to 5 years, which is quite a long time.

Senator Guilfoyle has expressed some concern that at some stage the whole of social welfare might be taken over and administered by the Government to the detriment of the existing voluntary and private organisations which work in this area. I think that Senator Sheil has shown a similar concern. I can assure the Opposition that this is not the intention of the Government. In fact, the purpose of these Bills is primarily to give assistance to private, charitable and religious organisations which are engaged in work in these fields. We are not trying here to establish some vast government instrumentality to carry out this work. The purpose of the Bills is to assist the voluntary organisations in carrying out this work, whose value we all recognise. I think it is quite correct, as Senator Guilfoyle pointed out by quoting from the learned writer whom she mentioned, that a problem is developing in our society and in most Western societies and other industrially or technically advanced societies. The number of aged persons, who are incapable of productive work and, in many respects, are

incapable of leading a very full or happy life, is growing. We are finding more and more of these people the more we advance in medical science and in other technical fields. We are being faced with the increasing burden—it is an obligation which we have—to look after these people to whom both Senator Guilfoyle and Senator Sheil have referred.

Senator Guilfoyle has suggested that perhaps there should be some increase in the taxation concessions available to those people who do take the responsibility of looking after elderly relatives. She would realise, of course, that in none of these Bills could we deal with this matter; it would be a matter to be dealt with elsewhere. I would certainly agree with her that there are some anomalies in the whole system of taxation deductions as it stands at the present time. Although there is provision for taxation deductions in certain circumstances for people who have a direct relationship of kinship to some dependent person, there is not the same provision for people who may accept this responsibility and cannot establish the same sort of relationship. An anomaly does exist but on the whole I think it would be the policy of the Government—it would certainly be my own view—that the way to handle social problems of this type is not primarily to do it by way of taxation concessions. In many respects if it is done by taxation concessions, those people who are most in need are those who receive the least benefit. Rather it should be through Bills of the kind which we are considering today that the care of the aged people should be taken rather than leaving it to the chance that there is some relative or some friend who is prepared to look after them, with or without a taxation concession.

I should like to deal specifically with one matter which Senator Sheil raised and that was the mixing of young disabled people and elderly people. I must confess that I can see advantages in this. I would have thought that at least in some countries—I think Australia is one of them—there has been a tendency towards getting away from the concept of having purely geriatric institutions and having a mixture of people of various ages within the same institution so that the old people do not feel that they have been excluded somehow from the rest of society—that they are only being left there to die and that they are not seeing people who are younger than themselves. I know that in one Catholic institution in Western Australia some years ago there was some innovation by which an orphanage and an old people's home were within the same building. The order which conducted this institution was of the

opinion that it was of very great benefit for the elderly people to be in close contact with these young children.

In any event—I suppose in a way I am arguing against myself—this is not what is happening in this particular instance. The only young disabled people who will be grouped with aged people under the terms of these Bills are those young disabled people who will not be dealt with under the Handicapped Persons Assistance Act, which is the appropriate act for the generality of young disabled persons. The only disabled people who will be looked after under the Aged or Disabled Persons Homes Act are those young disabled people who, as a result of their disablement, are prematurely aged and are suffering from disabilities which one normally finds with aged people and which are a sort of para-geriatric condition, if that is an appropriate term. Senator Sheil will correct me if it is not. It is one I just made up. In fact, the problem which Senator Sheil has envisaged does not really occur in this instance. In concluding, I would once again like to thank the Opposition for its co-operation. I should like to repeat, so that there will not be an unduly long debate in Committee, that the amendment of which Senator Guilfoyle has given notice, will not be accepted by the Government.

Question resolved in the affirmative.

Bill read a second time.

#### **In Committee**

The Bill.

**Senator GUILFOYLE (Victoria) (5.18)—I move:**

After Clause 6 insert the following new clause:

6A. Section 10 of the Principal Act is amended by omitting 'three years' and substituting 'five years'.

As I mentioned earlier, this motion relates to our attitude with regard to the 3 year program which was introduced in 1972. It was almost a crash program so that we could treble the number of beds in the aged persons hostel category in this country. For a variety of reasons the bed entitlement under that program has not been fully developed and with less than one year of the program now to expire and with an entitlement under the Act for the support of some 12,000 beds which have still to be provided, we believe that an extension of the time provided in the original Bill would be desirable. For this reason we have moved the amendment seeking to omit the 3 year period from the program and to substitute a 5 year period to enable

the entitlement that was foreseen when the program was introduced to be implemented. We think that it is a desirable feature of care of elderly persons that there should be a development of the hostel style of accommodation. We see this as a contrast to the nursing home type of accommodation which is the only alternative for people who are in this category. For those reasons I have moved on behalf of the Opposition the amendment which I have read.

**Senator WHEELDON** (Western Australia—Minister for Repatriation and Compensation) (5.21)—in reply—I should just like to briefly respond. The position is that the present term of 3 years will expire on 27 September 1975. The expiration of the present term does not mean that the proposed institutions have to be actually erected before that date, but as long as any application has been approved before 27 September 1975 it will be covered so that all that needs to be done is for an application to have been made and accepted. In fact, the work need not have been started nor indeed any planning or anything done other than what is necessary for the acceptance of the application.

I understand the argument which Senator Guilfoyle is putting forward. But she herself has referred to the report of the Social Welfare Commission's Committee of Inquiry. The drafting of the report is in process at the present time. We hope that it will shortly be presented. The view of the Government is that as we still do not know what the Social Welfare Commission's Committee of Inquiry will be reporting it would be more satisfactory to let the matter stand as it is. Nobody will be placed in a difficult or embarrassing position as long as they get their applications in a period of almost one a year. If they do so, they will not be prejudiced in any way. I am informed that there are a number of applications at present being prepared for submission. This would be a more satisfactory way of dealing with the matter. Accordingly, the Government will oppose the amendment which Senator Guilfoyle has moved.

Question put:

That the proposed new clause be inserted (Senator Guilfoyle's amendment).

The Committee divided.

(The Temporary Chairman—Senator Georges)

Ayes . . . . .	28
Noes . . . . .	26
Majority . . . . .	2

#### AYES

Anderson, Sir Kenneth  
Baume, P. E.  
Bessell, E. J.  
bonner, N. T.  
Carrick, J. L.  
Chaney, F. M.  
Cormack, Sir Magnus  
Davidson, G. S.  
Drake-Brockman, T. C.  
Durack, P. D.  
Greenwood, I. J.  
Guilfoyle, M. G. C.  
Hall, R. Steele  
Jessop, D. S.  
Laucke, C. L.  
Lawrie, A. G. E.  
Marriott, J. E.  
Martin, K. J.  
Maunsell, C. R.  
Missen, A. J.  
Rae, P. E.  
Scott, D. B.  
Sheil, G.  
Sim, J. P.  
Townley, M.  
Webster, J. J.  
Wood, I. A. C.

Teller:  
Young, H. W.

#### NOES

Bishop, R.  
Button, J. N.  
Cameron, Donald  
Cavanagh, J. L.  
Coleman, R. N.  
Devitt, D. M.  
Everett, M. G.  
Georges, G.  
Gietzelt, A. T.  
Grimes, D. J.  
Keeffe, J. B.  
McAuliffe, R. E.  
McClelland, Douglas  
McClelland, James  
McIntosh, G. D.  
McLaren, G. T.  
Melzer, J. I.  
Milliner, B. R.  
Mulvihill, J. A.  
O'Byrne, J.  
Primmer, C. G.  
Walsh, P. A.  
Wheeldon, J. M.  
Willesee, D. R.  
Wriedt, K. S.

Teller:  
Poyer, A. G.

#### PAIRS

Withers, R. G.	Murphy, L. K.
Wright, R. C.	Drury, A. J.
Cotton, R. C.	Brown, W. W. C.

Question so resolved in the affirmative.

Bill, as amended, agreed to.

Bill reported with an amendment; report adopted.

#### Third Reading

Bill (on motion by Senator Wheeldon) read a third time.

#### DELIVERED MEALS SUBSIDY BILL 1974

##### Second Reading

Consideration resumed from 19 November on motion by Senator Wheeldon:

That the Bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

#### AGED OR DISABLED PERSONS HOMES BILL 1974

##### Second Reading

Consideration resumed from 19 November on motion by Senator Wheeldon:

That the Bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

**STANDING ORDERS COMMITTEE**

**The PRESIDENT**—I present the second report of the Fifty-sixth session 1974 of the Standing Orders Committee agreed to this day.

Ordered that the report be printed.

Motion (by Senator Douglas McClelland) agreed to:

That consideration of the report be made an order of the day for the next day of sitting.

**PAY-ROLL TAX (TERRITORIES) BILL  
1974****Second Reading**

Debate resumed from 14 November on motion by Senator Wriedt:

That the Bill be now read a second time.

**Senator COTTON** (New South Wales) (5.34)—This fairly weighty matter will occupy a very small part of our time. It is a proposal which is not objected to by the Opposition and refers to payroll tax which was in effect transferred to the States as their financial responsibility in September 1971 as an exercise in giving them a capacity to raise more of their own revenue. This was a very sensible arrangement and was typical of the sensible economic and monetary behaviour of the previous government. At the same time the Territory rate was levied under Commonwealth legislation at the same rate as in the States, that is, 4½ per cent. The Premiers at their last Premiers Conference in June foreshadowed a rise in the rate to 5 per cent. Some States have already increased the rate from 4½ per cent to 5 per cent. The Government sees very little point in having different rates between the Territories, under its administration, and the States, under their own administrations. The Opposition supports this view and accordingly welcomes the measure.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

**LIVE-STOCK SLAUGHTER LEVY BILL  
1974****Second Reading**

Debate resumed from 26 November on motion by Senator Wriedt:

That the Bill be now read a second time.

**Senator LAUCKE** (South Australia) (5.37)—Are this Bill and the Live-Stock Slaughter Levy Collection Bill 1974 to be debated cognately?

**The ACTING DEPUTY PRESIDENT** (**Senator Georges**)—Is it agreed that these Bills be taken cognately?

**Senator Wriedt**—The Government agrees to the suggestion.

**The ACTING DEPUTY PRESIDENT**—There being no objection, it is so ordered.

**Senator LAUCKE**—The Opposition supports these Bills. Briefly they extend in the first instance the operation of the livestock slaughter levy for a further period of 2½ years from 1 January 1975 to 30 June 1977. The levy on slaughtering has been in operation since January 1969. It has the support of the meat producing industry, the processors and the retailers. The proceeds of the levy are channelled to the Commonwealth Scientific and Industrial Research Organisation for research in connection with the processing of beef, mutton and lamb. The Service and Investigation Section of CSIRO has applied the funds in assisting to promote efficiency and improvement in the operations of meat works over a wide range of activities such as quality control, sanitation, hygiene, preservation, and the processing, storage and packaging of meat. Such services are most necessary to meet the stringent demand on both the local and overseas meat trades. Meat works standards generally have risen admirably over recent years in Australia and form the background for the ability of our meat industry to keep abreast of modern hygiene and quality control requirements.

I pay tribute to the magnificent contribution by CSIRO to the well-being of the nation in many areas of basic and vital research. In this immediate matter of meat works the work done has been of real significance. As I have said the levy has the support of the meat industry, processors and retailers. I have no desire to take the time of the Senate by speaking at any length. I express complete accord with the proposal in respect of the levy. The Live-Stock Slaughter Levy Collection Bill, which is supplementary to the levy Bill, amends the Live-Stock Slaughter Levy Collection Act 1964-1973 and it adopts the metric weights converting the avoirdupois lb to the kilogram in the dressed weights of cattle and sheep specified in the Bill. Another minor amendment is that which takes note of and incorporates the new name Australian Department of Agriculture which in the past has been the Department of Primary Industry. The Opposition supports these Bills.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without requests or debate.

**LIVE-STOCK SLAUGHTER LEVY  
COLLECTION BILL 1974**

**Second Reading**

Consideration resumed from 26 November, on motion by Senator Wriedt:

That the Bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

**AIR NAVIGATION BILL 1974**

**Second Reading**

Debate resumed from 26 November, on motion by Senator Cavanagh:

That the Bill be now read a second time.

**Senator Cavanagh**—May this Bill and the Air Navigation (Charges) Bill 1974 be taken cognately?

**The ACTING DEPUTY PRESIDENT (Senator Georges)**—Is it so agreed? There being no objection, it is so ordered.

**Senator SIM** (Western Australia) (5.44)—I certainly agree with the proposal of the Minister for Aboriginal Affairs (Senator Cavanagh) to have these 2 Bills debated cognately. The Opposition, while not opposing these Bills, is nevertheless very critical of them. The shadow Minister for Transport in another place, Mr Nixon, when debating these 2 Bills, pointed out that while we recognise that it was the previous Government's policy eventually to recover 80 per cent of the costs from industry the changing economic circumstances would probably cause us to review the past policy. Speaking on a purely personal basis in the past on similar Bills introduced by the former Government I have been critical of the charges being increasingly placed upon the airlines. This placed a great burden on the industry and was beginning to price air travel out of the reach of the average person. This was the basis of my criticism in the past and I see no reason to change this view. I hope that the Government's attitude will change, more especially towards the general aviation industry.

This section of the industry—a very important section—has, I feel, been somewhat neglected in our thinking in the past, but today it seems to have been singled out for a crippling and unwarranted impost upon it. The general aviation industry is seriously affected by economic conditions, not only at the present but also from time to time. I intend to say something concerning the

problems of this industry. It is worth noting that no other section of transport, road or rail, is expected to meet the criteria that the aviation industry is expected to meet, that is, an 80 per cent recovery of costs. It is argued that those who use the service should pay for it. This has been an argument which has been used from time to time by all political parties. I say again that I question the amount that the user has to pay because the facilities are a public utility, and further, the aviation industry has particular significance in the defence policy of Australia and to some extent should be regarded as having a very important defence potential. Governments should recognise that.

The Minister has a rather queer notion that only silvertails use air services. Recently he referred to air services as a luxury means of travel. Of course, nothing is further from the truth. For many people from all walks of life in a country as large as Australia it is the only means of travel. I am thinking of the outback areas of Australia and the long distances between many of our capital cities. Air travel is the only possible means of transport. These people could well think they are being singled out and victimised by Government policy.

Since this Government came into office air navigation charges have increased considerably. This has added significantly to the cost of air travel and, of course, air freight charges which have risen significantly too. This in itself in a real way adds to the present inflationary spiral. Despite the policies of previous governments of my political complexion they never seriously moved towards reaching a recovery target of 80 per cent. They recognised that general aviation in particular was not in a position to maintain the services required if it was going to be continually loaded with these increased charges. This Government, over the 2 years that it has been in office, has imposed savage and crippling increases upon the general aviation industry. Last year general navigation charges were increased by 100 per cent and air navigation charges by 15 per cent. This year—12 months later—general navigation charges have been increased by 50 per cent and air navigation charges by 15 per cent. There could not be a worse time for this industry, suffering from the economic problems that it has at the moment, to meet these costs.

**Senator Devitt**—Are you now talking only about general aviation?

**Senator SIM**—Yes, only general aviation. The economic conditions being experienced in

Australia have caused a serious downturn in general aviation business. In addition to these charges the Minister has announced in general terms new increases in costs which are to be loaded upon the industry—increases of an unknown amount. These increases were mentioned in the debate in the House of Representatives. The Minister announced that the cost of the provision, operation and maintenance of air navigation facilities and services throughout Australia amounted to approximately \$140m which of course is a significant sum of money. He also pointed out that the revenue from users of those facilities and services totalled \$75m. Of this amount \$33m came from air navigation charges paid by aircraft operators, \$11.5m from hangar and building rentals and terminal concession charges and the like, and \$30.5m from aviation fuel taxes. This left a deficit between revenue and expenditure of \$65m. He went on to point out that special aerodromes for general aviation—he named many of the aerodromes—are being provided in all capital cities by the taxpayer. He pointed out that last year those facilities cost some \$10m to operate and maintain. The total recovery in the general aviation industry, including air navigation charges, commercial revenue and aviation fuel tax, amounted to less than \$4.5m of the \$10m, a recovery rate of only 44 per cent. This sounds fairly impressive. The Minister went on to say:

The Government sees no reason why all sectors of the aviation industry should not pay their way at least to the extent of the 80 per cent recovery target set by the Government.

If these were times of economic buoyancy and if this industry was a stable industry and if it possessed considerable economic viability, one could agree with this but this is just not the fact. The industry is in serious economic difficulties. It is an important industry to Australia. But then came the sting. The Minister went on to say—this can be read at page 3441 of Hansard:

It is intended, of course, to charge for many other services provided by the Department. The specific services mentioned are illustrative only. It is further intended that the full commercial cost of providing these services will be recovered.

No one knows what that means. Earlier in his second reading speech he said:

The actual charges have not yet been determined but will be tabled in the Parliament as amendments to the Regulations before implementation.

We on this side take serious exception to this. We are being asked to approve unknown charges in unknown areas. These charges will be a further load on this industry. I should like to know what it means, because I am sure that those words send a shiver down the spine of general aviation

operators. It is rather typical of the muddled, befuddled way in which this Government operates. The new charges are unknown; no one knows what the charges will be. At the end of my speech I propose to move an amendment.

I return to the extraordinary notion of the Minister that air travel is a luxury in a country the size of Australia. It is not a luxury; it is an essential means of transport. It also has great value in the area of tourism not only to Australian people but also to people from other countries. These ever-increasing charges at all levels of aviation can only make tourism less attractive. Tourists are not silvertails, as the Minister seems to believe. The general aviation industry has made a submission to the Opposition, and I believe that some parts of the submission should be placed on the record of this place because they point out the injustices of these charges and the serious position in which they will place this important industry. The submission, in part, states:

It is one thing to share money between forms of transport. It is quite another to deprive one form and to pursue a policy of repression towards it, which is what is occurring in air transport.

The policy which has dictated the imposition of an 80 per cent cost return means that the 'industry', instead of being the province of the operational and service orientated members of the Department and airlines, is controlled by those whose interests are purely economic.

Why has the ATG (Air Transport Group) segment of the Department of Transport been singled out to accept the burden of 80 per cent cost return and not the other 2 groups? That is, rail and road transport. Is it because of the Minister's bigoted belief that only the wealthy travel by air?

I referred earlier to the fact that of course this is just not true. The submission further states:

From the 'recovery' items, the bulk of the return is achieved through air navigation charges, and aviation fuel tax. To provide the 80 per cent recovery figure charges would need to be increased by a phenomenal \$37.17m in the year quoted above.

That is 1976-77. It continues:

However, air navigation charges can only be increased up to a maximum of 15 per cent per annum and the aviation fuel tax increases are restricted to the increase proposed from time to time on motor spirit. With inflation at 15 per cent per annum—

That is a bit outdated because it is now getting to a figure of 25 per cent per annum—

increases from these sources can never bridge the gap between costs and recovery. What then is the aim of the Government? There is only one, that is to reduce expenditure so as to bring the total costs closer to the total return.

**Sitting suspended from 6 to 8 p.m.**

**Senator SIM**—Prior to the suspension of the sitting I was quoting from a submission by the general aviation sector of the aircraft industry

and I had reached the stage where it had questioned the aims of the Government. The submission continues:

How is it proposed to achieve this saving? By the introduction of some or all of the following measures: Disposal of certain Government aerodromes—closure or transfer, reduction in size of the departmental aircraft fleet—

And so on. Then the submission deals with a matter of major concern which has been referred to in other areas of aviation, that is, how the economies are going to be achieved. It states:

Withdrawal of departmental rescue and fire fighting services from capital city secondary airports, revision of criteria for the provision of rescue and fire fighting at aerodromes with regular public transport services, review of hours of operation of airways operations and related services, to relate capacity, cost and operational need for services, review of formula for payment of, and need for, meteorological services, introduction of a passenger service charge, withdrawal of regular public transport services from Wynyard or Devonport, withdraw or restrict the use of facilities, review operational standards, reduce maintenance.

