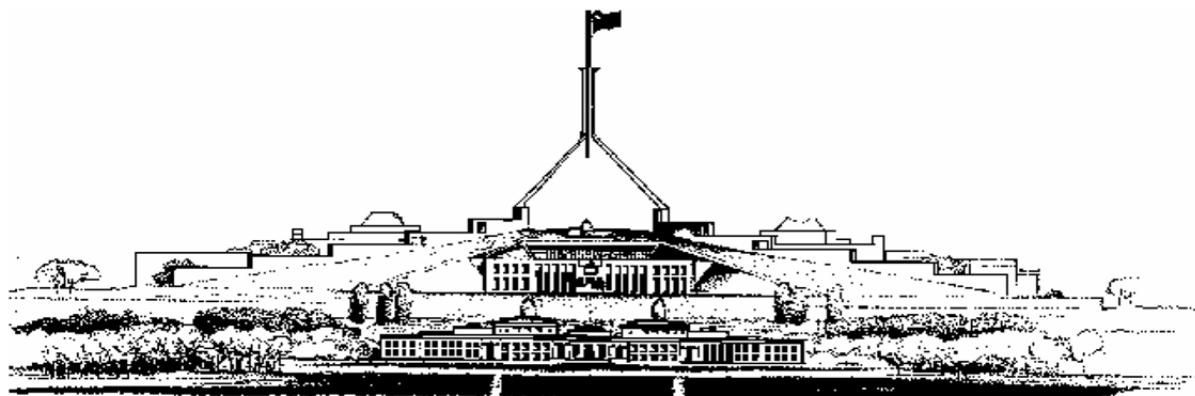




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



Senate
Official Hansard

**No. 89, 1981
Tuesday, 5 May 1981**

**THIRTY-SECOND PARLIAMENT
FIRST SESSION—SECOND PERIOD**

BY AUTHORITY OF THE SENATE

THIRTY-SECOND PARLIAMENT

FIRST SESSION—SECOND PERIOD

Governor-General

His Excellency the Right Honourable Sir Zelman Cowen, a Member of Her Majesty's Most Honourable Privy Council, Knight of the Order of Australia, Knight Grand Cross of the Most Distinguished Order of St Michael and St George, Knight Grand Cross of the Royal Victorian Order, Knight of the Most Venerable Order of the Hospital of St John of Jerusalem, one of Her Majesty's Counsel learned in the law, Governor-General of the Commonwealth of Australia and Commander-in-Chief of the Defence Force.

Fourth Fraser Ministry (Liberal Party—National Country Party Government)

*Prime Minister	The Right Honourable John Malcolm Fraser, C.H.
*Deputy Prime Minister and Minister for Trade and Resources	The Right Honourable John Douglas Anthony
*Minister for Industry and Commerce	The Right Honourable Sir Phillip Reginald Lynch, K.C.M.G.
*Minister for Communications and Leader of the House	The Right Honourable Ian McCahon Sinclair
*Minister for National Development and Energy, Vice-President of the Executive Council and Leader of the Government in the Senate	Senator the Honourable John Leslie Carrick
*Minister for Foreign Affairs	The Honourable Anthony Austin Street
*Minister for Primary Industry	The Honourable Peter James Nixon
*Treasurer	The Honourable John Winston Howard
*Minister for Industrial Relations	The Honourable Andrew Sharp Peacock
*Minister for Defence	The Honourable Denis James Killen
*Minister for Finance	Senator the Honourable Dame Margaret Georgina Constance Guilfoyle, D.B.E. The Honourable Robert Ian Viner
*Minister for Employment and Youth Affairs and Minister Assisting the Prime Minister	Senator the Honourable Peter Drew Durack, Q.C.
*Attorney-General	Senator the Honourable Frederick Michael Chaney
*Minister for Social Security	The Honourable Ralph James Dunnet Hunt
Minister for Transport	The Honourable Michael John MacKellar
Minister for Health and Minister for Home Affairs and Environment	The Honourable Wallace Clyde Fife
Minister for Education and Minister Assisting the Prime Minister in Federal Affairs	The Honourable Ian Malcolm Macphee
Minister for Immigration and Ethnic Affairs	The Honourable David Scott Thomson, M.C.
Minister for Science and Technology	The Honourable Kevin Eugene Newman
Minister for Administrative Services and Minister Assisting the Minister for Defence	The Honourable John Colinton Moore
Minister for Business and Consumer Affairs	The Honourable William Michael Hodgman
Minister for the Capital Territory and Minister Assisting the Minister for Industry and Commerce	Senator the Honourable Anthony John Messner
Minister for Veterans' Affairs and Minister Assisting the Treasurer	Senator the Honourable Peter Erne Baume
Minister for Aboriginal Affairs and Minister Assisting the Minister for National Development and Energy	The Honourable Daniel Thomas McVeigh
Minister for Housing and Construction and Minister Assisting the Minister for Trade and Resources	NCP)

*Minister in the Cabinet

PARTY ABBREVIATIONS

LP—Liberal Party of Australia; NCP—National Country Party of Australia.