The submission from which I have been quoting concludes with these remarks:

The industry is on a path leading to contraction, reduced services, and reduced safety standards. It is time for the aviation conscious public of Australia to see the inevitable result unless there is dramatic change forced upon the Minister for Transport.

We have witnessed the incorporation of the very efficient former Department of Civil Aviation into some great bureaucratic tangle known as the Department of Transport. It is interesting to note the countries in the world which have done that. We are one of the very few. Mr Nixon, the shadow Minister for Transport, has cited the countries which do not have a separate identifiable department of civil aviation. Which countries are they? They are Equatorial Guinea, Fiji, Gambia, Ruanda and Western Samoa. As he said, we are certainly in the big league of aviation in the world when we follow the example set by those countries. I am saying that the actions of this Government are forcing a severe crisis upon the general aviation sector of the industry. Even at this late stage I appeal to the Government to review its policy. One wonders whether it is not a deliberate action by the Government to drive these people out of business because I cannot believe that the Government would be so insensitive to the economic climate that exists in this area not to take note of the effect of the continued imposition of these charges upon this sector of aviation.

I have been looking at some editorials in the magazine 'Aircraft', which has been drawing attention to this problem over the last 12 months. An editorial in volume 53 of November 1973

refers to the charges continually being imposed upon the industry and states:

Labor's view that air transport is a pampered industry—when so many of its units are struggling for survival—needs repudiation.

It appeals to the Opposition, even belatedly, to take up the challenge on its behalf. Tonight I am following the Opposition's spokesman on transport, Mr Nixon, in taking up the challenge. I believe that this is a matter of tremendous importance because at stake is the survival of general aviation in Australia. If it fails its failure will have a grave effect upon many communities and many people in this country. Finally, I wish to quote from other editorials in 'Aircraft' over the period of the last 12 months in which this problem has become acute. The editorial in volume 53 of June 1974 states in part:

They protested the imposition by the Whitlam Government of 'a series of crippling increases in aviation charges which could well destroy the industry . . .' And they pledged: 'Whichever Party wins the elections the general aviation industry intends to fight for a return to a sane charges structure . . . a fight which will be without let-up, as it is a fight for survival'.

I believe that the facts have clearly established that there is indeed a fight for survival insofar as the general aviation in this country is concerned. An editorial in 'Aircraft' of January 1974 under the heading 'Aviation's Voice Here Must be Much More Clearly Heard' points to the changes which have occurred in the aviation field since the present Government came to office. I shall quote only part of it. It states:

If there is one lesson that emerges with greater clarity for Australian aviation than any other from the welter of that troubled 1973 year, it is that the aviation community—the airlines, general aviation, the aircraft industry, the Services and departmental people as well—must in future make its voice much more clearly heard, and strongly felt.

Those remarks are linked with remarks on how the policies of the Government have weakened the aircraft industry in general. The editorial continues:

In other effects of the same legislation—

Referring to the previous legislation concerning air navigation charges—

the already struggling general aviation industry is subjected to an increased tax loading averaging, we estimate, about 50 per cent—

Which, of course, is true—

and that is not 'future shock' but present disaster for some GA elements.

The magazine appeals to the Opposition to face up to the realities of the situation. I believe that we are now facing up and that we will continue in the future to face up to the realities of the problems of this industry, which is so vital to

Australia. I believe that a strong case has been made out by the industry, in particular the general aviation sector of the industry, for much more sympathetic consideration to be given by the present Government and by any future Liberal-Country Party Government if the industry is to survive and to continue to play the important part it has played in the transport industry in Australia. I know that it is probably pretty useless to make any appeal to the Government at this stage about the aviation industry in Australia because of the generally arrogant attitude of the Minister for Transport (Mr Charles Jones), but I do appeal to the Government to reconsider and review these charges which it is imposing upon this industry. I believe that a strong case has been made out to show that its survival depends upon far more sympathetic and realistic consideration being shown by the Government to its problems. On behalf of the Opposition, I move:

At end of motion, add:

' , but the Senate is of the opinion that, in view of the effect on the inflationary spiral, the Government should state in some detail the proposed increase in fees and charges covering a wide variety of other services provided to the aviation industry.'

I have already referred to the Minister's statement with regard to this matter.

**The ACTING DEPUTY PRESIDENT (Senator Marriott)**—Is the amendment seconded?

**Senator BESELL (Tasmania)** (8.10)—Yes, I second the amendment. I think Senator Sim in his speech tonight has outlined the difficulties and problems that are facing civil aviation today. I wish to localise the problem somewhat, refer to the situation on the north-west coast of Tasmania and use that as an example of the sort of thing that is happening in civil aviation. A number of us who are associated with the position have seen in recent weeks a certain amount of guestimation as to whether either or both of the airports at Wynyard and Devonport may be closed. It has been said that the suggestion has come from the Department of Transport. This is not so. The policy of this Government, which is to recover 80 per cent of the charges, as outlined in this Bill, has made it nearly impossible for these sorts of charges to be passed on to the passenger traffic. I think it is fairly obvious that if we expect the passengers to pay for at least 80 per cent of the charges, as outlined in the Bill, sooner or later we must reach the point where it is no longer possible for the industry to carry the increased charges.

Senator Sim said that, according to the Government, the industry is set up to cater just for the silvertails, that it is a luxury industry. Of course it will be a luxury industry if the industry itself is forced to carry these sorts of charges. We will see this reflected in the cost of air fares between various cities. I suppose, because of the geographic nature of Australia, that we suffer a disadvantage. We have large concentrations of people who live very great distances apart from each other. I suppose that Australia pro rata is probably one of the most air-minded of all countries in the world. If we destroy this industry we will destroy an industry that is extremely valuable, not only from the point of view of moving traffic from point A to point B but also from the point of view of the light aircraft industry in Australia. If aircraft are not being used because the costs of use are too high the manufacturing and design side of the light aircraft industry will be destroyed purely because there is insufficient incentive to maintain it. Light aviation, or in other words the third tier of aviation—the small airlines, the various charter aircraft companies of which we see so many and which form such an important part of Australian aviation today—is finding, with the increased cost of hangar rental, landing charges and other navigation charges, that it is fast becoming virtually impossible to continue to operate with any reasonable degree of efficiency within this framework of costs and still be able to attract the numbers of people that they would wish to attract.

I will return to the situation in Tasmania. I think a quote from the 'Examiner' newspaper in northern Tasmania clearly demonstrates the sort of problem that we have throughout Australia. This quote applies to one part of Tasmania, but I think it applies generally also. The article states:

The efforts of Mr Duthie, M.H.R., and others to persuade the Federal Department of Transport to accept its rightful responsibility for Devonport and Wynyard airports seem likely to founder in the sea of Federal Government indifference. Canberra has made it clear that it wishes to shrug off these 2 airports as quickly and as cheaply as it possibly can. Its first, transparently, dishonest move was to offer the airports as profitable enterprises to the councils in whose territory they lay. The councils saw the trap at once: If running an airport was so profitable, they argued, why did the Commonwealth wish to dispose of them?

They saw several other valid arguments against the proposal. The people of the 2 municipalities concerned (Wynyard and Latrobe) are not the principal users of the airports. They as ratepayers would have to undertake a big responsibility and the distinct possibility of heavy losses on behalf of residents of other municipalities. Moreover, all airline passengers and users of air-freight services pay for the facilities that the Commonwealth provides. Savage taxes on aviation fuel and burdensome air-navigation charges are paid by the airlines which naturally pass on the cost to their

customers. Nobody has suggested that users of Kingsford Smith or Tullamarine airports should pay a tax for the privilege—

**Senator Grimes**—They make a profit.

**Senator BESSELL**—That may well be, but I think one must look at this in a rather more realistic way.

**Senator Grimes**—Who wants to close Wynyard and Devonport?

**Senator BESSELL**—I do not know who wants to close them, but it has been reported that the airlines wish to close them basically because they cannot afford to keep the rate that they charge their passengers down to a competitive level. The rates are already quite a significant percentage higher than the rates for equivalent distances in other areas. I continue to quote:

why should users of Wynyard or Devonport have to do so?

Now the Federal Government has adopted a new attack. Having failed to tempt the councils into taking the airports as 'business' propositions yielding income from passengers and from parking and concessions, the Department of Transport has announced that it will withdraw all firefighting services from the airports—a move that could convert an incident into a catastrophe. Warden Stewart of Latrobe said that the action was shocking. He perceived it as pressure tactics to compel local authorities to take over the airports. Warden Smith of Wynyard was equally firm in rejecting the stratagem. Mr Bonney, M.H.A., commented that the cost of maintaining the services would be trifling compared with the costs at Tullamarine, for example which the Federal Government meets without a question.

**Senator Grimes**—What Party does he belong to?

**Senator BESSELL**—He is a member of the Liberal Party, a very enlightened Party. He tells a good story that I would like to tell the honourable senator sometime. I do not wish to take the time of the Senate by telling it here, but it is something to do with Mr Hawke and some kittens. If the honourable senator wishes, I will tell it now.

**Senator Poyser**—They used to tell the same story about Bob Menzies too. It is an old one.

**Senator BESSELL**—I know, but he woke up too. The article continues:

Though more than 170,000 passengers used the airports last year—

This figure has been increased because of the greater use and the figure is now currently approximately 200,000—

The Commonwealth may argue that nowhere else in Australia does it maintain three first class airports in a distance of 150-odd km. True, but nowhere else in Australia's settled areas are people so dependent on air transport for passenger and freight movement. A North-West airport handling more than 100,000 passengers a year is to be treated as a bush strip to be managed by the local residents.

Even worse is the plight of the people of King and Flinders Islands whose commercial services are being withdrawn. These people are to be graded as second-class Tasmanians who in turn are second-class Australians. To the centralist Federal Government, the people of the North-West and the islands, like other Tasmanians and, indeed, like all who don't live in Canberra, Sydney or Melbourne, are bumpkins, conveniently to be ignored if they are not actively persecuted for the crime of decentralisation or of trying to make a living from a farm.

I think it can be fairly clearly seen from that, notwithstanding the interjections from the other side, that there is a need for rationalisation and a commonsense attitude in this matter. Admittedly it was the policy of the previous Government to recover a certain amount of the air navigation charges from the users of the airports. We have heard talk, when it has been convenient for the Government to do so, about flexibility in policy formulation. This is a situation in which there is a need for flexibility in policy formulation because the policy which was appropriate 3 months ago is not necessarily appropriate today. Due to inept economic management Australia at present is paying out something like \$3m a week in unemployment relief. If we were to use just a portion of that amount it would be very easy to maintain these airports in the standard that has applied to date. It also would be relatively easy to give to these people the service and consideration which their very isolation demands we should give them.

It is all very well for Senator Grimes who is seeking to interject. He lives near Launceston, one of the prettiest and most efficient airports in Australia. He has jet aircraft available to him; we have something else. The service we have is very good and we want to maintain it. The people in both towns want to maintain it. Theoretically it may well be that it is difficult to justify 3 airports within such a short distance, but I think the situation in north-west Tasmania has to be appreciated and understood before people can make a judgment on it. It is very difficult for anybody other than people who live in the area to do so. Honourable senators should not forget that we cannot catch a train or drive a car across Bass Strait. It is a very difficult proposition.

**Senator Poyser**—You could walk across it.

**Senator BESSELL**—No. There is only one person, and he is on your side of politics and in the other House, who is supposed to be able to walk across water. I cannot.

**Senator Cavanagh**—If it was a valley of death with hot coals in it you could.

**Senator BESSELL**—No. I have never tried to walk on hot coals. I believe people do so in Fiji.

**The ACTING DEPUTY PRESIDENT** (Senator Marriott)—Order! The honourable senator will address the chair and ignore interjections. He will get on much better by doing so.

**Senator BESSELL**—Walking on hot coals certainly puts callouses on your feet. Thank you, Mr Acting Deputy President, for your protection. Another feature not noted by the Government in the proposition before us is the use that agricultural aircraft make of the various airports throughout Tasmania. They have to go somewhere for servicing and maintenance. Agricultural aircraft are becoming more noticeable in the field of agriculture and are being used for the distribution of fertiliser, insecticide and weedicide. It is important that we consider this aspect as well. All of these aspects are terribly important today. Twelve months ago rural industry was riding on the crest of a wave. Typical of rural industry, some aspects of it currently are in a trough. I say some aspects advisedly because I realise that in the hard grain and the ordinary grain areas, and in sugar benefit is accruing to the people fortunate enough to be engaged in them. The meat industry is not one of those. Tasmania, like other places, relies heavily on agricultural aircraft for top dressing where cattle and other stock are run. From the very important point of view of the agricultural aircraft industry, this severe impost is going to make it extremely difficult for people to maintain the service at a cost that is relatively competitive with that already provided.

**Senator Milliner**—What would you have done?

**Senator BESSELL**—I do not think that is the point. It is not what I would have done, it is what we are being asked to do at the present moment.

**Senator Milliner**—What would your Government have done?

**Senator BESSELL**—I think we would have looked a good deal more realistically at the situation. Firstly, we would not have let the economy get into the situation it is in now. We would not have let inflation explode to the point at which money is fast becoming valueless. We would not have implemented policies that it was suggested would not work and which now have cost the Commonwealth Government, or the Australian Government, whichever you like to call it, an awful lot of money in the form of unemployment payments. We would have used that money so saved—

**Senator Poyser**—I have never known money to be awful.

**Senator BESSELL**—The value of it is rather awful at the moment.

**Senator Milliner**—You would put value back into the pound like you did before.

**Senator BESSELL**—That is right. The whole crux of this matter is whether the Bill before us adequately meets the situation. I do not think it does. We do not oppose it but we support the amendment—suggested by Senator Sim. The Government has made great play, as I mentioned earlier, on flexibility in policy formulation. It is not too late for the Government to admit it has made a mistake. Everybody makes mistakes. People who do not do anything do not make mistakes. This Government does plenty. I do not say that it makes plenty of mistakes. It tries hard but it finishes up with a lot of policies that appear to be mistakes. The ratings in the various surveys that are taken indicate this pretty clearly.

**Senator Milliner**—What about the one relating to Mr Snedden?

**Senator BESSELL**—I do not think I will bother about that. The honourable senator's version of that story would be far more interesting and probably far more entertaining than any I would tell. I believe in loyalty to my leader and I do not mind saying so and I do not mind being recorded as having said so. I want to get back to the question of King Island. Because of the withdrawal of the subsidy towards air fares or the cost of running the services into that area, the people of King Island and Flinders Island are now without a regular Fokker service, an ordinary commercial service. The area has been reasonably well catered for by small aircraft but unfortunately they have a disadvantage. They do not have toilet facilities on them, they are not readily available and not readily adaptable to cater for people who are ill or who need to lie down. The subsidy was costing the Commonwealth \$6 a person, roughly the same as the Minister for Aboriginal Affairs (Senator Cavanagh) said in his second reading speech, it was costing everybody in Australia to maintain the services at the level they were. I think Senator Sim pretty clearly demonstrated that no transport service in Australia is running without some assistance from the taxpayer. Surely we can rationalise the cost and keep it down to a level where the service can be made available to everybody at a reasonable figure. Surely the best way to offset the cost is to encourage more people to use the service. One way to diminish the profit margin is to make the cost of usage so great that people no longer are able to afford to travel by this method.

Those basically are the points I wish to make in this debate. I hope that the Government will look more objectively at this Bill than it has in the past. It is all very well to have a theory about recovering 80 per cent, 90 per cent or 100 per cent, but with costs and prices moving with the rapidity with which they are at present I do not think anybody will growl or be terribly upset if the Government looks at the question and says: 'We feel we are moving too quickly in this direction. We are prepared to look at the matter and to provide those areas which are not so populated as are others with a reasonably well protected service. We are prepared to try to make civil aviation the type of transport system that Australia and Australians can be proud of'.

I think we are all proud of the wonderful record of the Department of Civil Aviation and of civil aviation generally in Australia. If we are to be forced by reason of costs to try to cut corners, we could well fall into the trap that a lot of people overseas have fallen into and allow aircraft maintenance to fall below the line. I think that DCA regulations are very stringent and I doubt that that would happen. However it is a temptation and it may happen. It is a temptation that may be yielded to. We have seen generally in the employment field throughout Australia in recent weeks that the only way in which business people can keep ahead or maintain themselves at the level they were at is by retrenching so that the profit margin is maintained. We must make an effort to encourage people to employ more and to develop more. We want to see in this country the development of civil aviation to its fullest possible extent. We have a proud record in civil aviation. Do not let us destroy it by pricing it completely out of the market of the ordinary man in the street.

**Senator DEVITT** (Tasmania) (8.30)—I would just like to make a few observations on the Air Navigation Bill which is before the Senate. I appreciate the fact that the Opposition is supporting the proposals which are under consideration. But in the course of making that clear to the House the Opposition has not resisted the temptation, which I suppose is ever present on occasions like this, of trying to score a few political points. Because I do not want to take the time of the Senate to any great extent, I come immediately to the observation which my Tasmanian colleague, Senator Bessell, was making and which was based upon a newspaper report—I assume it was an editorial—which appeared in the Launceston 'Examiner'. It attempted to induce the people of Tasmania to believe that the Government of Australia at the

present time wanted to close down the Wynyard and Devonport airports. I thought that everybody in Tasmania would know by now that that is just not correct. The record has in fact been set straight.

I was intrigued, as my Tasmanian colleagues were, to learn about the story that the Wynyard and Devonport airports were to be closed down. I was as alarmed as anybody else because in fact I have been involved in the development and the sustenance of airports in Tasmania for a great many years. I came to this Parliament in 1950 as a representative of the west coast of Tasmania, sponsored by the Western Tasmania Development League, as it was at that time, to try to press for an airport in western Tasmania. Subsequently I was Council Clerk in the municipality of Scottsdale which is situated in the north-eastern part of Tasmania, when the Government of the day put forward the proposition for local ownership of airports. In those days we would not have a bar of it. Today I do not accept that the concept of local ownership is the solution to the problem of airports. I have maintained that position. I have expressed it publicly. As recently as 2 years ago when I was attending a meeting in the north-west of Tasmania—I believe it was a meeting of the North-West Municipal League; at any rate, it was a meeting of the significant elements in the communities in the north-west of Tasmania—I made that position quite clear and I expressed the opinion there, as I do now, that it is not a feasible proposition, particularly in the circumstances as we know them in north-western Tasmania, for local ownership of those airports.

But when we heard this proposition, which was floated by a certain Mr Crofts who is the Executive Vice-President of the Australian Air Pilots Federation, that there was an intention to close down these airports, we became very apprehensive. When I say 'we', I mean my Tasmanian Labor colleagues in both Houses of this Parliament. We sought the first opportunity to wait on the Minister for Transport (Mr Charles Jones) to find out whether the Government had put forward this proposition. We learned very quickly from the Minister for Transport that it was not a government proposition at all. It is intriguing when one goes into it.

**Senator Poyser**—It was a furphy.

**Senator DEVITT**—It was a furphy but it was floated by Mr Crofts. Mr Crofts is the Executive Vice-President of the Air Pilots Federation. He floated the observation although his organisation had not taken the opportunity which was available to it to present its views about what should

happen in the way of the operation of airports in north-western Tasmania to a committee which the Government has set up to inquire into the whole question of airports. A number of organisations concerned with the operation of air services in north-western Tasmania had given evidence to this committee but the Air Pilots Federation did not. Yet, obviously as a consequence of some evidence which was provided to the committee and which was leaked to Mr Crofts—I repeat, leaked to Mr Crofts—by somebody who had given evidence to that committee, the newspapers immediately picked it up because it was a wonderful opportunity for them to set to against the Government in relation to its airline policy.

Mr Charles Jones has given an undertaking to the Tasmanian Labor representatives in this Parliament that in due course of time when the committee of inquiry into this proposition comes down with its report he will give us an opportunity to observe on the findings of that committee. But of course we all know—in fact, it has been very evident in this last week—that there is a contest between the Minister for Transport and the Air Pilots Federation, but I do not intend to go into the details of that. It apparently suited the purpose of Mr Crofts who purported to speak for his organisation to float the story that the Government intended to close down these airports. The Government has no such intention. The Government has not made a decision of this kind. It has not indicated in any way, shape or form an intention to close down the Wynyard and Devonport airports.

But a very interesting thing came out of all of this, and it is that apparently the airlines industry has put a proposition to the committee to which I have referred that it should close down either the Devonport airport or the Wynyard airport. I am desperately concerned with the preservation of the Devonport airport terminal, and I will continue to be so concerned. I have said in no uncertain terms to the Minister, as my colleagues would vouch, that I will oppose most vigorously the closing down of the Devonport airport. But immediately I heard that in fact it was the proposition of the industry, based presumably on the fact that it does not wish to meet the cost of the operation of these airports, I was so intrigued that I began to think about it, and then I began to wonder—

**Senator Bessell**—Or carry the cost of government policy.

**Senator DEVITT**—**Senator Bessell** interjects and says: 'Or carry the cost of government policy'. That is the recovery. I will come to that in a moment. Eighty per cent—only 80 per cent; not the total cost—of the cost of running the air services is recovered. But then I began to wonder why it was that the 2 airlines were developing terminal facilities at the Wynyard airport and they were not taking similar action at the Devonport airport.

At a meeting at La Trobe about 2 years ago, when this question was being canvassed and various views were being put forward—**Senator Bessell** was not at that meeting—I suggested that the meeting should obtain, if it possibly could, the views of the airlines in relation to what should happen with regard to the local ownership of airports. The people at the meeting were remarkably silent. I suggested to the Press representative at the time that it might be an interesting exercise for the Press to see whether it could get the views of the airlines in relation to the retention and the further development and upgrading of the facilities at these 2 airport terminals. I did not hear any more about it. But I am intrigued now, of course, to see that the terminal facilities are being developed at the Wynyard airport and not one red cent is being spent by the airlines on the Devonport airport terminal. If ever I saw the finger pointed in the direction of the destruction, the wiping out, of a service, it is in relation to that of Devonport. I lay the blame squarely at the feet of the airline industry. Mr Crofts knows all about it too. I wonder, if I may just touch on this briefly, why a person whose responsibility ought to be the development of air services in the interests of the members of the Air Pilots Federation would be floating the proposition, would be putting into the minds of the community a suggestion that there should be the closing down of an airport and so a reduction in the activity of that industry for which he had at least some responsibility.

I want to put it squarely on the record, no matter what the newspapers may say about this, that I think they are playing politics, and I accuse them of playing politics. They probably will not print my name even if they print the fact of what I have said. But I accuse them of playing politics in this matter because they have accepted what Mr Crofts has said despite the fact that not one utterance, not one syllable, not one suggestion that this Government has made would indicate that it is the Government's intention to close down the Wynyard airport or the Devonport airport.

But what would happen if a government, any government—I refer especially to the situation in 1955 when we had a Liberal Government in Australia—put forward the proposition of local ownership, in other words, if it proposed to divest itself of the responsibility and put it into the hands of the local municipalities? What will happen if the committee to which I have referred comes down with a recommendation that it is no longer a feasible and sustained proposition that 2 airports should exist in north-western Tasmania. What can the Government do in those circumstances? One, of course, will have to wait and see. It certainly weakens the position of any government, if a committee, after a thorough inquiry makes a recommendation of this kind—if, in fact, it makes that recommendation. I suggest that it is pointing in that direction because not only does it have the support of the airline industry, but it has, apparently, the support of the Australian Federation of Air Pilots. If that is not so, let Mr Crofts as the representative of the air pilots of Australia come out and say that he is against the closing of either the Devonport or the Wynyard airports. I know which one will be closed because, in fact, the finger is pointed at the Devonport Airport right now. Anybody who sets out to close that airport will have my opposition right to the final word.

Reference has been made to the fact that it is a policy of the Government to recover 80 per cent of the cost of airport operations in Australia. At the present time the current losses are anticipated to run to about \$65m a year. It is a question of policy, I suppose, but I wonder whether it is proper for the taxpayers of Australia to meet all these losses in the interests of the travelling public or whether in fact there ought to be some judgment that the travelling public of Australia ought to meet some proportion of the cost and, if so, how much? Should the general taxpayers of Australia—notwithstanding the fact that many of them never use air services and that many of them never see the operations of air services in Australia because they may live in the outback—make some contribution? The Government has made a judgment that it is fair for the general taxpayer of Australia to meet 20 per cent of the total cost and that the airline operators of Australia should recover from the travelling public—those using the services and the facilities of the airline—the 80 per cent that is left.

We may argue that this is a wrong balance or a wrong relationship between what the travellers—the users of the system—should pay and what the ordinary taxpayers of Australia should pay. Let us examine that and ask: Who are the travelling

public and who are the taxpayers of Australia? I defy anybody to draw a line which would distinguish one from the other. In fact, what we see is the people of Australia paying for the upkeep, the development, and the maintenance of the airports of Australia.

In conclusion, I point out that the Government has not put this proposition forward at all. It is a proposition floated by the airline industry. They want to operate at the lowest cost that they possibly can and get the most that they can out of the public. I suppose that is fairly normal business practice. They want to float the proposition that we should not worry about the services to the people in outlying areas. The operators are concerned about operating an airline or operating any other organisation at a profit to themselves. The motive behind their operation is a profit motive. While, on the other hand, we are concerned with the welfare of the people in the various communities of this country, the airline operators are concerned obviously with the profit motive. If they can cut down the operations to Devonport Airport—which, as I say, now seems to be so obvious—and require people to travel many miles to get the benefit of the air services provided, it will not worry the operators very greatly. I accuse them of double dealing so far as the Australian public is concerned. Why do not they come out and say that they are urging the closure of these airports? We support the proposition that was put years ago that there should be an airline service from Melbourne to Launceston and to Hobart with some form of commuter service or general aviation service—call it what you like—to be provided to meet the needs of the people in outlying areas. That in effect is what they are saying.

In Tasmania, we claim to be the most decentralised State in Australia. It is not a claim that cannot be sustained. But why should we not, because we are decentralised in carrying on our various operations in these outlying areas, warrant the provision of services which have been available to us for years? I can remember as a very young person seeing the initiation of the airline services in Tasmania to the outlying areas—to Flinders Island, King Island, Smithton and places like that. I grew up in that particular district. We see that with the advance of time and the advance of technology, with scientific aids and developments of that kind, we are being threatened with the loss of services which have hitherto been available because of the selfishness of the people who operate those services.

I think the Government ought to have some say in these matters. I think the Government has

a right to expect those who operate those services to make a reasonable contribution to the revenue of this country, particularly when you see that there is a possibility of a loss of \$65m this year in the operation of the civil aviation services of Australia. I cannot see anything wrong, frankly, with a reasonable recovery from those who travel augmented by a contribution from the general taxpayers of Australia many of whom never use the air services at all.

I want to allay the story that it is the Government's proposal to close these airport terminals. In fact, to put it on the line, it is the airline industry of this country itself which has put this proposition. It would seem to be supported by Mr Crofts of the Australian Federation of Air Pilots, who I think ought to have something better to do than to promote a proposition which can only lead to the diminution of the opportunity for airline pilots to serve in the air services of this country.

**Senator JESSOP** (South Australia) (8.46)—I want to say a word or two on this inflationary measure that we are discussing in the Senate tonight which will impose further costs on the airline operators of Australia. I am one who does not consider that providing air services in Australia needs to be regarded as something unusual and that the airline operators should not expect to make a profit. It seems to me that the Government has always regarded profit-making as something which is sinful. I do not. I think it is something which ought to be regarded as an essential part of our economy. Firms ought to be able to make a profit so that they can provide jobs for people in Australia. This is one of the reasons, of course, why the Labor Party has got into such a horrible mess. The Government does not have any commonsense in relation to economic management.

I should like to put in a plug for the third level airline operators who seem to me to be disregarded by the Labor Government whichever way they turn—as the Government disregards most small people. The third level airline operators are providing a valuable service to the Australian community, particularly in outlying areas. This sort of penalty that we are inflicting upon those people tonight is going to cause them some hardship. I believe it could result in a diminution of the services that they are providing to the people in the outback of our country. I refer in South Australia to Port Augusta Air Services which operates in South Australia but the head office of which is in Melbourne. It provides a service to people who live in Port Augusta, Port Pirie, Leigh Creek, Oodnadatta and Kangaroo

Island as well as other centres. Another airline company in South Australia, Opal Air Pty Ltd, flies to Coober Pedy and Andamooka and Aboriginal settlements, as the Minister for Aboriginal Affairs (Senator Cavanagh) will be aware, at Ernabella and other parts of northern South Australia. We have another third level airline in South Australia which provides a service to the Eyre Peninsula. Central Australian Airways Pty Ltd flies to towns such as Wudinna, Streaky Bay and other towns on the Eyre Peninsula. Connair in the Northern Territory provides a very valuable community service. This Party that we have in Government at the moment professes to be the supporter of the little man. I believe that this has been shown to be demonstrably wrong since it has been in Government because whatever the Government has done since it has been in office has, in fact, hurt the small man. I would like to read just a little extract from a publication called 'Aircraft', the official organ of various aero clubs and aeronautical engineering societies in Australia. The headline of one article reads: 'Budget Aviation Cost-Lifts Hit Hardest on GA Battlers'. The article states:

Labor's professed concern for the 'little man' does not apparently extend to the 'battlers' in the business community, upon whom a sizeable proportion of the work force depends for wages. As economists have warned, many of these small businesses are already waging a losing battle against inflation. Among them can be counted many of the General Aviation fraternity, and for some of these the Budget presented last month by Treasurer Crean could well be the final straw.

I do not know that Treasurer Crean did present the Budget but I believe that Dr Cairns decimated it. I feel very sorry for Frank Crean who tried hard and laboured under tremendous odds to do his best, in the Budget and it was absolutely wrecked by the stupidity of the Labor Party. The article continued:

From already seriously-stretched resources, this section of the industry must find an additional estimated \$3.9m in Air Navigation Charges.

To get the full impact of that on a struggling industry we must await whatever spelling out on cost contributions is disclosed in the 1973-74 Transport Department Report, for costs were also increased sharply last year. But consider it against this fact . . . The Civil Aviation Report, 1972-73, quoted total ANC paid by 'private, aerial work and charter' operators that year as \$1,014,843! Mr Crean introduced the latest impost in his Budget speech with a reference to the expected 15 per cent increase in Air Nav. Charges ('the maximum permissible under the Airlines Agreement negotiated with the two major domestic airlines last October') and went on: 'Charges to general aviation will be increased by an additional 50 per cent . . .'

That sounds bad enough—and it apparently did to Mr Crean also. In the papers attached to his printed speech it is put this way . . . 'Charges to general aviation will be increased by an additional 50 per cent over and above the basic 15 per cent increase.' It means the present rate (substantially increased last year), plus 15 per cent—and then

another 50 per cent! If that doesn't classify as a savage—indeed, a merciless—increase against that section of the industry least able to bear it, or pass it on, what does?

This is the sort of attitude that this Government has. I am particularly concerned that the penalty is going to be paid very heavily by the third airline operators who are providing an invaluable service to people living in the outback parts of this country and who are at present finding it very difficult to maintain their services. I am afraid that this Bill will mean that their attempts to continue this service profitably without reducing services to these remote areas will be jeopardised. I support the amendment that has been moved by Senator Sim tonight in the following terms:

At end of motion, add:

'but the Senate is of the opinion that, in view of the effect on the inflationary spiral, the Government should state in some detail the proposed increase in fees and charges covering a wide variety of other services provided to the aviation industry.'

It is only fair to the people I have been referring to that that should happen.

**Senator Sim**—They do not know what they are doing.

**Senator JESSOP**—Quite right. It is only in that way that these people will be able to budget and plan ahead to ensure that they are able to provide a continuing and invaluable service to the outback part of this country.

**Senator Milliner**—I ask that the article to which Senator Jessop has referred be tabled.

**Senator JESSOP**—I would be happy to incorporate the whole of it.

**The ACTING DEPUTY PRESIDENT** (Senator Georges)—Senator Milliner, are you asking that this article be tabled?

**Senator Milliner**—That is all I want.

**Senator JESSOP**—I table the article.

**Senator CAVANAGH** (South Australia—Minister for Aboriginal Affairs) (8.56)—In reply—We are dealing with 2 Bills which the Opposition does not oppose. It is not clear to which Bill the Opposition has moved an amendment to add certain words. From the Opposition side we have had 3 speakers who have done a great disservice to their Party. They have come along here with an amendment to one of the Bills and I assume that this was done as a result of a direction from their Party. Senator Sim moved this amendment and these honourable senators then spoke of the high fares under this Government. But the Opposition is not complaining about high fares under this Government; those honourable senators who spoke were. In 1960 the then

Government decided to recover the cost of providing airline services. That was not a Labor Government but it was a government which lacked the capability of Senator Sim. That Government did not have the brains of a Senator Sim in its party. It therefore lacked that capability. But it was a Liberal-Country Party Government and it decided to recover the cost of airline services, but it never set a date for this to come into effect. Because the Government then was so much involved with those concerned—there were farmers who were having crop dusting done and so on—it never achieved its aim. It never had the courage to achieve it. Then this Government came into office.

The recovery of the cost of providing airline services is a policy supported by both the Liberal Party and the Australian Labor Party and that is why there is no disagreement over this Bill. Now we have had moved an amendment that does not complain about the increased fares that the honourable senators I have referred to complained about, and an amendment which makes no mention of what increased fares might be applied but complains because the increases are not spelt out in the Bill. On the question of increased fares we all agree. But Senator Sim has departed from Opposition policy in order to put a parochial view. We have been asked whether we are going to close the airport at Wynyard and whether we are going to look after those in the Kimberleys and Senator Jessop has asked whether we will preserve the Port Augusta airport. Honourable senators opposite deserted their Party in order to put forward their belief that we should pay for these services that are provided in their parochial little areas. This is not the Opposition's policy but the policy of those honourable senators who have said that we have neglected the small man, that we are not looking after him. There is a complete lack of ability on Senator Jessop's part to understand words. Of course he said we are neglecting the little man because Port Augusta Airways is going out of existence.

Are those who have small aircraft and those who have aerial services in the outback the little men? Should we pay \$65m a year out of contributions made by taxpayers to keep these little men in operation? The Opposition wants the kiddy who goes down the shop to buy a lolly or an ice cream, the low margin worker and some of our pensioners to be taxed to keep these little men who own small aircraft in operation and to provide them with services. These people should be taxed so that the Port Augusta Airways can stay in operation and so that Wynyard and the

other aerodromes which are situated every few miles across north Tasmania can stay in operation. Should we forget the low margin worker, the kiddy buying ice cream, the pensioner who is paying tax and other disabled people who are paying taxes to provide services for these so-called little men? That is the proposal of the Opposition. Of course, this Bill does not contribute to increased fares. We know, as Senator Sim has said, air fares have gone up since this Government came into office.

**Senator Sim**—That is right.

**Senator CAVANAGH**—Well, I am agreeing with the honourable senator for once. He should not criticise me when I agree with him. I know I should apologise for doing so. Nevertheless he should not criticise me on the occasion I agree with him. The airline charges for using aerodromes and so on have not contributed to the increase in fares. A spiralling increase in other costs is causing fares to increase time and time again. If ever a Minister was trying to stop big increases in wages it is the present Minister for Transport. But Senator Sim's vested interest, Ansett Transport Industries, is the one which is making sweetheart agreements all the time for the purpose—

**Senator Sim**—Who are my vested interests?

**Senator CAVANAGH**—Well, the honourable senator never fails to support Ansett.

**Senator Sim**—What are my vested interests?

**Senator Withers**—You never fail to support trade unions. Do you have a vested interest in them?

**Senator CAVANAGH**—I have a very big vested interest in them. They are battling for the underprivileged of Australia, for the little man who is not an aircraft owner. Fuel and crude costs in airline operations in Australia are 20 per cent of the total cost. Engineering costs are 34 per cent. Interest and depreciation on airlines are 22 per cent and air navigation charges are 2 per cent. The increase which will be imposed is about one-third of one per cent of the total aviation cost.

**Senator Sim**—How about fuel?

**Senator CAVANAGH**—Fuel and crude costs are 20 per cent. Senator Sim is attacking an increase of one-third of 1 per cent of the total cost. He says this should be contributed by the taxpayers of Australia no matter how impoverished they are. That is his attitude to the question. It is not the Opposition's attitude; it is an attitude that particular honourable senators have taken to this question. The Opposition's

amendment is illogical and incapable of proper interpretation. It would mean nothing even if it were carried. It is not a condemnation of any increased costs which may occur. It is a condemnation because we do not set out the details. In his second reading speech the Minister said that we are seeking to recover 80 per cent of the total cost by 1978. It is impossible to say how much this will be in increased air charges. As the amendment suggests, with the effects of the inflationary spiral no one can gather how much the increase will be. There is protection because the charges are brought in by way of regulation. These regulations lie on the table of both Houses of Parliament for 15 sitting days during which time they are scrutinised by members of both Houses of Parliament. A motion for their disallowance can be moved by either House. So increases in charges to airlines are left in the hands of members of the Parliament, not in the hands of the Minister. The Minister may make recommendations but he is unable to increase air charges.

But we are not concerned with increases in charges to airlines. The amendment says that the charges should be spelt out, not so that people will know why they have to pay increases. That is not a consideration. It does not matter whether people know it or not. The amendment refers to the effect on the inflationary spiral. No other reason is given. But no one knows what the situation may be next year or next month. The amendment also refers to charges covering a wide variety of other services provided to the aviation industry. There will be a criticism if the amendment is carried, but the amendment means nothing. It is an exercise in time wasting. Three Opposition senators who do not agree with their own Party's policy are being given an opportunity to peddle parochial issues here. We should stop this humbug and get on with the business of the Senate.

Question put:

That the words proposed to be added (Senator Sim's amendment) be added.

The Senate divided.

(The Deputy President—Senator J. J. Webster)

Ayes . . . . .	28
Noes . . . . .	26
Majority . . . . .	2

AYES	NOES
Anderson, Sir Kenneth	Bishop, R.
Baume, P. E.	Button, J. N.
Bessell, E. J.	Cameron, Donald
Bonner, N. T.	Cavanagh, J. L.
Carrick, J. L.	Coleman, R. N.

**AYES**

Chaney, F. M.  
Cormack, Sir Magnus  
Drake-Brockman, T. C.  
Durack, P. D.  
Greenwood, I. J.  
Guilfoyle, M. G. C.  
Hall, R. Steele  
Jessop, D. S.  
Laucke, C. L.  
Lawrie, A. G. E.  
Marriott, J. E.  
Martin, K. J.  
Mawson, C. R.  
Missen, A. J.  
Rae, P. E.  
Scott, D. B.  
Sheil, G.  
Sim, J. P.  
Townley, M.  
Webster, J. J.  
Withers, R. G.  
Wood, I. A. C.

Teller:

Young, H. W.

**NOES**

Devitt, D. M.  
Everett, M. G.  
Georges, G.  
Gietzelt, A. T.  
Grimes, D. J.  
Keeffe, J. B.  
McAuliffe, R. E.  
McClelland, Douglas  
McClelland, James  
McIntosh, G. D.  
McLaren, G. T.  
Melzer, J. I.  
Milliner, B. R.  
Mulvihill, J. A.  
Murphy, L. K.  
Primmer, C. G.  
Walsh, P. A.  
Wheeldon, J. M.  
Willsecc, D. R.  
Wriedt, K. S.

Teller:  
Poyer, A. G.

**PAIRS**

Withers, R. G.  
Wright, R. C.  
Cotton, R. C.

Murphy, L. K.  
Drury, A. J.  
Brown, W. W. C.

**Question so resolved in the affirmative.**

Motion, as amended, agreed to.

Original question resolved in the affirmative.

Bill read a second time.

Bill agreed to.

Bill reported without amendment; report adopted.