Fourth Fraser Ministry (Liberal Party—National Country Party Government)
 (From 19 March 1981)

*Prime Minister	The Right Honourable John Malcolm Fraser, C.H.	(LP)
*Deputy Prime Minister and Minister for Trade and Resources	The Right Honourable John Douglas Anthony	(NCP)
*Minister for Industry and Commerce	The Right Honourable Sir Phillip Reginald Lynch, K.C.M.G.	(LP)
*Minister for Communications and Leader of the House	The Right Honourable Ian McCahon Sinclair	(NCP)
*Minister for National Development and Energy, Vice-President of the Executive Council and Leader of the Government in the Senate	Senator the Honourable John Leslie Carrick	(LP)
*Minister for Foreign Affairs	The Honourable Anthony Austin Street	(LP)
*Minister for Primary Industry	The Honourable Peter James Nixon	(NCP)
*Treasurer	The Honourable John Winston Howard	(LP)
*Minister for Industrial Relations	The Honourable Andrew Sharp Peacock	(LP)
*Minister for Defence	The Honourable Denis James Killen	(LP)
*Minister for Finance	Senator the Honourable Dame Margaret Georgina Constance Guilfoyle, D.B.E.	(LP)
*Minister for Employment and Youth Affairs and Minister Assisting the Prime Minister	The Honourable Robert Ian Viner	(LP)
*Attorney-General	Senator the Honourable Peter Drew Durack, Q.C.	(LP)
*Minister for Social Security	Senator the Honourable Frederick Michael Chaney	(LP)
Minister for Transport	The Honourable Ralph James Dunnet Hunt	(NCP)
Minister for Health	The Honourable Michael John Randal MacKellar	(LP)
Minister for Education and Minister Assisting the Prime Minister in Federal Affairs	The Honourable Wallace Clyde Fife	(LP)
Minister for Immigration and Ethnic Affairs	The Honourable Ian Malcolm Macphee	(LP)
Minister for Science and Technology	The Honourable David Scott Thomson, M.C.	(NCP)
Minister for Administrative Services and Minister Assisting the Minister for Defence	The Honourable Kevin Eugene Newman	(LP)
Minister for Business and Consumer Affairs	The Honourable John Colinton Moore	(LP)
Minister for the Capital Territory and Minister Assisting the Minister for Industry and Commerce	The Honourable William Michael Hodgman	(LP)
Minister for Veterans' Affairs and Minister Assisting the Treasurer	Senator the Honourable Anthony John Messner	(LP)
Minister for Aboriginal Affairs and Minister Assisting the Minister for National Development and Energy	Senator the Honourable Peter Erne Baume	(LP)
Minister for Housing and Construction and Minister Assisting the Minister for Trade and Resources	The Honourable Daniel Thomas McVeigh	(NCP)
Minister for Home Affairs and Environment	The Honourable Ian Bonython Cameron Wilson	(LP)

*Minister in the Cabinet

PARTY ABBREVIATIONS

LP—Liberal Party of Australia; NCP—National Country Party of Australia.

Fourth Fraser Ministry (Liberal Party—National Country Party Government)

(From 16 April 1981)

*Prime Minister	The Right Honourable John Malcolm Fraser, C.H.	(LP) (NCP)
*Deputy Prime Minister and Minister for Trade and Resources	The Right Honourable John Douglas Anthony	(LP) (NCP)
*Minister for Industry and Commerce	The Right Honourable Sir Phillip Reginald Lynch, K.C.M.G.	(LP)
*Minister for Communications and Leader of the House	The Right Honourable Ian McCahon Sinclair	(NCP)
*Minister for National Development and Energy, Vice-President of the Executive Council and Leader of the Government in the Senate	Senator the Honourable John Leslie Carrick	(LP)
*Minister for Foreign Affairs	The Honourable Anthony Austin Street	(LP)
*Minister for Primary Industry	The Honourable Peter James Nixon	(NCP)
*Treasurer	The Honourable John Winston Howard	(LP)
*Minister for Defence	The Honourable Denis James Killen	(LP)
*Minister for Finance	Senator the Honourable Dame Margaret Georgina Constance Guilfoyle, D.B.E.	(LP)
*Minister for Industrial Relations and Minister Assisting the Prime Minister	The Honourable Robert Ian Viner	(LP)
*Attorney-General	Senator the Honourable Peter Drew Durack, Q.C.	(LP)
*Minister for Social Security	Senator the Honourable Frederick Michael Chaney	(LP)
*Minister for Education and Minister Assisting the Prime Minister in Federal Affairs	The Honourable Wallace Clyde Fife	(LP)
Minister for Transport	The Honourable Ralph James Dunnet Hunt	(NCP)
Minister for Health	The Honourable Michael John Randal MacKellar	(LP)
Minister for Immigration and Ethnic Affairs	The Honourable Ian Malcolm Macphee	(LP)
Minister for Science and Technology	The Honourable David Scott Thomson, M.C.	(NCP)
Minister for Administrative Services and Minister Assisting the Minister for Defence	The Honourable Kevin Eugene Newman	(LP)
Minister for Employment and Youth Affairs	The Honourable Neil Anthony Brown, Q.C.	(LP)
Minister for Business and Consumer Affairs	The Honourable John Colinton Moore	(LP)
Minister for the Capital Territory and Minister Assisting the Minister for Industry and Commerce	The Honourable William Michael Hodgman	(LP)
Minister for Veterans' Affairs and Minister Assisting the Treasurer	Senator the Honourable Anthony John Messner	(LP)
Minister for Aboriginal Affairs and Minister Assisting the Minister for National Development and Energy	Senator the Honourable Peter Erne Baume	(LP)
Minister for Housing and Construction and Minister Assisting the Minister for Trade and Resources	The Honourable Daniel Thomas McVeigh	(NCP)
Minister for Home Affairs and Environment	The Honourable Ian Bonython Cameron Wilson	(LP)