**Third Reading**

Bill (on motion by Senator Cavanagh) read a third time.

**AIR NAVIGATION (CHARGES) BILL 1974****Second Reading**

Debate resumed from 26 November on motion by Senator Cavanagh:

That the Bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

**HANDICAPPED PERSONS ASSISTANCE BILL 1974**

Bill received from the House of Representatives.

Standing Orders suspended.

Bill (on motion by Senator Wheeldon) read a first time.

**Second Reading**

**Senator WHEELDON** (Western Australia—Minister for Repatriation and Compensation) (9.18)—I move:

That the Bill be now read a second time.

I seek leave to incorporate my second reading speech in Hansard.

**The ACTING DEPUTY PRESIDENT** (Senator Georges)—Is leave granted? There being no dissent, leave is granted.

(The document read as follows)—

This Bill, which repeals the Sheltered Employment (Assistance) Act and the Handicapped Children (Assistance) Act, consolidates and extends the Australian Government's programs of assistance to voluntary organisations that have assumed responsibility for the welfare of handicapped people. In doing so it takes us several steps further in our endeavour to give handicapped people every opportunity to live full and useful lives. The Sheltered Employment (Assistance) Act has been in operation for more than 7 years and the Handicapped Children (Assistance) Act for more than 4 years. Both have proved beneficial and during these years both the Department of Social Security and the voluntary organisations through which the various services are provided have learned a great deal.

The number of disabled employees in sheltered workshops in 1966 was just over 2,000. That number has now increased to almost 10,000. The gross production income of sheltered workshops in 1966 was \$2.2m. By 1974 the income had risen to \$16m. But it had become clear that there was need for further improvement, not only in the basic services that were being provided, but also in the peripheral activities that help the handicapped people to participate more fully in the general life of the community.

These questions were discussed at length with representatives of the Australian Council for Rehabilitation of Disabled, the Australian Association for the Mentally Retarded and the consultants engaged by the Department of Social Security to assist the voluntary bodies to develop effective sheltered workshops and hostels. The program that was evolved as a result of those discussions forms the basis of this Bill. Although the Sheltered Employment (Assistance) Act and the Handicapped Children (Assistance) Act will be repealed the main provisions of those 2 Acts are continued and expanded. It is designed to cater for the needs of handicapped children and handicapped adults who do not require constant

medical attention but who, nevertheless, need special facilities to enable them to take their place in the community.

The broad details of the new measures were contained in an announcement made earlier this year by the Minister for Social Security, when he outlined a 15-point program for the welfare of handicapped people. This Bill gives effect to those of the 15 points that require legislative action. I should like to refer to several of the more important provisions.

The subsidy for establishing sheltered workshops for handicapped adults, training centres for handicapped children and hostels for both children and adults will be doubled from \$2 to \$4 for every \$1 raised by voluntary organisations. This will take effect from the date the Act receives royal assent. The extension of the rental subsidy to many new types of project will, I am sure, result in the provision of many additional and much needed services. It will also enable organisations with very limited capital resources to provide facilities. The renting of an existing large home for use as a half-way house for handicapped people being re-established in the community is but one example. The Bill also transfers the provisions relating to the handicapped children's benefit which is now administered by the Department of Social Security, from the National Health Act to this Act. In doing so the rate of benefit has been increased from \$3 to \$3.50 a day, and provision made to enable short absences, such as when the child returns home for a weekend, to be disregarded.

Voluntary organisations are being faced with increasing overhead expenditure, especially on wages and salaries. And they have all had the experience that while it is still possible to get donations towards the cost of a tangible project such as a new hostel or workshop, it is much more difficult to raise charity funds to meet operational costs. The Bill introduces a salary subsidy of 50 per cent for approved staff. This provision, which previously applied only in relation to sheltered employment, will now apply to the whole range of prescribed services. With new ventures 100 per cent of staff salaries may be paid for up to 2 years to enable the service to become established.

Also as a result of this Bill, voluntary organisations will be able to obtain subsidy assistance towards the cost of establishing activity centres for those handicapped people who cannot meet the requirements of a sheltered workshop. The

Bill will also assist the development of recreational and rehabilitating facilities that are ancillary to either the workshop training centre or activity centre. It will encourage organisations to put greater emphasis on the social interests of the disabled.

It is not enough to provide these people with training, sheltered employment and accommodation. They also need encouragement to lead a more normal social life and to develop the capacity to accept and be accepted by the society in which they live. At this point I would like to express my appreciation of the work of the voluntary agencies. There is a very special role for them to play for there are many people whose needs are best served by these organisations. Although the Australian Government provides for the general economic welfare of the disabled, it is the voluntary organisations that are able to help, in a way not possible for a Government department, in the personal day-to-day care of many mentally or physically handicapped people.

Voluntary organisations have an 'individual touch'. They can deal with the person as a whole, helping with not one but perhaps four or five interlocking personal difficulties. And they can be so much more flexible in their approach. This personal interest is irreplaceable and this is why the co-operation between the voluntary agencies and the Government is so vital. The Australian Government has the financial resources; the voluntary agencies have the grassroots understanding. By working together we have achieved much. This Bill opens the way for us to achieve more.

The provisions that are contained in this Bill constitute the Government's considered program for an area of special need. It caters for physically and mentally handicapped children and adults most of whom require assistance by way of training, supervision, employment or accommodation if their lives are not to be wasted. It provides a balanced and integrated program that is intended to serve an area of social need bounded on one side by the program of the Australian Assistance Plan, and on the other by the Hospitals and Health Services Commission. It will also be necessary to ensure that the assistance provided for handicapped children is co-ordinated with the activities of the Schools Commission.

All of the measures contained in this Bill deeply involve the community. But they are measures that the community wants and, indeed,

in many cases has taken the initiative in supplying. It is a privilege to be able to join forces with these voluntary organisations and so make their efforts more effective.

We, in this Government, accept that a Government's duty is not discharged simply by assisting handicapped people to live in comfort. We accept as a challenge the role of joining with community organisations to broaden the horizons of handicapped people, to promote their abilities in both occupational and recreational activities, and overall, to improve the range of their social opportunities. At a time and in a country where expectations of higher life styles are continually rising from a base of affluence and social improvement, we want to ensure that the needs and aspirations of all Australians are met. I believe some Australians whose legitimate claims on the social conscience of our community have been the highest, have in fact, been short changed.

The morality of the social contracts written by past governments for some of these groups has been very much open to question. All too often it has been a case of those with the most financial and political influence, the most access and the most highly developed sense of their own importance to our economic and social system receiving the most attention. On the other hand the modest, the humble and the handicapped have received only token attention. The exciting new provisions covered by this Bill provide a significant measure of the social progress we have made in the past 2 years. One measure of a civilised community is the size of the gap between the reasonable aspirations and the opportunities to fulfil those aspirations of its members. With this Bill our Government is aiming to reduce one of the gaps which has existed for far too long in Australia. I commend the Bill to the Senate.

Debate (on motion by Senator Guilfoyle) adjourned.

#### EXPORT FINANCE AND INSURANCE CORPORATION BILL 1974

##### Second Reading

Debate resumed from 26 November on motion by Senator Douglas McClelland:

That the Bill be now read a second time.

**Senator DURACK** (Western Australia) (9.20)—This Bill, which is designed to set up the Export Finance and Insurance Corporation, is one which the Opposition not only supports but, indeed, welcomes. The Bill itself is designed to replace and expand greatly the activities formerly carried on by the Export Payments

Insurance Corporation which was established as far back as 1956 and whose activities were expanded from time to time during the life of the Liberal-Country Party Government. As I have said, that Corporation is to be replaced under this Bill by the Export Finance and Insurance Corporation. The reason for this is that the Export Payments Insurance Corporation had been limited broadly to providing insurance cover and guarantees for either Australian exporters or overseas purchasers of Australian manufactured goods, and also, to a limited extent, insurance of investment overseas by Australians.

The major extension of that activity which is provided in this Bill is the establishment of an export financing institution which will make loans to either exporters themselves or to overseas buyers or overseas financiers of Australian manufactured goods. That is, in itself, a major extension of the role of the Export Payments Insurance Corporation. In addition to that provision, the Bill also extends the nature of the overseas investment insurance scheme. Previously the criteria on which insurance on overseas investment was made available were that it had to be investment which would provide export benefits for Australia or which assisted in the overseas marketing or production of goods. However, the criteria have now been considerably widened to cover direct investments which will be of assistance to the economic or social development of other countries.

In particular, the purpose here is to assist Papua New Guinea with its development and to assist and encourage Australian private investment in Papua New Guinea after that country gets its independence. Previously Papua New Guinea was excluded from the provisions of the overseas investment insurance scheme which was administered by the Export Payments Insurance Corporation, but now that Papua New Guinea is about to become independent—it is in fact self-governing—and because of Australia's great interest in the economic development of Papua New Guinea, we are particularly interested in and welcome the provisions which expand this insurance scheme to cover Papua New Guinea.

I turn to the other major aspect of the Bill, which is the establishment of an export financing institution to provide loans to exporters in Australia or to buyers from overseas. This provision is greatly welcomed by manufacturing industry because a number of Australia's major competitors, particularly in the United States of America, Canada, Japan and Britain are already

providing similar types of financial arrangements at concessional rates of interest and on concessional conditions to assist their own exporters. Therefore, Australian exporters of manufactured goods, as a result of their inability to obtain that type of finance, have been at a disadvantage with our major competitors. Admittedly, the old export payments insurance scheme—the insurance of extended type of payment or the guarantee for extended terms of payment—has been of great assistance to Australian exporters over the years, and what is provided by this Bill is simply a natural but very important development of that type of assistance.

The only question that might concern the Parliament is the effect of such a scheme on existing financial institutions, particularly the trading banks. But there is in the Bill the very clear direction that the Export Finance and Insurance Corporation is not to make loans if in fact finance is available from the banks on terms similar to those provided by the Corporation. The Corporation can make loans only if money is not to be forthcoming from the ordinary financial institutions. In fact, what will be provided here is more of the long term type of finance. The banks will continue to provide the source of funds for the ordinary transaction which will be on a short term basis.

There are laid down some major criteria which the Corporation is to follow. As I have said, the Corporation will be especially designed to provide long term finance, that is, finance on credit terms mainly in excess of 5 years. The Corporation is also to have particular regard to business with developing countries and overseas state trading organisations and, of course, our trade is developing with this type of customer. The Corporation is to act on behalf of the Government in certain matters which are classified as national interest transactions; in other words, transactions which the Corporation would not normally accept as business transactions but which the Government requires the Corporation to accept.

It is also laid down that the Corporation is not actually to set the pace in competition with our overseas competitors. It is intended to provide finance on terms and conditions which will match that type of competition. In that regard I just wonder, in an increasingly competitive world trade with increasingly difficult world trade conditions, whether or not Australia will have to become even more aggressive in its marketing overseas, and whether or not it may be necessary also in some cases for the Corporation to provide slightly better terms for our exporters

who are in competition with other countries. That is no doubt a matter which will be kept under consideration from time to time. The other overriding guideline which the Corporation will follow will be the conduct of its normal business—apart from the special type of national interest business which I have already mentioned—on sound, ordinary commercial principles. Therefore, as I have said, it will really be providing an extended type of service which would otherwise be provided by the normal financial institutions and it will really be simply supplementing those institutions rather than trying to supplant them in any way.

The question which I think immediately comes to mind in regard to this new scheme is: What finance is going to be available to it? We are setting up a type of financial institution which will provide a very important service to Australian manufacturers and exporters. Undoubtedly it must be of great concern to find what funds are going to be available to provide this service if it is to be realistic and worth while. The present Budget provides for a sum of \$5m only for the purposes of the direct export financing by this new corporation. I am dealing only with the new type of business. The old Corporation has sufficient funds in hand to carry on the old type of guarantee and insurance type of transaction without the need for any new funding. But new funds are obviously required for the Corporation if it is to enter into the new type of direct financing which I have been discussing.

The Government has estimated that approximately \$50m will be required for this purpose. It will naturally be a revolving fund because the loans made will be repaid over the years. I am a little struck by the very great discrepancy between the estimate that \$50m will be required and the allocation of only \$5m in the present Budget. Admittedly it will be required in the first 3 years, but there is a vast discrepancy between the estimate as to the funds required and the allocation. I wonder whether the Minister for Agriculture (Senator Wriedt) could give some indication in his reply of what the policy is going to be in relation to the provision of the finance, apart from this \$5m, that will be required in the not too distant future.

As I have said, this type of assistance to manufacturing industry in Australia to enable it and to encourage it to export more of its goods and to be able to compete in an increasingly more difficult world trading situation is one which is of great importance to our community. The importance of manufacturing industry to the nation has been clearly underlined by the Opposition in recent

weeks. It is a little ironic that a government which has by its policies caused so much depression in manufacturing industry should be bringing in this very valuable type of encouragement to manufacturing industry as far as exporting is concerned. I would only wish that the Government's domestic policies in relation to manufacturing industry could be as enlightened as this policy in relation to its encouragement of manufacturing industry to export its goods. Of course, the two cannot be divorced.

Naturally enough any policies which depress manufacturing industry, which depress the domestic market and which create a lack of confidence and so on are going to have a great impact on manufacturing industry's ability to have the will and the capacity to compete in world markets. An outstanding feature of the Australian economy since World War II—over all the years of the Liberal-Country Party Government—is the great improvements and the great strides which were made by manufacturing industry. Its large development over those years has been a major factor in the strength of the domestic economy and manufacturing industry is now contributing in a very outstanding way to our standing in the world economy, to our balance of payments and to our economic strength generally as a nation. We are now back in a period of time in which we have again to start watching our balance of payments.

For some years we were in a state of very great strength as far as our balance of payments was concerned. Indeed, they were so healthy, of such a high order, that that in itself was regarded as a problem. I could never see why that in itself was such a problem, but certainly in recent months there has been no reason to believe that the size of our overseas balance of payments is a problem. Indeed the problem is that our balance of payments is rapidly deteriorating. The balance in the September quarter showed a reduction of some \$600m and a very large deficit of something like \$150m actually in the trading account itself. So we are back in an area in which we have to pay very serious regard again to our export performance. We know the problems that exist in our rural industry. Our exports in many aspects of our rural industry—particularly the beef and wool sectors—are a matter of great concern. There are some bright spots, of course, as we know. I refer to the wheat and sugar sectors.

We must always remember the great importance to Australia of the export performance of manufacturing industry and its remarkable growth. In the mid-1950s I think it was worth about \$100m. By the last financial year it had

grown to \$1,340m. That is a remarkable growth. It is of new importance as far as overcoming our balance of payments problems is concerned, if we are running into that area of concern. As I have said, I think that we are. I believe, therefore, as the Australian economy becomes more sophisticated and even more industrialised and as it hopefully will grow, that the manufacturing industry as an exporter and as an earner of overseas exchange will become even more important and will be of steadily growing importance. Therefore, the Opposition welcomes this additional incentive and this additional type of assistance that the industry is being given. We only wish that the Government's other policies which have had such a great and serious impact on manufacturing industry, causing deterioration, would be as enlightened as this policy is in relation to assistance for exporters of manufactured goods. I repeat that the Opposition welcomes this measure.

**Senator WRIEDT** (Tasmania—Minister for Agriculture) (9.41)—I would open on the note on which Senator Durack closed. He described this legislation as enlightened or as legislation that he supports. He said that he wished that other legislation and actions of the Government were equally enlightened. It may be that eventually he will realise that the other aspects of our policy and the matters that he discussed concerning trade generally will prove to be as enlightened as is the legislation that he is prepared to support tonight. The whole purpose of the legislation of course is to expand what was originally the Export Payments Insurance Corporation, to expand certain facilities in the insurance sector of that legislation and, more importantly, to include export finance arrangements whereby Australian exporters, particularly of manufacturing machinery, can be assisted to develop new markets in particular countries mainly and to give general assistance to the export trade of this country.

Senator Durack dwelt on 2 principal points. I shall take the time of the Senate very briefly to refer to them. He referred to the relationship of the new corporation to the private trading bank system. I believe it should be pointed out that clause 38 of the Bill states:

The Board shall take such steps as it considers appropriate to encourage banks, and other financial institutions, carrying on business in Australia, to finance or to assist in the financing of, transactions that are eligible export transactions.

It was made quite clear in the second reading speech that the new corporation is designed to take its place alongside and to supplement the existing facilities that are currently provided by the banking system. It is not intended that it will

engage in the wide range of activities that are traditionally carried out by the trading banks. There was considerable discussion between the Government and the representatives of the private banking system before this legislation was finalised. The Corporation's role will be limited to filling the gap that currently exists in these facilities, and to matching the special assistance provided by government supported institutions in competitor countries in the field of machinery and capital equipment. As has been pointed out, Australia has lagged in this area over the years and this no doubt is one of the most important features of the legislation.

The new Corporation will make finance available only when it considers that it is desirable and that the finance would not otherwise be available on reasonable and suitable terms and conditions. In setting its lending terms and conditions the new Corporation will seek to match, but not to lead, competition from overseas institutions. I believe this has been done in previous legislation concerning foreign institutions and foreign corporations in which there was very detailed co-operation between the private sector of the Australian community and the Government. This was also the case with the Australian Industry Development Corporation legislation. The Government has consistently talked to, and had extensive discussions with, private industry on all these major matters because it is important that the initiatives that have been taken by the Government are complementary to those that are taken by the private sector.

Senator Durack also raised the question of sources of finance and pointed out that the current appropriation of \$5m does not appear to be very significant especially, as the second reading speech has pointed out, when an amount of \$50m may be required over the next 3 years. It is true, although it is difficult to make this judgment, that an amount of \$50m may be required over a 3-year period. But it is currently estimated that in one year of operation about \$16m would be required, and that makes it about \$8m in the half year. As the Corporation in this area of export financing is only beginning, obviously it will be a comparatively slow start, but it does mean that those funds will be adequate and it is anticipated that no additional capital would be required to enable EPIC to function as an export bank. The new Corporation could use EPIC's existing capital and reserves within limits to assist in financing exports. Borrowings from the Budget should be the primary source of finance for the bank.

I believe the legislation currently before the Senate is probably one of the most important pieces of legislation to come before the Senate in this session, because it is involved with that critically important factor of our trade balance. Senator Durack did touch on this question, but it should be pointed out that our trade figures and our export earnings at present are running at record levels.

**Senator Durack**—There is a deficit.

**Senator WRIEDT**—Yes. Of course our imports are also running at record levels. It is true that our overseas balance of payments naturally is affected by the imports. They were at a very high level 12 or 18 months ago. I think the figure was in excess of \$5 billion. It has been brought back to a more realistic figure of something in excess of \$3 billion at present. I think events are proving that the Government's intention and the action that it has taken to improve and expand the imports into this country, despite the fact that they have brought about some difficulties in certain areas of the economy, nevertheless are providing the goods which an economy that is booming along needs; and the demand in the Australian economy still remains very strong. If the Government had not taken action to increase our imports we almost certainly would have had much greater difficulties than some that we are experiencing at present. At the same time, when the Government took those actions it realised that certain structural changes would come about. We did not wait for the effects of those changes to be felt. Machinery has been established, such as the Structural Adjustment Board, for the purpose of helping the industries affected by those decisions.

I appreciate the contribution that Senator Durack made to this debate. I believe he was very balanced in his approach to it. Nonetheless there are those one or two points on which the Government seeks to differ from his view. It is obvious that the Senate as a whole accepts this legislation. We know that it can only be of benefit to the Australian economy, particularly to our trading position.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

#### **DAIRY ADJUSTMENT BILL 1974**

Bill received from the House of Representatives.

Standing Orders suspended.

Bill (on motion by Senator Wriedt) read a first time.

**Second Reading**

**Senator WRIEDT** (Tasmania—Minister for Agriculture) (9.53)—I move:

That the Bill be now read a second time.

I seek leave to incorporate the second reading speech in Hansard.

**The ACTING DEPUTY PRESIDENT** (Senator Georges)—Is leave granted? There being no objection, leave is granted.

(The document read as follows)—

The purpose of this Bill is to implement in full the dairy adjustment program announced by the Government on 8 April. Following that announcement, action was taken to bring in enabling legislation to provide authority for so much of the program as could be carried into effect by amendment of the legislation passed in 1970 for dairy reconstruction. Parliamentary action was delayed by the double dissolution in May. Once the Government was returned to office, action was taken during the July sittings on the necessary amendments so that elements of the program at the farm level could be given effect. Simultaneously the Minister for Agriculture and his Department held discussions with the States regarding their participation in the enhanced range of assistance now becoming available to dairy farmers under the program. All States have signified their co-operation after somewhat protracted negotiation. The measure now presented to Parliament will make possible the operation of the program in its entirety.

Broadly speaking the program provides for a comprehensive range of assistance to enable uneconomic dairy farmers to upgrade their farms to a stage where they can become viable self-sustaining enterprises; interest-free loans with flexible repayment periods, to assist the change-over by producers to refrigerated bulk milk supply, with concurrent assistance as necessary to factories; and finally, relocation assistance for displaced dairy farmers and displaced factory workers. For the convenience of honourable senators I have had circulated with the Bill a list of the measures of assistance provided under the program. I am seeking leave to have this summary incorporated in Hansard.

The amendment of the Marginal Dairy Farmers Agreements Act 1970 in the last session was essentially an intermediate step pending introduction of the present comprehensive legislation. This Bill provides for the repeal of the Marginal Dairy Farms Agreements Act 1970-1974 and incorporates those elements of the program brought into effect by that Act. It

contains a savings clause to provide the necessary transitional arrangements between the two pieces of legislation. As in the Marginal Dairy Farms Agreements Act and for reasons again explained in the preamble to the present Bill, the assistance to be provided under the 2-year dairy adjustment program from 1 July 1974 to 30 June 1976 will be exempted from the need for reference to the Industries Assistance Commission. The question of Government assistance to the dairy industry after 30 June 1976 has already been referred for inquiry and report by the Industries Assistance Commission.

I turn now to the new features of the Bill. The title of the Bill reflects the significant broadening of the former marginal dairy farms reconstruction scheme, namely the transition from a scheme providing limited assistance to the low-income segment of the industry to a program with broad appeal for a significant part of the industry. The expression 'marginal dairy farm' in the 1970-1974 Act has been replaced by 'uneconomic dairy farm' so as to describe more accurately the wider range of farms whose owners may be eligible for assistance under the Program.

There are 2 changes of substance in the Bill. Firstly it will enable any dairy farmer to be assisted to convert to refrigerated bulk milk delivery. Under the Marginal Dairy Farms Agreements Act interest free loans for the purchase and installation of refrigerated vats were restricted to the owners of marginal dairy farms.

The second change relates to assistance to dairy factories. Clause 16 of the Bill provides for the making of loans to dairy factories in cases where alterations are required to be made to the premises or where plant and equipment has to be purchased in order to provide facilities for suppliers to change over to supplying refrigerated bulk milk to the factory. It is intended that loans will be available for delivery and receival facilities. However, there is provision in the Bill for assistance with the installation of processing equipment in special circumstances and subject to the consent of the Australian and State Ministers or delegates authorised to act on their behalf. Assistance to a dairy factory will be provided where finance is not readily available from banking or other normal commercial sources on reasonable terms.

The State Governments have undertaken to administer the dairy adjustment program. Several States are already operating those parts of the program authorised by the Marginal Dairy Farms Agreements Act. The full co-operation of

the States is essential for the successful administration of a scheme of this nature and I am pleased to acknowledge their assistance in this matter.

The Bill authorises the implementation of the whole of the dairy adjustment program except in relation to assistance for displaced dairy factory workers. That part of the program is being encompassed by the Government's general scheme of adjustment assistance for structural change. In the last session the dairy adjustment program received the unanimous support of all members of Parliament. It has been well received by the industry. This Bill will enable the program to be put into effect at factory level as well as on the farms. I commend the Bill.

**Debate (on motion by Senator Durack)** adjourned.

#### **BANKS (HOUSING LOANS) BILL 1974**

Bill received from the House of Representatives.

Standing Orders suspended.

Bill (on motion by Senator Wriedt) read a first time.

#### **Second Reading**

**Senator WRIEDT** (Tasmania—Minister for Agriculture) (9.54)—I move:

That the Bill be now read a second time.

I seek leave to have the second reading speech incorporated in Hansard.

**The ACTING DEPUTY PRESIDENT** (Senator Georges)—Is leave granted? There being no objection, leave is granted.

(The document read as follows)—

The purpose of this Bill is to appropriate an amount of \$150m to be advanced to specified banks for lending for housing. The proposed scheme was announced by the Prime Minister (Mr Whitlam) in his statement on the economy in the House on 12 November 1974. The need for this action arises because the reduction in activity in the home building industry was in danger of becoming more extensive than the Government would have wished. However, I emphasise that there is a need to keep the housing situation in perspective. I remind the Senate that dwelling completions in 1973-74 reached a record level of 152,700 and, at the end of the June quarter, the amount of work under construction was still at record levels. Indeed the capacity of the building industry then was undoubtedly still over-stretched. Furthermore, even at the end of the September quarter the number of dwellings under construction was still

28 per cent above the level at end September 1972 and only slightly below the number at end September 1973.

However, with both dwelling approvals and loan approvals declining sharply in the early months of 1974-75, the Government quickly moved to amend the Banking (Savings Banks) Regulations to enable the savings banks to channel a greater proportion of their funds into housing. At the same time, the banks were requested to increase the volume of finance approvals for housing. In short, the Government acted to increase the supply of housing finance as soon as it became apparent that there was a need to do so. I emphasise that, as a result of this action, savings bank loan approvals in the December quarter could be as much as 50 per cent higher than in the September quarter. Nevertheless a temporary gap in the total flow of housing finance appeared likely. It is primarily to avoid such a gap that the Government has decided to provide additional finance through the savings banks in order to minimise any reduction in activity.

The specific allocations to individual savings banks are set out in the schedule to the Bill, which provides for advances to be made to savings banks in proportion to their shares of total depositors' balances with savings banks at end September 1974. The allocations to the Rural Bank of New South Wales and the Bank of Queensland Ltd are based on their respective shares of total savings and trading bank deposits in the same month. These 2 banks are included in the scheme because of their traditional and important role in the provision of housing finance and the fact that, unlike the other trading banks, they do not have savings bank affiliates.

As the purpose of the proposed scheme is to provide an additional quick-acting stimulus to activity and employment in the home building industry, the funds will be made available to the banks on the condition that they are used by them to increase their rate of housing loan approvals over the period from the commencement of the Act to end March 1975, or such later date as the Treasurer approves, by the full extent of the additional funds available to them. The increased lending will be required to be additional to the higher rate of lending for housing which banks would have achieved from their resources, which I have already mentioned.

If a bank is judged to be unlikely to increase this higher rate of lending by the full amount of its share under the Bill, there is provision to enable its share or part thereof to be redistributed

to other banks. Thus, clause 4 of the Bill provides that, where the Treasurer is satisfied that the amount initially allocated to a bank under the Bill will exceed the likely increase in the Banks rate of housing loan approvals over the specified period, the Treasurer may reduce the allocation to the bank by the amount of the excess and then re-allocate the excess among some or all of the other banks.

The Government is determined to avoid a return to the earlier boom conditions in the home building industry which were neither beneficial to the community nor to the industry and it is important that these funds be put to use at a time when activity in the industry is slackening. It takes a little time before increased finance is reflected in increased activity and, to facilitate speedy use of the funds, they are being lent by the Australian Government for on-lending by eligible banks on the same terms and conditions as apply to normal housing loans financed from the bank's own sources. The banks have agreed to take the funds at a margin below their own lending rates which will have regard to administrative costs. Within this framework, banks have been asked to give preference to loans which will result in new constructions, including extensions to homes, and the acquisition of houses not previously occupied. The banks will endeavour to use their allocation under the Act so as to achieve as high a proportion as practicable of their total housing loan approvals under this scheme to persons earning less than \$150 per week, and will continue not to make any distinction between male and female applicants in the approval of housing loans.

The detailed arrangements relating to the timing of advances to banks, their repayment by banks, and the interest rates on the Government loans under this legislation are currently being discussed with the banks and will be contained in a written agreement with the banks on terms and conditions of the Government advances. However, the banks have indicated their acceptance in principle of the scheme on the general basis I have outlined. I express my appreciation for the banks co-operation in the discussions at short notice of this scheme.

The scheme covered in this Bill is additional to the measures already taken by the Government to increase substantially the volume of finance provided by the savings banks for housing and the action to increase the funds for welfare housing purposes. I am confident that the combined effect of these and other measures should be to restore activity in the home building industry to a satisfactory level. However policy with regard to

bank lending for housing will continue, as in the past, to be reassessed in the light of developing circumstances. I commend the Bill to honourable senators.

Debate (on motion by Senator Young) adjourned.

#### CUSTOMS TARIFF BILL 1974

##### Second Reading

Debate resumed from 26 November, on motion by Senator Murphy:

That the Bill be now read a second time.

**Senator LAUCKE (South Australia)** (9.55)—Mr Acting Deputy President, there are 5 customs and excise Bills and I was wondering whether the Minister for the Media (Senator Douglas McClelland) desires to have a cognate debate.

**Senator Douglas McClelland**—I am handling these Bills on behalf of my colleague, the Attorney-General and Minister for Customs and Excise (Senator Murphy). With the concurrence of the Government and the Opposition, it is desired that there be a cognate debate on the Customs Tariff Bill 1974, the Customs Tariff Bill (No. 2) 1974, the Customs Tariff Validation Bill (No. 2) 1974, the Excise Tariff Bill 1974 and the Customs Bill (No. 2) 1974.

**The ACTING DEPUTY PRESIDENT (Senator Georges)**—Is leave granted? There being no objection, leave is granted.

**Senator LAUCKE**—We are now considering the 5 customs and excise Bills, the passage of which will not be impeded by the Opposition. The Customs Tariff Bill 1974 establishes in a consolidated new schedule tariff rates and tariff changes implemented by this Government since it came to office. The tariff changes arose from the 25 per cent tariff reduction introduced on 19 July last year and the adoption by the Government of certain recommendations made in reports by the Tariff Board, the Special Advisory Authority and the Industries Assistance Commission. The first Bill also covers changes to the schedule of goods included in the New Zealand-Australia Free Trade Agreement, together with changes resulting from the revised expanding system of tariff preferences for imports from developing countries which came into effect on 1 January this year.

The Customs Tariff Validation Bill (No. 2) is a supplementary machinery measure to the Customs Tariff Bill. The Customs Tariff Bill (No. 2) contains tariff changes arising from decisions made by the Government on recommendations

made to it by the Tariff Board and the Industries Assistance Commission. It also provides for increases in customs duties on potable spirits and manufactured tobacco products which form part of the Government's budgetary program. The Excise Tariff Bill 1974 amends the Excise Tariff Act 1971-73 in accordance with excise tariff proposals introduced on 23 July 1974 and 17 September 1974. The July excise tariff proposals gave effect to measures which increased the excise duties on potable spirits and manufactured tobacco products and operates from the evening of 23 July. The September proposals operated from the time of their unfortunate announcement and increased the excise duties on brandy as a further stage in removing the duty differential between brandy and other potable spirits. Customs Bill (No. 2) 1974 provides for amendment of the Customs Act in respect of rules of origin for goods from New Zealand and from developing countries, and valuation provisions for imported goods.

I want to refer first to the 25 per cent tariff reduction introduced on 19 July 1973. This across the board reduction has sparked off a huge flow of imports. I want to speak this evening in particular in regard to the impact on South Australia of this precipitate action of the Government, which was most detrimental to the long term interests of the industrial base of Australia and, I believe, of South Australia in particular. I am not averse to well considered, selective variations in tariff rates, but a large scale reduction, irrespective of its impact or the condition of the industry to which it applies, is highly dangerous and most undesirable. I believe in reasonable protection for local industry. I do not believe in feather-bedding but in a system whereby there is a progressive hardening—in other words, lesser protection—to ensure that there is efficiency in our secondary industries.

The industrial base of South Australia—it is pretty narrow—depends very largely on the motor vehicle industry, the manufacture of household durables—that is refrigerators, washing machines, air conditioners, and such like—electronics and textiles. It is no wonder that the Premier of South Australia has been so trenchant in his criticisms of this Government, when one takes into account the impact of the tariff variations and the huge flood of imports. As I say, a narrow industrial base marks industry in our State. We have today also to meet the burden of an increase in the price of petrol in South Australia. A Bill was passed in the Upper House of the South Australian Parliament today which

will lead to the licensing of petrol retailers, which will add about 6c to the cost of a gallon of petrol.

As we look at the South Australian industrial or manufacturing scene we note that our capacity to produce those goods to which I have referred and on which we are so dependent hinges to a very large degree on our ability to take into South Australia the raw materials, by road transport in many cases—there is a lot of rail transport, too, but road transport does play a very prominent part—and then to send out the finished products mainly back to the populous States of Victoria and New South Wales. An increase in transport costs, together with the disabilities which have been felt and are being felt by the industries in our State, is causing quite a serious problem. Although this is not quite relevant to the legislation before the chamber, I was going to refer to the land tax system in our State, which is a further burden. South Australia is the only mainland State which has land tax. The impact of government policies upon industries and the announcement of the Premier of South Australia that he had to introduce a charge on petrol because he was not receiving sufficient financial accommodation from the Commonwealth add up to a situation which is of great concern for South Australia as it views its industrial background.

The Bills we are considering tonight put into legal form, as it were, those actions which were taken by this Government and which I believe were ill conceived and precipitate. Insufficient consideration has been given to which industries can stand certain pressures upon them. The Government has failed to realise that unless we do maintain our industrial base in good, efficient heart, with active production in increasing volumes—not decreasing volumes—the horrible employment situation will certainly be aggravated far beyond that which now applies. I say that many of our present ills are due to the Government's policies which are being put into effect by means of these measures we are considering tonight. They are government policies and they give us great concern.

I refer now to another area of impact on industry in South Australia; it is a serious area. I wish to use 2 instances in my remarks. I have referred already to secondary industry, and now I refer to those sections of rural industry which are concerned with viticulture, wine making and brandy making in South Australia. By way of background, there are 180 commercial wine making complexes in South Australia, Victoria and New South Wales. There are 2 public companies which are completely Australian owned involved

in this industry. There are 7 predominantly foreign owned companies and there are 171 Australian owned private companies or individuals involved in the industry. So we have a base for decentralised industry. It is a base which at the present time is very strongly privately owned and, in my opinion, it must remain so if it is to be the industry which we have known it to be for so many years now.

The impact of Government charges on the grape growing and wine making industries has been very severe indeed. To indicate the severity of the increases let me cite figures in relation to excise charged on brandy since the 1973 Budget. Prior to the 1973 Budget—last year's Budget—the excise on brandy was \$3.08 per litre of alcohol, but the 1973 Budget increased the excise to \$6 per litre of alcohol. The mini-Budget which was introduced increased the excise to \$8.55. The 1974 Budget—that is the Budget which is just behind us—increased the excise further to \$8.95 per litre of alcohol. In May 1973 a bottle of brandy cost \$3.13; in September 1973 it cost \$4.23; in August 1974 it cost \$5.26; and in November 1974 it costs \$5.64. I cite these figures because it is many years since a wise and understanding government gave a differential in favour of brandy on which the excise at that time was 30s a gallon. The purpose of that was to give a fillip to the grape growing industry at that time.

We were suffering from an inability to dispose of our grape production in non-irrigated areas, and particularly in irrigated areas of South Australia. Pools, co-operatives and organisations of a temporary nature were being formed in South Australia. These organisations hired premises on which excess grapes could be crushed, transformed into brandy and that brandy sold in due time. At that time the proceeds would be paid back to the providing growers for their grapes delivered a couple of years earlier. That was the situation in the industry about 18 years ago. The fillip given to the industry at that time by the differential gave that spirit, brandy, an advantage or a better competitive situation in comparison with other potable spirits, particularly whiskey, gin and vodka which are not made from the same background or raw material which cannot be used in any other form but through crushing or drying. The resultant brandy made from those crushings and dryings is a really important part of the industry. The impact on the industry of the huge increase in excise made by this Government in the last 2 years is such that there is now very serious questioning as to whether the general buoyancy

which has marked the viticulture industry can be maintained beyond the coming vintage.

**Senator Jessop**—Mr Dunstan is worried about it too.

**Senator LAUCKE**—Mr Dunstan is most worried, particularly as he is the one who had assured the wine industry of Australia at the time there was a 25c per gallon excise on unfortified wines that that would be taken right off if his Party gained government. He promised to those from whom he sought financial assistance for his Party that there would be no replacing charge on the industry. We then find the situation to which I have referred which is so violently adverse to the whole industry. It is no wonder that the Premier of South Australia hides his face in shame, as he says, when he sees what has been done to the industry that he had guaranteed would be looked after with reasonable care and attention, not have imposed upon it charges which we have found in the past have been so detrimental to its interests.

**Senator Jessop**—He is thinking of voting Liberal next time.

**Senator LAUCKE**—Mr Dunstan does some things at times which show that he has some degree of brightness. I would not be surprised if he were to say that he will vote Labor at the next South Australian election but that he will vote Liberal in federal politics. The clearances of brandy are down 24 per cent now when compared to a year ago. The stocks are remaining at a high level. In a situation such as this, it is only natural to expect the vigneron not to purchase beyond replacement of stocks which would be required for sale in 2 years time. The Income Tax Assessment Act, section 31A, has a very heavy bearing on the industry in regarding to valuation of stocks. This is making a demand upon the wine-making organisations in a very worrying way, particularly on the individually owned wineries—the impost of taxation based on current values rather than the value of materials and costs to the point of evaluation at the end of the financial year. This new system presents a major threat to the financial stability and liquidity of many of these small companies to which I have referred. It could lead to a reduction in the numbers of large overseas interests taking a greater share of the wine making and distributing facilities of our country. It is a serious matter indeed.

I know that the allowance of brandy to come into Australia in the last 18 months to 2 years, is of concern to the Minister for Customs and Excise (Senator Murphy). The Minister in reply

to a question recently asked by Senator Jessop said that he realised the effects of the flood of imports on the viability of the local industry. He indicated that there should be a greater charge made on the imported article to assist in the more buoyant flow of sales of the local product than is the case now. I had hoped that a more sympathetic attitude would have been taken towards this industry generally than has been shown by this Government to date.

I do not wish to speak at length this evening. I have indicated that I am deeply concerned personally about this matter but it goes far beyond that. It is a widely held view throughout the community that the impact of governmental policies which has emanated from these excise and customs provisions has led to the adverse situation which has arisen. While condemning the Government for this, the Opposition at this stage will do nothing to impede the passage of this legislation as undesirable as many of the consequences which will flow in the wake of it may be.

Question resolved in the affirmative.

Bill read a second time and passed through its remaining stages without request or debate.

#### **CUSTOMS TARIFF BILL (No. 2) 1974**

##### **Second Reading**

Debate resumed from 26 November on motion by Senator Wriedt:

That the Bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time and passed through all its remaining stages without requests or debate.

#### **CUSTOMS TARIFF VALIDATION BILL (No. 2) 1974**

##### **Second Reading**

Consideration resumed from 26 November, on motion by Senator Murphy:

That the Bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without requests or debate.

#### **EXCISE TARIFF BILL 1974**

##### **Second Reading**

Consideration resumed from 26 November, on motion by Senator Murphy:

That the Bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without requests or debate.

#### **CUSTOMS BILL (No. 2) 1974**

##### **Second Reading**

Consideration resumed from 26 November, on motion by Senator Murphy:

That the Bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

#### **PLACING OF BUSINESS**

Motion (by Senator Douglas McClelland) agreed to:

That intervening business be postponed until after consideration of Government Business, order of the day No. 20.

#### **STATES GRANTS (SCHOOLS) BILL 1974**

##### **Second Reading**

Debate resumed from 26 November, on motion by Senator Douglas McClelland:

That the Bill be now read a second time.

**Senator RAE (Tasmania) (10.25)**—This Bill is a standing indictment of this Government's economic management inefficiency. It simply updates, due to inflation, the funds to be made available in respect of schools in Australia. Because the time is now 10.26 p.m. and we are due to rise at 10.30, and as the Opposition is anxious to see that the education programs of the States throughout Australia go ahead, I shall limit my comments and speak with much greater brevity than I otherwise would. I am anxious to see the Bill passed today to ensure that funds are available. What has happened is that a program was prepared by the Karmel Committee. It was adopted by the Government and it was adopted by the Parliament. It has been implemented through the Schools Commission. Over the past 15 months it has been found totally inadequate because of the ravages of inflation following the calculations that were made. So it is necessary for the Government to introduce this legislation to increase very substantially the amounts of money which are to be expended so that the program has some chance of going ahead as planned with the same number of schools to be built and maintained and the same number of teachers to be provided, together with the various other aspects of the education program.

I take this opportunity to make one other comment. It is curious whilst we are having a debate on this Bill to recall the days late last year when there was considerable debate in this chamber on the creation of the Schools Commission and to be told now by some people associated with it that many of the arguments that the Opposition put forward last year have proved to be correct.

We were right in expressing the fears which we did—and I remind the Senate that although we did not oppose the Schools Commission we did have reservations about how it would operate. So many of those aspects to which we drew attention now seem to have caused problems. In relation to the categorisation of non-Government schools again we have seen what we said then proved correct. Schools are being forced to close down as a result of this Government's policy.

I do not take any longer than simply to remind the Senate that not only have those things happened but also we have had repeated time and again the absurd claims that have been made by the Government about the extent to which it has increased assistance to education in Australia. As is well known now it was only a sleight of hand exercise because in producing the Budget figures, which give a false impression, the Government has included sums which were otherwise going to education, not through the education allocation in the Budget but through grants to the States. Putting those sums of money into the appropriation for education makes it look as though the Government has increased education expenditure by very much more than it has. In fact in last year's Budget over one-third of the total increase was this transfer of money which was otherwise being paid by the States out of Commonwealth funds but which is now being paid direct from the Commonwealth.

**Senator McLaren**—It is still a lot more than you gave, senator. You would agree with that.

**Senator Rae**—If Senator McLaren wants a full debate let us have one. I have a lot more comments I would like to make. But in view of the time I conclude by saying that the Opposition supports the Bill with an anxiety that the Government should try to bring inflation under control so that this type of Bill is not necessary.

**Senator Grimes**—Is that the best you can do after 3 days out of this place?

**Senator Sir Magnus Cormack**—In view of the remark by the Government senator I move:

That an extension of time be granted to Senator Rae.

**The DEPUTY PRESIDENT (Senator Webster)**—Is leave granted? There being no objection, leave is granted.

**Senator Cavanagh**—Mr Deputy President—

Debate interrupted.

#### ADJOURNMENT

**The DEPUTY PRESIDENT**—In conformity with the sessional order relating to the adjournment of the Senate, I formally put the question:

That the Senate do now adjourn.

Question resolved in the negative.

#### STATES GRANTS (SCHOOLS) BILL 1974

Debate resumed.

**Senator Georges**—I raise a point of order. I think Senator Rae completed his remarks as he intended to do. I do not think he ought to be so sensitive as to respond to an interjection from this side or to take advantage of advice given by Senator Sir Magnus Cormack. I think that he expressed himself adequately in the short time he gave himself. I do not think that we ought now to engage in what could be a very lengthy debate on a proposition that is agreed to by both sides. In any case Senator Rae had resumed his seat and we had moved on to other business.

**Senator Sir Magnus Cormack**—Mr Deputy President, you stood in your place—

**The DEPUTY PRESIDENT**—Order! Are you speaking to the point of order, senator?

**Senator Sir Magnus Cormack**—Yes. When you stood, Mr Deputy President, Senator Rae had to sit down. He had no option.

**Senator Cavanagh**—I wish to speak to the point of order. The position is that Senator Rae gave reasons for his short address. He sat down and obviously had concluded. He made his position sufficiently clear. Senator Sir Magnus Cormack then moved that he be given an extension of time. The motion was out of order because the honourable senator's time had not expired. The honourable senator could have continued speaking but he sat down. Another honourable senator rose and wanted Senator Rae to continue. As Senator Rae has spoken on the Bill and concluded his remarks, it is your duty, Mr Deputy President, to call on the next speaker if there is one.

**Senator Douglas McClelland**—I wish to speak to the point of order. I indicate to the Senate that I had discussions with the Opposition on this matter and the Opposition indicated to me that it did not intend opposing the passage of the States Grants (Schools) Bill 1974 which has been in this House since 20 November. Because of the desire of the Government to have this legislation passed this evening it was agreed by Senator Rae that he would keep his remarks to the minimum. I agreed accordingly that if there was any reply I would keep my remarks to the minimum. Because the Government wanted to have the legislation passed this evening it was agreed that we would negative the adjournment in the belief that the legislation would be passed at a fairly reasonable time after 10.30 p.m. I was under the

impression that Senator Rae had completed his remarks but if he has anything to add to those remarks I am quite happy that he do so.

**Senator Young**—I rise to speak to the point of order. I wish to thank the Minister for the Media for his comments. There has been wonderful co-operation today on the great number of Bills waiting to be passed or discussed by the Senate. It is unfortunate, particularly in view of the co-operation of Senator Rae and the Minister for the Media on this particular Bill, that a comment was passed right on the stroke of 10.30 p.m. when the Deputy President was rising in his place to adjourn the Senate. I regret that the remark was made. Senator Rae had prepared a speech of quite some length but in a spirit of co-operation he cut his speech down to assist in passing legislation this evening. I very much appreciate the remarks of the Minister who, with myself and others on my side tonight, has been making arrangements to get a lot of the legislation off the notice paper. I thank the Minister very sincerely for his remarks.

**The DEPUTY PRESIDENT**—There is no point of order. The situation is that a Government senator made a comment to Senator Rae. In short he said that Senator Rae had very little to say after 3 days absence from the chamber. This initiated a move for leave to be granted so that Senator Rae could continue. I obligated myself by saying that leave was granted. This matter is for the Senate to decide. I call Senator Rae.

**Senator RAE** (Tasmania) (10.35)—I thank you, Mr Deputy President. I thank my colleagues. I thank the Minister for the Media (Senator Douglas McClelland) for what he said. I thought it was reasonably clear that we were anxious to pass this Bill tonight and why I had curtailed my remarks. I stick to the arrangement that was made notwithstanding the provocation that was extended by one senator only. I simply repeat that there are a lot of comments which one could make about this matter but I had simply identified the subject matter of a few of them. I drew attention, I think, to the existence of the problems and I propose that now the matter should be concluded, if the Minister is agreeable, so that we can pass this legislation tonight and the funds can be made available to the schools in Australia.

**Senator DOUGLAS McCLELLAND** (New South Wales—Minister for the Media) (10.36)—As I said when I spoke to the point of order the Government is keen to have this legislation passed this evening. I have had discussions with my colleague the Minister for Education

(Mr Beazley). All I need say is that I understand the Opposition offers no objection to the passage of the legislation.

**Senator Rae**—We support it.

**Senator DOUGLAS McCLELLAND**—Indeed, as Senator Rae says, his Party supports the legislation. All I can say in reply to his remarks is that I do not agree with the contentions he has put forward.

Question resolved in the affirmative.

Bill read a second time, and passed through its remaining stages without amendment or debate.

#### ADJOURNMENT

##### Aboriginal Affairs: Queensland

Motion (by Senator Douglas McClelland) proposed:

That the Senate do now adjourn.

**Senator CAVANAGH** (South Australia—Minister for Aboriginal Affairs) (10.37)—I wish to say a few words. This is the first time since I have been a Minister that I have initiated debate on the motion that the Senate do now adjourn. At times I have entered the debate when something has been said to which I thought a reply was justified. I find it is essential for me to speak on this occasion. I am led to believe that there will be a very big campaign throughout Queensland this weekend based on the attitude of myself and the Government to Aboriginal affairs in that State. I want to give the true details. I am inspired somewhat by a telegram I received today from Mr Anthony which states:

I have had numerous telegrams from Aboriginal leaders in Queensland expressing shock re new laws which are proposed which they claim will destroy their way of life stop I ask you to defer any further action in these matters until you have had appropriate discussions with the Advisory Council stop The people are dismayed that you are taking action without adopting consultations which the Queensland Government has always adopted with any proposed changes in the law

Doug Anthony

During the last month there would be few communities in Queensland to which I have not spoken and explained what the Government intends to do in regard to the law affecting Queensland Aborigines and Torres Strait Islanders. I found general approval of it. I received some weeks ago a telegram from one council chairman opposing our interference in Queensland. When I arrived at the Weipa airport I met the chairman of the council who was going back to Torres Strait. I said: 'I did not like that telegram,' and he denied having sent the telegram. I have received 21 telegrams, all in

identical terms. This morning I received 15 telegrams, all from chairmen of councils, ten of which had been lodged at the Thursday Island Post Office between 11.30 and 11.50 this morning. By ringing the chairmen of the councils and making inquiries I found that each chairman had received a telegram in these terms:

Premier—

Note the word 'Premier'—

advises that new law proposed in Canberra would enable any Aboriginal or Islander to enter or live on any reserve without reference to Council.

That is false, nevertheless that is what the telegram says. It goes on to say:

Other Chairmen are sending following telegram.

I emphasise those words—

Please advise if you wish to have same message sent in your name to Prime Minister, Parliament House, Canberra; Senator Cavanagh, Parliament House, Canberra; Leader Country Party, Doug Anthony; Leader Opposition Senate; Leader Opposition.

The text of the telegram reads:

My people shocked to hear of new law proposed which will destroy way of life enjoyed by Aboriginal people on this reserve. Quite clear Government has no understanding of well-being of people living here as proposals will destroy their happiness and way of life. On behalf of my people I ask that you stop this law until it is talked out with advisory councils in the same way as Queensland Government has always dealt with all changes in the law.

Senator McAuliffe—Who sent the telegram?

Senator CAVANAGH—The telegram was sent by the Department of Aboriginal and Island Affairs but it is a request from the Premier. As I have said, the Prime Minister, myself, the Leader of the Country Party, the Leader of the Opposition in the Senate and the Leader of the Opposition all received identically worded telegrams. I received 21 telegrams, identically worded, sent out by someone on behalf of the Premier. The council chairmen did not send them. Ten telegrams were lodged at the Thursday Island Post Office.

Senator McLaren—Paid for by the Premier?

Senator CAVANAGH—Paid for by the Premier. The chairmen were requested to add their names. The Premier says in the telegram that he wants these matters talked out with the advisory councils, just as we do. I attended a meeting of the advisory council. The Premier spoke to these people the day before I attended and expressed, as reported in the newspapers, his pleasure that the Minister for Aboriginal Affairs in the Australian Government was speaking to them because now he would be speaking to genuine Aboriginal leaders and not listening to the militant minority from the urban areas down south. I

went and spoke to the council. I exposed the restriction on liberties under Queensland law and told them that we sought their support. They said they had a committee looking into it and the chairman of the council said: 'Well, these are all chairmen of various councils. They want to speak to you, Senator.' I said 'What do you want to say?' They said 'We want to speak to you privately'. Mr Dexter and myself sat in another room and they came in one by one. They had many requests but every one of them expressed dissatisfaction with the Queensland law. This illustrates the tyranny which exists. At a public meeting they could not say it. In privacy they could say it. They reaffirmed to me on Torres Strait Island at the weekend the tyranny that exists as evidenced by the request from the Premier. They are forced into sending this telegram, and we get mere puppets like Doug Anthony who says this represents the view of the Aboriginal people in Queensland. It is a fake.

Senator Rae—I raise a point of order, Mr Deputy President. Standing order 419 says:

No Senator shall digress from the subject-matter of any Question under discussion;—

This is the important part—

nor anticipate the discussion of any subject which appears on the notice paper . . .

The matter to which the Minister is speaking is one which appears on the notice paper. It relates to a Bill which he introduced into this Parliament. I believe this is clearly an infringement of this standing order. It is for this very reason that there should not be a pre-debate of a matter that the standing order is there.

Senator Cavanagh—On the point of order, of course the honourable senator does not understand that I am not discussing the Bill before the Senate. I have not mentioned one word that is in the Bill. I am discussing the tyrannical and oppressive attitude of the Premier of Queensland.

Senator Rae—But the telegrams were about the Bill and they purportedly said what the people's reaction to it was.

Senator Cavanagh—if I can get a hearing on my point of order, Mr Deputy President, the Standing Orders provide that reference may be made to something that is on the notice paper only if it is necessary to explain what one is discussing. We are taking part in an adjournment debate. I am discussing the attitude of the Premier of Queensland and justifying my condemnation of his attitude to the Bill that is on the notice paper. Nowhere have I discussed what is in the Bill. Nowhere do I want to discuss what is

in the Bill. I want to confine my remarks to the Queensland Premier's attitude.

**Senator Poyser**—Mr Deputy President, I rise to speak on the point of order simply to make one point. On a number of occasions I have raised this very point of order in relation to questions asked in question time that refer to a Bill on the notice paper. On every occasion that I have raised this point the ruling of the Chair, in various words and in various ways, has supported the flexibility of debate. I cannot see how the point of order which has been raised by Senator Rae can be upheld in view of the fact that on so many occasions my points of order have been rejected although they were put on the same grounds as was Senator Rae's.

**Senator Wood**—On the point of order, Mr Deputy President, I draw attention to the telegram that has been mentioned by Senator Cavanagh. It relates very much to the legislation because it reads:

My people shocked to hear of new law proposed which will destroy way of life enjoyed by Aboriginal people . . .

It goes on to say:

. . . I ask that you stop this law—

**The DEPUTY PRESIDENT (Senator Webster)**—Order! I call Senator Keeffe.

**Senator Wood**—But I am speaking on the point of order, Mr Deputy President. What I am saying is—

**The DEPUTY PRESIDENT**—Order! Senator Keeffe wishes to raise a point of order.

**Senator Wood**—Oh, don't tell me; I don't know anything about it. Right, you know everything.

**Senator Milliner**—Oh!

**Senator Poyser**—Oh!

**Senator Wood**—Well, he does not know anything about it. He will not listen.

**Senator Georges**—That is a reflection on the Chair.

**Senator Keeffe**—I point out to you, Mr Deputy President, with great respect that Senator Wood has now picked up a piece of paper that was the subject of the debate that Senator Cavanagh started and I submit that it is entirely out of order—

**Senator Wood**—It is definitely in relation to the Bill and the Deputy President cannot see it; does not want to see it.

**Senator Georges**—Mr Deputy President, I raise a point of order. I feel that Senator Wood has been at fault here. He has no right to reflect

upon you in the way that he has reflected upon you and then to leave the chamber. I ask that he be recalled to the chamber to apologise to you for the grave reflection upon your ability to decide upon the point of order which has been raised.

**The DEPUTY PRESIDENT**—There is no point of order in what Senator Georges has to say and there is no point of order in what Senator Keeffe has to say. I only regret that Senator Wood is not here now to continue the point of order. In relation to the point of order raised by Senator Rae, there is some basis for that point of order. It could be considered that the Minister is anticipating a debate on a Bill which he himself has put down. The matter which he has raised is directly related to order of the day No. 40 on the notice paper, which is the Aboriginal and Torres Strait Islanders (Queensland Discriminatory Laws) Bill. It would be quite proper, I think, for me to suggest to you, Mr Minister, that you should complete your remarks quickly. If you will do that I will not uphold the point of order, although I feel that it has great weight.

**Senator CAVANAGH**—In view of your ruling and my respect for your ruling, Mr Deputy President, I will comply with it. I think that I have said all that is to be said on the question. What I am about to say now is not in relation to the Bill. I ask the recipients of these telegrams, the Leader of the Country Party, the Leader of the Opposition in the Senate and the Leader of the Opposition in the other place: Please do not present me with telegrams, as the Leader of the Country Party did, and expect that I will accept them as containing the expression of the Aboriginal people in Queensland.

**Senator GEORGES (Queensland) (10.51)**—I will add briefly to what Senator Cavanagh had to say because I had a similar experience brought to my notice during the recent Federal election campaign when the Premier of Queensland sent a telegram to the chairman of the various councils on the islands in Torres Strait directing them how to vote in the Federal election. That was disclosed in the Press. The Premier took what I considered to be a stand quite outside the ethical position that a Premier should take. Here again tonight we have another example of the Premier of Queensland dictating telegrams, inspiring attitudes and endeavouring to obstruct what is reasonable legislation being introduced by the Minister for Aboriginal Affairs. I merely bring this point up and indicate that this is not the first time that the Premier of Queensland has done this and that it is necessary to expose the methods to which he will descend to prevent the

Aboriginal people of Queensland from being given the justice that they deserve after so many years.

**Senator Sir MAGNUS CORMACK** (Victoria) (10.52)—Mr Deputy President, I merely rise to say that the observations made by Senator Cavanagh and Senator Georges have a quality of speciousness about them because the inference is that there is some mysterious body that has been falsifying messages and sending them through.

**Senator Georges**—It is not specious; it is true.

**Senator Sir MAGNUS CORMACK**—The regulations of the Postmaster-General's Department require that a postmaster accepting a telegram must see a signature on the bottom of the telegram indicating who is the person sending the telegram. If the telegrams have come from small areas, as indicated by Senator Cavanagh, one of two things happened. Either the telegrams were sent by people who genuinely and honestly believed in these telegrams, or someone has falsified them. If they are falsified, it is an offence against the Postmaster-General's Department regulations. No one has indicated so far whether or not these telegrams are false telegrams.

**Senator Georges**—We are not saying that. We are saying that they were signed by the Premier of Queensland.

**Senator Sir MAGNUS CORMACK**—You are saying that they were signed by the Premier of Queensland?

**Senator Georges**—That is right.

**Senator Sir MAGNUS CORMACK**—What proof have you got that they were signed by the Premier of Queensland? That is the point. What proof is there?

**Senator Georges**—The proof is there, because the telegram has been published.

**Senator Sir MAGNUS CORMACK**—There is no proof at all. It is an allegation made by the Minister for Aboriginal Affairs and Senator Georges, that is all.

**Senator McLaren**—It has been substantiated today by telephone.

**Senator Sir MAGNUS CORMACK**—Senator Bishop is sitting there in his place. He is the Postmaster-General and he knows the regulations for the receipt of telegrams as well as anybody else. These allegations must not be made on this wide sort of shotgun basis, just leaving a smear all around the place. The point is that if a

postmaster of Senator Bishop's Department accepted telegrams that were not genuine telegrams, that is the fault of the Postmaster-General's Department.

**Senator Cavanagh**—There is the evidence.

**Senator Sir MAGNUS CORMACK**—All right. You prove to us who sent these telegrams. You have not done so.

**Senator BISHOP** (South Australia—Postmaster-General) (10.55)—I only want to say that the question as to who signed the telegrams can be investigated next week. I cannot do it now. But I put it to honourable senators that what Senator Cavanagh is complaining about is that in relation to an issue which will be debated in this Parliament next week, the Premier of Queensland has sent telegrams to all the chairmen of the Aboriginal councils in Queensland putting words into their mouths as to whether they would like to support this proposition.

**Senator Cavanagh**—The telegrams were sent in their names.

**Senator BISHOP**—Of course. What Senator Cavanagh is saying is that the chairmen did not send the telegrams but that the Premier of Queensland or somebody from the Premier's office inspired the chairmen to do so. Because of that it could be—and I will not know until Monday or Tuesday—that even when those chairmen did not react. Senator Cavanagh, as the Minister concerned, received telegrams to this effect. They were addressed to him and also to the Prime Minister. The contents were not contents drafted by the sender of the telegram, by the chairman concerned. They were words put into the mouths of the chairman and not in fact uttered, as far as we can see, by the chairman. These are the words:

My people shocked to hear of new law proposed which will destroy way of life enjoyed by Aboriginal people on this reserve.

Then the message continues. In that regard, surely it must be evident to everybody that even though it may be proved finally that the chairmen did give their consent to such a proposition, this sort of practice is most improper. For the Premier of a State to ask the chairmen—

**Senator Sir Magnus Cormack**—It is not improper.

**Senator BISHOP**—Of course it must be improper. As somebody said, it is an inspired idea. The people concerned have had a proposition put before them. They have not been asked their views about the matter. It is a studied

telegram. That is Senator Cavanagh's proposition. As regards the point raised by Senator Sir Magnus Cormack, I certainly will inquire on Monday to ascertain who signed the telegrams. But I think that it is most improper that the Premier of a State, or the secretary of his department, should so inspire or attempt to inspire or collude with people to do these things. If he wants to get an expression of opinion, the proper practice is to ask the chairman concerned: 'What is your opinion about the legislation?' That is Senator Cavanagh's complaint, and I fully support it. As regards the effect of the regulations and the law, I will make proper inquiries about that. Senator Cavanagh has just explained to me that he has 20 telegrams. He thinks that the chairmen never signed the telegrams. I will make inquiries into that aspect.

**Senator RAE** (Tasmania) (10.59)—Of all the preposterous things that from time to time are done in this place in the pursuit of politics, this is the most preposterous matter that I think I have ever heard raised. Let me just tell the Minister for Aboriginal Affairs (Senator Cavanagh), through you, Mr Deputy President, that one of the telegrams—I do not know whether my copy is worded in the same way as that of the Minister—from the Aurakun community begins by saying:

Have held a full council meeting to consider proposed law which will destroy way of life enjoyed by Aboriginal people on this reserve.

There is the statement made clearly by the chairman of that community, that he has held a full council meeting. It is not one which is simply a repetition of what might have been suggested—

**Senator Georges**—All right. Read the other twenty-one.

**Senator RAE**—I was going to refer to them because the impression has been given by the Minister that all of the telegrams were sent from the one place. That is clearly wrong.

**Senator Cavanagh**—No, I said that ten were.

**Senator RAE**—The Minister has cut away any misunderstanding that might have arisen. He said that ten were. Presumably that means that ten of the ones that he has received were not.

**Senator Cavanagh**—From Thursday Island.

**Senator RAE**—Ten were from Thursday Island and the other ten were not. Therefore, ten telegrams have been sent by people from various parts of Queensland. On the telegrams which I have the various post offices and the varying times of the day are shown. They are from places all over Queensland and from people all over Queensland. The impression which has been

sought to be given that there has been some form of action by the Premier of Queensland to have all these telegrams sent, apparently without the consent or approval of the people concerned, is so clearly wrong that it does not matter because how could he have been getting around quite as much as would have been necessary to have been able to send telegrams from Brisbane, Thursday Island, Bamaga, Hopevale, Murgon, and various other places around Queensland all within a matter of minutes of each other, according to the times on them?

It is absurd to make that allegation. It is absurd even to suggest that these people are not entitled to send telegrams if they wish to do so. Are people to be deprived of the right to make their petition known to the Parliament, to the Minister, to the Leader of the Opposition or to whoever else it may be? Are they not able to receive a suggestion as to the wording? What else happens when people send the petitions which have been presented in great numbers in this chamber in recent times? People have suggested to them a form of wording which they are prepared to go along with. They regard it as expressing their views and they sign the petition. I well recall during an education debate last year receiving 43 telegrams sent from one post office with identical wording and purporting to have come from people scattered all over New South Wales. I can well understand who it was who sent those telegrams and it was nothing to do with the people who purported to be sending them; but that is a different matter. That is history. I make the point simply that there is nothing wrong, unethical, immoral or unfortunate in any way at all about a Premier suggesting to certain people that they may like to consider taking a particular course of action. In no way does his telegram purport to impose upon them—rather it invites them—to join in sending such a telegram. These people have opted, obviously of their own free will, to send such a telegram. If the Minister's allegation is to be accepted as correct, what he has done is condemn the people who sent the telegrams as being mindless and as being unable to form an opinion of their own.

**Senator Cavanagh**—As being afraid to disobey.

**Senator RAE**—All right. The Minister has gone so far as to suggest that they have been forced in some way. It is funny that the Minister came into this House a little while ago and misstated something which he has now corrected. Apparently his Department had misinformed him about it. I refer to the visit to Weipa. The Minister came into the chamber a little while ago

and told us that the people at the Weipa conference were anxious to return to Old Mapoon. Very shortly afterwards we found that the same people were telling the Prime Minister (Mr Whitlam) that they were not anxious to do so. We find that dreadful confusion is reigning supreme within the Department of Aboriginal Affairs at the moment. Apparently the Government, the Minister and his Department have been quite happy to see the affairs which have been referred to in the report of a parliamentary committee concerning the situation of children in particular at Yirrkala continue for the 2 years in which the Australian Labor Party has been in office. The Minister has come in and condemned on no basis, on no real evidence, the Premier of Queensland.

I think that it is so scurrilous that it is not deserving of any further attention from this Parliament. I do not propose to make any further comments other than to say that when the day arrives that people are not entitled to accept a suggestion made by whoever it is, so long as they exercise their own free will, and to send a telegram to a Minister, a Leader of the Opposition, or whoever else it may be, we have reached the stage where we no longer exist in a democracy. The Minister would be far better occupied in having a look at what is going wrong with his Department, finding out why it is in absolute turmoil and what is necessary to avoid the confrontation situations which he seems to want to pull on, instead of making false and absurd accusations about the Premier of Queensland.

**Senator MULVIHILL** (New South Wales) (11.5)—I enter this discussion only as a mediator. I would like to assure Senator Bishop—I am sure that he will be happy about this offer—that I am prepared to put at his disposal for a full investigation the wide talents of Estimates Committee F. As honourable senators know, it deals with matters concerning the Postmaster-General's Department. I am sure that Senator Lawrie's and Senator Marriott's talents would be married to those of Senator Donald Cameron and Senator McIntosh. We could probe the sinister implications of this matter. I know that I will not sleep tonight with the thought that this thing could easily mean that tomorrow morning I will wake up like Representative Staley, who is a member of the other place, and do something silly. I do not know whether I will, but I could. As far as Estimates Committee F is concerned, we are ready and willing to assist the Senate to get to the bottom of the matter.

**Senator McLAREN** (South Australia) (11.6)—I enter this debate only to contradict what Senator Rae has tried to imply in relation to the comments of the Minister for Aboriginal Affairs (Senator Cavanagh) tonight. He has in fact said that the Minister has declared a falsehood in this House tonight by his endeavour to expose the actions of the Premier of Queensland, Mr Bjelke-Petersen. The Minister said in his remarks that certain telegrams he had received today all contained an identical message.

**Senator Sheil**—Not all.

**Senator McLAREN**—Well, most of them contained an identical message. They came from the same place in Queensland. These telegrams were inspired by the Premier of Queensland, who sent a telegram to the people who sent telegrams to the Minister, asking them to send those telegrams. The Minister has checked by telephone today with the senders of some of those telegrams, who told him that they were asked by the Premier of Queensland to send the telegrams. I want to read into the record of this Parliament the places from which and the times at which these telegrams were sent to prove that Senator Rae is endeavouring to cover up a despicable action by the Premier of Queensland. I am not going to read the text of them because it is already in the record, having been read by the Minister. The first one was sent from Thursday Island via Brisbane at 11.30 p.m. this day by 'Joseph Mondy, Chairman, York Island'.

**Senator Baume**—I think you mean a.m.

**Senator McLAREN**—The telegram has '11.30P' on it.

**Senator Baume**—That is an unusual time at which to send a telegram from Thursday Island.

**Senator McLAREN**—Yes. That makes it all the more unusual.

**The DEPUTY PRESIDENT** (Senator Webster)—Order! The honourable senator knows how to present his case.

**Senator McLAREN**—The second one was sent from Thursday Island via Brisbane at 11.45P and was signed 'Murray Lui, Chairman, Coconut Island'.

**Senator Sheil**—That is a different island.

**Senator McLAREN**—It was still sent from Thursday Island. The next one was sent from Thursday Island via Brisbane at 11.40P and was signed 'Charlie Gibuma, Chairman, Boigu Island'. The next one was sent from Thursday Island via Brisbane. The time of dispatch is shown as 11.35P. It was signed 'Wees Nawia, Chairman, Kubin'.

**Senator Bishop**—Was it the same message?

**Senator McLAREN**—It was the same message. The next one was from Thursday Island via Brisbane. The time of despatch was 11.30P. It was signed 'Nelson Billy, Chairman, Warraber Island'. The next one, which contained an identical message, was from Thursday Island via Brisbane.

**Senator McAuliffe**—At what time was it despatched?

**Senator McLAREN**—At 11.55P. It was signed 'Wagea Waia, Chairman, Saibai Island'. The next one was from Thursday Island via Brisbane. The time of despatch was 11.50P. It was signed 'Tabipa Mau, Chairman, Dauam Island'. The next one, containing the same message, was from Thursday Island via Brisbane. The time of despatch was 11.35P. It was signed 'Philip Nola, Chairman, Badu Island'. The next one was despatched from Thursday Island post office. The time of despatch was 11.30P. It was signed 'Jetano Lui, Chairman, Yam Island'. The next one was from Thursday Island via Brisbane. It was despatched at 9.20 a.m. and signed 'Llope and Councillors and People Weipa Community'. The next one was sent from Thursday Island, time of despatch 10.40 a.m., signed 'Victor McKinvoy, Robert Gilbert, Councillors and people Lockhart River community'. The next one was sent from Thursday Island, time of despatch 9.20 a.m., signed 'Harris Gregory, Acting Chairman on behalf councillors and people Kowanyama'. The next one was sent from Thursday Island, time of despatch 9.20 a.m., signed 'Jimmy Kendall'. All contained exactly the same message—every word the same. Then we go a little further afield. The next one was sent from Bamaga via Brisbane, time of despatch 11.55, signed 'Chairman, Umagico, Mr Bill Brown'.

**Senator McAuliffe**—What is the text of that message?

**Senator McLAREN**—That is exactly the same message. The next one was sent from Bamaga, time of despatch 11.50 p.m., signed 'Chairman, Banaaga, Mr A. Adidi'. The next one was sent from Bamaga but it was not exactly the same message. The next one was sent from Bamaga, time of despatch 11.45 p.m., signed 'Deputy Chairman, Cowal Creek, Simon Peter'. That was the same message. The next one was sent from Hopevale, Queensland, time of despatch 10.40 a.m. That contained the same message and was signed 'Herbert McLean, Chairman, Hopevale Council'. The next one came from Brisbane, time of despatch 10 p.m. and that is signed 'Dulcie

Dooley, Chairwoman, Aboriginal Council, Woombinda'. That contains the same message. The next one came from Murgon, Queensland, time of despatch 9.25 a.m., and was signed 'Les Stewart, Chairman, Cherbourg and Aboriginal Advisory Council'. The next one is from Domadgee Mission Outpost, Mount Isa, time of despatch 12.49 p.m. That contained the same message and was signed by the chairman.

All of those telegrams—I have read out a handful of them—were sent at different times, most of them from the same post office, and all with the identical message to the Minister for Aboriginal Affairs. As the Minister has pointed out, those telegrams were instigated by Mr Bjelke-Petersen who inspired these people to send the telegrams. It is quite obvious that these telegrams have been engineered by the Premier of Queensland. As Senator Rae pointed out, this is not the first time that Ministers or members of this Parliament have been inundated with identical messages signed by people who do not know what they are signing. I raised a similar matter here some months ago in an adjournment debate. I received a petition that had come from a doctor's clinic in Adelaide and had been signed by many people. I telephoned these people. Some of them denied that they had signed and some of them did not know what they had signed. I raised that matter in Parliament. It is quite obvious that the Senate is being subjected to organised telegrams, petitions and stereotyped letters to try to influence members of the Parliament. That is quite bad enough but when people try to do it for political purposes and try to influence the Minister, I think it is time that some action was taken. I hope that when Senator Bishop makes his investigations on Monday he also ascertains who paid for these telegrams from all these post offices. I hope that he advises this Parliament at the earliest possible opportunity just who is responsible for paying for the sending of these telegrams to the Minister.

**Senator KEEFFE (11.14)**—Everything that the Minister for Aboriginal Affairs (Senator Cavanagh) has said tonight is dead right.

**Senator Maunsell**—How do you know?

**Senator KEEFFE**—I will be stating a few facts in a moment and I think if the honourable senator does not have an impervious brain he might realise it. I was amazed tonight when the shadow Minister for Aboriginal Affairs, Senator Rae, participated in this debate. There are probably three times when he has not handled himself very well. One was during the anti-Vietnam dispute when someone stepped on his toes. He was

sitting in those days in the seat in front of where I am standing now and he came in one night and said: 'I was on the reserve and I have a greatcoat to prove it'.

There was yesterday's little episode as a result of which apparently he also is now an unemployed fire walker. Tonight he comes in on this issue completely uninformed, emotionally, and not in command of either himself or the facts. The telegrams that have been read into the record by my colleague Senator McLaren indicate with very great clarity the organisation that went into the sending of these messages. It is possible, of course, that there happens to be a State election campaign and that my beloved friend, the Premier, with whom I converse regularly—I will not refer to him religiously tonight; he has over the last few weeks done a lot to lose that title—would adopt this sort of tinny gimmick which he would think would probably gather votes for him. Well, it will not because he has manipulated, unfortunately, too many Aboriginal and Island people in Queensland for too long a period. He has been able to manipulate them under the power of 2 Acts—the Aboriginal Act 1972 and the Torres Strait Islanders Act 1972.

These 2 Acts stood on the statute book for a long time before they were proclaimed. They were proclaimed on the Monday following 2 December 1972 because the intention, I believe, at the time was to amend them further if the McMahon Government had been returned to power. When the McMahon Government was not returned to power he took the first opportunity—that was on Monday morning, 4 December 1972—to proclaim those 2 Acts. As Queenslanders can tell you, it was ages afterwards before we ever saw the regulations under the Acts and the by-laws that apply on the reserves. We have to remember that 30,000 people are under the direct control or are potentially under the direct control of the 2 Acts. So the Premier can manipulate people like this whenever he feels like it. This is precisely what he has done in this instance.

**Senator Sheil**—That is not right.

**Senator KEEFFE**—Goodness gracious me. When you have been around the political scene a little longer you will understand some of these background issues that we talk about in this Senate. I would like to refer to two or three of the statements that were made by Senator Rae. Frankly, there was very little in his speech worth commenting on. But he did complain of having got 43 letters from one post office on some issue

or other. To me that is politically and personally totally immoral. If people do not protest spontaneously, if they do not protest as members of an organisation, if something has to be done to make them protest, there is no protest at all in my book. I am sure that these people would not have protested in this manner. It is a political manipulation by those who control them by virtue of their power under the 2 Acts of Queensland.

Senator Rae made a sneering reference to the Old Mapoon episode. It was quite incorrect—totally untrue. I know all of the people who have gone back to Old Mapoon. They have talked about this ever since the days when the remainder of the people at Old Mapoon were intimidated by people carrying guns into the old reserve area. There is no getting away from these facts at all because that is the truth, and a lot more people will ultimately go back to the Old Mapoon area. They are honest people and they know what they are about.

**Senator Rae**—That is not what they told me.

**Senator KEEFFE**—They do not need the sneering references of the shadow Minister for Aboriginal Affairs who comes from a State where his ancestors disposed of every Aborigine over a period of years so I will treat with the contempt that it deserves the statement he has made by way of interjection.

**Senator Rae**—You are so factually up the tree that I wonder that you even bother.

**Senator KEEFFE**—When the honourable senator was speaking I did not interject, partly because I thought that his speech was too stupid, but I did at least attempt to give him a fair go. Let me tell you one other thing about the islands, Mr Deputy President. The Department of Aboriginal and Island Affairs in Queensland censors every message to every island in the Torres Strait, and has been doing so for years. It decides whether a telegram sent from one person to a relative living on an island in the Strait is despatched. We have been trying to establish a radio station in the area so that people can be kept up to date. There is a transceiver system set up on all the islands. I know that when Senator Cavanagh's predecessor visited the islands messages were sent through this transceiver system saying to give him a hell of a time while he is there. It was a direction but very few people did this. Most of them are decent open-minded people who wanted to see all sides of the question.

On many occasions I have sent messages to reserves in Queensland. They have had to be sent in plain envelopes because they are opened.

I know that the first Minister for Aboriginal Affairs ever appointed in this House—not a member of my Party—had his mail opened by the white managers on reserves in Queensland. They were read and maybe delivered. If that happened to members of the Liberal Party, what excuse is the Opposition now putting up because it is still happening? It has to stop. The only way it will stop is by giving publicity such as this. I can remember sending a personal registered letter on one occasion to one reserve. The man concerned is no longer in the employ of the Queensland Department. In fact he now is an employee of the Australian Government but in those days he was the manager of a reserve. That personal registered letter was never delivered to the person to whom it was addressed. When I complained about it he said: 'OK, I suppose we can sack the black postmaster.' It was not the black postmaster who was at fault because he had no option but to hand over all official mail to the manager of the reserve. The man who preceded that man on this reserve used to drive up and down in front of my office in Townsville. He would pull up beside the lines of Aboriginal people entering my office and would tell them that their houses or their jobs were in jeopardy. If honourable senators opposite do not believe that this intimidation goes on in the Queensland Department they are either fools or are covering up something that is dishonest.

I am glad that the Minister for Aboriginal Affairs raised this matter tonight. I hope it will give somebody in the Queensland Department a fright. I hope it gives shaky knees to the Premier of Queensland, politically and physically. I hope it will lead to a reorganisation of the moral thinking of some of those who allegedly represent the people of Queensland and the Government of Queensland today.

**Senator LAWRIE (Queensland) (11.23)**—I was not going to speak on this subject until I heard that last tirade which included so many misstatements. When the Bill was brought into this House by the Minister for Aboriginal Affairs (Senator Cavanagh) the reaction on the various reserves in Queensland and on the islands must have been a shock to the Minister. The spontaneous reaction is apparent in the telegrams that he said he has received.

**Senator Cavanagh**—They are all identically worded.

**Senator LAWRIE**—What odds if they are identically worded? There is nothing wrong with 12 or 14 telegrams coming from Thursday Island or from Bamaga. They are the centres and the

settlements are all around them. They have to come through there. In the past we have had lots of telegrams on different matters from different organisations sent to members of Parliament as spontaneous protests. There has not been objection to that sort of thing in the past. I advised the Minister before that I thought he was getting wrong advice when he was seeing people in Queensland. I told him that he was going to the wrong people. But I did not realise until he went up there the time before—

**Senator Keeffe**—What date was that?

**Senator Poyser**—When was that?

**Senator LAWRIE**—It was the date of the Weipa meeting when the people who came down to hear him were each paid \$20 to come to the meeting.

**Senator Rae**—That is the way to get an audience.

**Senator LAWRIE**—That is the way to get an audience. I can show to the Minister in writing a copy of the receipts for this money. If you want to get an audience, pay them \$20 and you will get one all right. Those are the reasons—

**Senator Poyser**—What did you pay the Country Party to give you endorsement? You could never have got it on your intelligence.

**Senator LAWRIE**—Mr Deputy President, I think that that remark ought to be withdrawn.

**The DEPUTY PRESIDENT (Senator Webster)**—Order! Senator Poyser will withdraw that remark.

**Senator Poyser**—I unequivocally withdraw it.

**Senator LAWRIE**—Thank you. This matter will be debated when the Bill comes before the senate. The Minister has already had a very unpleasant shock from the reactions of the island communities and the reservation communities which are freely elected by an ordinary democratic vote.

**Senator Cavanagh**—They are not.

**Senator Keeffe**—Goodness gracious me. You have not been to Queensland for a couple of years.

**Senator LAWRIE**—I beg to differ on that one. I will get some more information and I will bring it forward when we debate the Bill next week or before the Senate rises. That is all I have to say tonight.

**Senator BONNER (Queensland) (11.27)**—I did not really have any intention of entering this debate until, when I was in my room packing up, I heard honourable senators opposite talking

about some telegrams that had been received by some honourable senators and by the Minister for Aboriginal Affairs (Senator Cavanagh) from the chairman of some of the Aboriginal councils in Queensland. I received one of those telegrams myself. It came from Yarrabah.

Senator Keeffe—Do you have it there?

Senator BONNER—No, I do not have it here. It is in my office. I am quite willing to show it to anyone who wishes to see it. The main reason I entered this debate tonight was because I was disgusted to hear honourable senators opposite—the people who allegedly support the Aboriginal people—denigrate in the Senate chamber tonight a number of Aborigines in Queensland. They denigrated these Aborigines by saying that they could be coerced by the Premier of Queensland. These are intelligent men and women who were elected by their community to serve their communities. Honourable members opposite have the audacity to say that they support Aborigines and they want Aborigines to have self-determination. These people are determining for themselves what they want. It is no good for the Minister to try to shrug off the matter. He was up in the Torres Strait Islands just last week buying votes for the Australian Labor Party in Queensland by handing out money to the councils for the Torres Strait islanders as though it was going out of style. But it seems strange that it took him 18 months to get around to doing that. He was been Minister for Aboriginal Affairs for almost 18 months, but 2 weeks before an election he goes to Queensland and starts tossing money around so that he can buy some votes from the Aborigines. They are just as clever as he is. I suggest that they are a darn sight more clever because they will play the Federal Government against the State Government to get what they want. They learned this from the white man and from people like Senator Keeffe over there. They have learned how to play one white man against another.

We have heard it said that these people who are sending these telegrams down here do not have the intelligence to work this matter out for themselves. Fancy honourable senators opposite saying that they do not have the intelligence. Of course they have the intelligence to send telegrams. They may have been contacted by someone in the Queensland Department of Aboriginal and Island Affairs to say that the Aboriginal and Torres Strait Islanders (Queensland Discriminatory Laws) Bill was coming forward. How else could they know that this Bill was coming forward? They would not know about the Bill because it was introduced only yesterday. So

someone told them that the Bill was being introduced. They used their common sense to send telegrams down to Canberra to ask members of Parliament not to allow this Bill through the Senate.

As one honourable senator in this chamber I presented a number of petitions in relation to the Family Law Bill with which we have just dealt. The petitions that I presented to the Senate—you can very easily verify this by looking at those petitions, Mr Deputy President—were all identically worded. Like those telegrams to which Senator McLaren referred, they are all identically worded. It is all right for a white man to send to the Parliament petitions or telegrams which are identically worded, but it is not all right for an Aborigine to do so. Oh, no, he would not have enough intelligence to do that! Only Senator Keeffe, Senator Cavanagh and Senator McLaren have that kind of intelligence; Aborigines do not! Like fun, they do not! They sent these telegrams because they do not want interference from the Federal Government or the Australian Government, as it calls itself. They do not want this kind of interference. They want to be left alone. They live on those communities and they have been happy there.

Senator Keeffe says that their letters are opened. I lived on an Aboriginal settlement, namely Palm Island, for 17 years. No one ever opened a letter that was addressed to me. How long did Senator Keeffe live on Palm Island? Since when did he live as an Aborigine under the Act? I lived under the Act. Untruths have been told in this chamber tonight. To say that the letters of the Aborigines living on the communities are opened and censored is not correct today. Twenty-odd years ago under the Labor Government in Queensland, yes, the letters were opened. Under the Labor Government 20 years ago when we were fed on maggoty flour—this was before the Country-Liberal Party Government got into power—yes, our letters were opened. Sure they were opened. We were sent onto mission stations in the State of Queensland by the Labor Government if we did not smile correctly when the white policeman spoke to us. We could be picked up for no reason at all and placed on a Government community. But that sort of thing was changed after the defeat of the Labor Government in Queensland by the Country-Liberal Party Government. This Act which is condemned by Senator Keeffe was introduced by a Labor Government.

Government senators interjecting—

**The DEPUTY PRESIDENT (Senator Webster)—Order!**

**Senator BONNER**—Thank you, Mr Deputy President. The truth hurts. The dog Act in Queensland was introduced by those blokes over there, not by anybody on this side of the chamber. I can tell of some of the rotten things that happened on the Aboriginal communities under the Labor Government before the Country-Liberal Party Government came into office. If an Aborigine walked up the street and brushed a fly from his face he was put in gaol because he was supposed to have waved at the girls in the dormitory. That happened under a Labor Government. But the Country-Liberal Party Government changed all that in Queensland. The dog Act of the Labor Government was gradually changed over the years by the Country-Liberal Party Government in Queensland.

**Government senators—Oh!**

**Senator BONNER**—They know what the dog Act is; they should do. The Act has been changed a number of times under the present Queensland Government. Most importantly of all, it has been changed at the suggestion of the Aboriginal councillors whom the Government senators have been denigrating tonight. They made the changes in the Act. They told the Queensland Government what they wanted taken out of the Act and what they wanted left in the Act. It was not the Premier who did it. The Premier and the Queensland Government accepted the suggestions of the Aboriginal Advisory Council.

**Senator Milliner—After how long?**

**Senator BONNER**—Every time the Aboriginal Advisory Council met to review the Act the suggestions that it made were accepted by the Government.

**Senator Milliner—Get back to your—**

**Senator BONNER**—It is of no good Senator Milliner talking about it. I think until he saw me he would not have known a blackfellow if he fell over one. He does not go around the settlements. He does not know any of the people on the settlements. I have lived on the settlements. I have relatives living on settlements and they are happy to live there. I have tried to encourage them to come out. They say: ‘No. We like Palm Island. We do not want to go out. You go out and live in the rat race. We do not want to go out.’ They are still there, under this cruel Act that honourable senators opposite talk about. Their letters are not being opened either. They are still receiving their mail. It is doled out every day

from the post office by the Aboriginal postmaster and his Aboriginal female assistant.

**Senator Young**—They are accusing the Aborigines of opening the letters, are they?

**Senator BONNER**—They must be. If anybody is opening them, Bernie Castors at Palm Island must be opening the letters! I would not think Bernie would do anything like that. Let us get back to the telegrams. The telegrams were sent by members of the Aboriginal Advisory Council. I recognise the names. Addimqum Adidi is the chairman of the Bamaga Mission Station, and I am quite sure he is quite capable of sending a telegram down here. So is Mr Lui from Thursday Island. A number of telegrams came from Bamaga. Surely a number of telegrams would come from Bamaga, because Bamaga is the centre for New Mapoon, New Majico, Cowel Creek and Bamaga. There are 4 settlements there altogether. They have to come through the one post office. From the islands surrounding Thursday Island, like Boigu and Mabioc, the telegrams have to go through Thursday Island. There is no other way for them to come out. The telegram would have to be lodged and it would have to go through Thursday Island.

**Senator Milliner—Why not Brisbane?**

**Senator BONNER**—They would not know anything about that.

**Senator Rae**—Were there telegrams from Mount Isa?

**Senator BONNER**—They came from everywhere. I know Eric Derrell, the Aborigine who happens to be running on the National Party ticket in Queensland at the coming election. He has a good chance of winning the seat. That is in Cook. That is where most of these telegrams are coming from—from the Cook electorate. I can well imagine that the people in the area will be well supported when Eric Derrell represents them in the Queensland Parliament very shortly.

With all the cries that come from the other side of the chamber about self-determination and all that sort of jazz, it seems strange that over the years there have been only three, or two, Aborigines so far who have been elected to any parliament in Australia—myself here for the Liberal Party, and a chap in the Northern Territory

*Adjournment*

28 November 1974 SENATE 2995

Legislative Assembly who was endorsed by the Liberal-Country Party—

**Senator Maunsell**—Country-Liberal Party.

**Senator BONNER**—By the Country-Liberal Party, I am sorry. Now Eric Derrell is going to

win the seat of Cook on the National Party ticket. So after all, I do not think we have a bad record.

Question resolved in the affirmative.

**Senate adjourned at 11.37 p.m.**

## ANSWERS TO QUESTIONS

The following answers to questions were circulated:

### **Unemployment Benefit**

**Senator Bishop**—On 12 November 1974 Senator Greenwood asked me the following question, without notice:

My question is directed to the Minister representing the Minister for Labor and Immigration. How is it determined whether a person who becomes unemployed is granted the ordinary unemployment benefit under Commonwealth legislation or the 6 months full pay which is supposed to be provided to persons who lose their jobs because of the Government's tariff cuts. Is it consistent with proper practice in the dispensing of public moneys that such moneys should be dispensed on the unchallengeable discretion of a Minister. Why has not the Parliament been able to approve the terms and conditions on which such payments are made, instead of their being left to the Minister to use his discretion for personal and political patronage.

In my answer to the question I undertook to obtain for the honourable senator supplementary information. The Minister for Labor and Immigration has provided the following details.

Entitlement to unemployment benefit is determined by the Department of Social Security on advice from the Department of Labor and Immigration that an applicant has registered with the Commonwealth Employment Service as unemployed, is available for employment and no suitable vacancy exists. The Department of Social Security also takes into account any income the claimant or his dependants are receiving.

Where the unemployment arises as a direct result of a specific Government decision to induce a desirable structural change in the economy, an applicant may receive an income maintenance allowance under the Government's structural adjustment assistance programme in lieu of unemployment benefit. The programme of adjustment assistance, including income maintenance, is at present available to those individuals who lose their employment directly as a result of the following Government decisions:

- (1) the 25 per cent tariff cut of July 1973;
- (2) the reduction in tariffs on consumer electronic equipment and components, November 1973;
- (3) the reduction in tariffs on domestic appliances, January 1974;
- (4) the lifting of tariff quotas on woven shirts and knitted outerwear, February 1974;
- (5) reduction in assistance to shipbuilding, December 1973;
- (6) dairying industry reconstruction;
- (7) the new plans for the passenger motor vehicle industry recently announced.

The applicant for income maintenance must provide a Statutory Declaration from his employer as to the reason for retrenchment. Where the Department of Labor and Immigration is satisfied that the individual is eligible to receive income maintenance, while unemployed the individual will be paid an allowance equal to his or her average weekly earnings over the 6 months prior to dismissal, subject to a ceiling of 1½ national average weekly earnings. If other employment is taken by the individual and the earnings from that employment are less than the amount that would have

been paid by way of income maintenance, the earnings are supplemented to the appropriate level. Similarly, if the individual undertakes approved training the income maintenance allowance continues to be paid up to the maximum of 6 months.

The administration of the structural adjustment assistance programme is overseen by a Standing Inter-departmental Committee. However, the Minister for Labor and Immigration has been concerned about the scope of administrative discretion on questions of eligibility given to his Department and is currently considering a proposal to establish a review facility to determine difficult and disputed cases of eligibility.

### **Postage Rates: Christmas Mail**

**Senator Bishop**—On 29 October 1974 Senator Durack asked me the following question, without notice:

My question is directed to the Postmaster-General and I refer to the proposal for a special rate for internal Christmas mail which is apparently being proposed by the Special Minister of State, Mr Lionel Bowen. I ask the Postmaster-General: Has there been any costing of the likely amount of revenue that would be forgone if such a proposal were implemented and has the Government made any decision in regard to it?

The following is the answer to the honourable senator's question:

Naturally, I am attracted to the proposition of a reduced postage rate for Christmas cards and have completed a detailed investigation into its feasibility. But in considering the granting of any concession in the Postal Service I was acutely aware of the large loss of \$55 million already forecast for the Postal Service this financial year, despite steep rises in postage charges.

My investigations found that the net effect of introducing a 5 cent rate would be to add nearly \$4 million to the trading loss of the Postal Service and this would become a further burden on the taxpayer. In the absence of any sound business motive to support such a move, I find myself unable to adopt the suggestion.

About 60 million Christmas cards are mailed each year. This estimate has been drawn from consultations between the Post Office and the Greeting Card industry. If the suggestion of 5 cent postage was adopted, my Department estimates that Christmas card mailings would increase by only a further 15 million. As there is no spare capacity in the system during the busy Christmas period, it is likely to cost the Post Office a good deal more to handle the extra business, even allowing that some overheads such as buildings, interest and administration charges may be excluded.

I might add that many representations are received for special postage concessions from a wide range of good causes in the community and these have not been granted mainly because of the loss of revenue to the Post Office. Some could be considered more deserving than concessions for Christmas cards.

After consideration of all the facts, including estimates from my Department, I regret that I cannot agree to grant or support such a concession. The following table illustrates the estimated effect of various tariff rates for Christmas cards—

Tariff	10c	8c	7c	5c
No. of cards posted . . . . .	60m	67m	70m	75m
(Note 1)				
Revenue . . . . .	\$6.0m	\$5.4m	\$4.9m	\$3.8m
Handling Costs . . . . .	\$6.6m	\$7.2m	\$7.4m	\$7.8m
(Note 2)				
Trading Deficit . . . . .	\$0.6m	\$1.8m	\$2.5m	\$4.0m

**Note 1:**

The effect of tariff variations on Christmas card traffic shown above is seen as the maximum effect likely. It is considered more probable that the traffic stimulation would be less than this and this would make the trading loss rather worse than shown.

**Note 2:**

Average handling costs assumed for the normal 60 million Christmas cards. For the additional traffic stimulated only direct labour costs have been added.

**Australian Book Society**

(Question No. 166)

**Senator Mulvihill** asked the Minister representing the Prime Minister, upon notice:

(1) How many loans or grants have been made to the Australian Book Society by the Australian Literature Board since the inception of the Board in 1952, and what were the terms of such loans or grants.

(2) Who are the present Directors or members of the Board of Management of the Australian Book Society.

(3) Who were the Directors or Board Members in 1966, 1967 and 1968.

(4) Does the Australian Book Society, in regard to any recent loan made to it, have any outstanding liabilities to certain trade unions; if so, what are the details of such liabilities.

**Senator Murphy**—The Prime Minister has provided the following information for answer to the honourable senator's question:

(1) Grants and loans made by the Literature Board to the Australasian Book Society since the Board's inception in 1973 are as follows—

1. June 1973: A special grant of \$2,000. The Board recommended the grant because of the special, non-commercial nature of this organisation and because its activities were comparable in some respects with those of other subsidised literary organisations (for example, the Australian Society of Authors and the Fellowship of Australian Writers). The purpose of the grant was to enable the Society to promote successfully certain aims, including the organising of literary gatherings, the providing of stimulus to new or young writers, the publicising of its activities, and meeting some of the expenses incurred in contacting scattered members.

2. December 1973: Under the terms of its new publishing subsidies scheme, the Board agreed to offer a typesetting and a printing subsidy for one novel and a printing subsidy for another novel due for publication during 1974. The choice of the titles to which the subsidies would apply was left to the Publisher. The Australasian Book Society decided that the full subsidy should be applied to the novel 'Without Map or Compass' by F. B. Vickers. A progress payment of \$2,000 was sent to the Society in June 1974 after typesetting was completed.

3. February 1974: The Board agreed to offer the Society a subsidy for typesetting for 'An Australian Experience' by Allan Ashbolt. The subsidy will be payable on publication.

4. June 1974: The Board offered the Society one additional entitlement to a typesetting and printing subsidy for an unspecified work of fiction due for publication in the 1974/75 year.

5. June 1974: The Board paid \$866.67 to the Society as the balance of a guarantee against loss offered to it by the Commonwealth Literary Fund in 1972 for The Second Step by Betty Collins.

6. September 1974: The Board paid the first half of a \$16,000 interest-free loan to the Society to enable it to revitalise its activities as a non-profit-making publishing cooperative and to extend its publishing and literary activities.

The terms of this loan are:

(a) The first instalment, amounting to \$8,000 to be paid on or after 1 September 1974.

(b) The second \$8,000 instalment will be paid between 1 June and 31 December 1975 on receipt of a report from the Society setting out details of the progress made since the payment of the first instalment (membership figures, publications, activities etc.)

(c) Repayments will be made in the form of a deduction by the Board of 20 per cent of each publishing subsidy to which the Society is entitled from the beginning of the 1977-78 financial year until the full sum has been repaid by this method.

(d) Repayment of the Literature Board loan is to be given precedence over repayment of loans from trade union and other sources.

The loan is being administered on behalf of the Board by the National Book Council.

(2) Present members of the Board of Management of the Australasian Book Society are:

A. Ashbolt  
M. Calthorpe  
J. Evans  
B. Hawke  
B. Leach  
W. Meech  
N. Stewart  
B. Treen  
F. Wheelhouse  
B. Whiteman  
N. Zusman

(3) This information is not available to the Literature Board.

(4) Any details concerning the Society's financial liabilities which have been provided to the Literature Board in the context of an application for assistance are considered to be confidential between the Society and the Literature Board.

**Australian Ambassadors**

(Question No. 288)

**Senator Withers** asked the Minister for Foreign Affairs, upon notice:

(1) Which persons appointed since December 1972 from outside the Australian Public Service to the position of Ambassador are members of the Australian Labor Party or who, prior to the 1972 election, publicly advocated the return of a Labor Government.

(2) What salary and allowances are paid to each such appointee.

(3) What are the terms of their appointment.

**Senator Willessee**—The answer to the honourable senator's question is as follows:

(1) Since December 1972 the following Heads of Mission have been appointed from outside the Australian Public Service:

The Honourable J. I. Armstrong	High Commissioner in the United Kingdom.
Dr S. A. Fitzgerald	Ambassador to the People's Republic of China
The Honourable V. C. Gair	Ambassador to Ireland
Mr B. A. Grant	High Commissioner in India and Ambassador to Nepal.

The party affiliations of these appointees and their support or opposition to the return of the Labor Government is irrelevant to their ability to perform their duties as Heads of Mission.

(2) The salaries paid to the appointees listed above are:

The Honourable J. I. Armstrong	\$29,250 per annum
Dr S. A. Fitzgerald	\$21,557 per annum
The Honourable V. C. Gair	\$21,557 per annum
Mr B. A. Grant	\$23,559 per annum

In addition to salary, Heads of Mission receive allowances which vary according to the country of accreditation and the composition of the officer's family and are thus not comparable. These allowances include funds for official representation, local cost of living adjustment, child allowance and special child allowance. They are also reimbursed the cost of employing domestic assistance and for the upkeep of the official residence.

(3) Their terms of appointment are not fixed.

#### Unemployment

(Question No. 354)

**Senator Bessell** asked the Minister for Labor and Immigration, upon notice:

(1) What number of persons in each State

- (a) receive social security unemployment benefits;
- (b) come under the Income Maintenance Scheme; and
- (c) are involved under the National Employment and Training System.

(2) What is the total weekly cost of unemployment in Australia.

**Senator Bishop**—The Minister for Labor and Immigration has provided the following answer to the honourable senator's question:

I am informed that—

(1) a, b and c. The number of persons receiving Unemployment Benefit, Income Maintenance and in training under NEAT in each State at end-October 1974 were:

	END-OCTOBER 1974		
	Unemployment Benefit Recipients	Persons Receiving Income Maintenance	Persons In Training Under Neat
New South Wales	24,727	1,088	2,418
Victoria	19,318	2,261	3,537
Queensland	9,108	338	817
South Australia	5,856	199	1,190
Western Australia	6,219	7	1,145
Tasmania	3,166	384	344
AUSTRALIA	68,394	4,277	9,451

(2) It is not possible to provide a total weekly cost of unemployment in Australia. However, payments of Unemployment Benefit currently average \$2.3m a week while the corresponding average weekly figure in respect of income maintenance payments is \$400,000. It should be noted that part of the payments made to some recipients of income maintenance represents a supplementation of current earnings where these are less than the average level of earnings in the 6 months prior to their retrenchment as a result of government induced structural change.