*Minister in the Cabinet

PARTY ABBREVIATIONS

LP—Liberal Party of Australia; NCP—National Country Party of Australia.

Members of the Senate

THIRTY-SECOND PARLIAMENT FIRST SESSION: SECOND PERIOD

President — Senator the Honourable Sir Condor Louis Laucke, K.C.M.G.

Chairman of Committees — Senator Charles Ronald Maunsell

Temporary Chairmen of Committees — Senators Neville Thomas Bonner, Ruth Nancy Coleman, Stanley James Collard, Malcolm Arthur Colston, Gordon Sinclair Davidson, C.B.E., George Georges, Donald Scott Jessop, Gordon Douglas McIntosh, Jean Isabel Melzer, James Anthony Mulvihill, Michael Townley and Harold William Young

Leader of the Government in the Senate — Senator the Honourable John Leslie Carrick

Deputy Leader of the Government in the Senate — Senator the Honourable Peter Drew Durack, Q.C.

Leader of the Opposition — Senator John Norman Button

Deputy Leader of the Opposition — Senator Donald James Grimes

SENATE PARTY LEADERS

Leader of the Liberal Party of Australia — Senator the Honourable John Leslie Carrick

Deputy Leader of the Liberal Party of Australia — Senator the Honourable Peter Drew Durack, Q.C.

Leader of the National Country Party of Australia — Senator the Honourable Douglas Barr Scott

Deputy Leader of the National Country Party of Australia — Senator Charles Ronald Maunsell

Leader of the Australian Labor Party — Senator John Norman Button

Deputy Leader of the Australian Labor Party — Senator Donald James Grimes

Leader of the Australian Democrats — Senator the Honourable Donald Leslie Chipp

Deputy Leader of the Australian Democrats — Senator Colin Victor James Mason

Senator	State or Territory	Term commenced	Term expires	Party
Archer, Brian Roper	Tas.	1978	30.6.84	LP
Baume, Hon. Peter Erne	N.S.W.	1978	30.6.84	LP
Bishop, Hon. Reginald	S.A.	1975	30.6.81	ALP
Bonner, Neville Thomas	Qld	1975	30.6.81	LP
Button, John Norman	Vic.	1978	30.6.84	ALP
Carrick, Hon. John Leslie	N.S.W.	1975	30.6.81	LP
Cavanagh, Hon. James Luke	S.A.	1975	30.6.81	ALP
Chaney, Hon. Frederick Michael	W.A.	1978	30.6.84	LP
Chipp, Hon. Donald Leslie	Vic.	1978	30.6.84	AD
Coleman, Ruth Nancy	W.A.	1978	30.6.84	ALP
Collard, Stanley James	Qld	1978	30.6.84	NCP
Colston, Malcolm Arthur	Qld	1978	30.6.84	ALP
Davidson, Gordon Sinclair, C.B.E.	S.A.	1975	30.6.81	LP
Durack, Hon. Peter Drew, Q.C.	W.A.	1975	30.6.81	LP
Elslob, Ronald Charles	S.A.	1978	30.6.84	ALP
Evans, Gareth John	Vic.	1978	30.6.84	ALP
Georges, George	Qld	1978	30.6.84	ALP
Gietzel, Arthur Thomas	N.S.W.	1978	30.6.84	ALP
Grimes, Donald James	Tas.	1978	30.6.84	ALP
Guilfoyle, Hon. Dame Margaret Georgina Constance, D.B.E.	Vic.	1975	30.6.81	LP
Hamer, David John, D.S.C.	Vic.	1978	30.6.84	LP
Harradine, Brian	Tas.	1975	30.6.81	Ind
Hearn, Jean (6)	Tas.	1980	30.6.81	ALP
Jessop, Donald Scott	S.A.	1975	30.6.81	LP
Keeffe, James Bernard	Qld	1975	30.6.81	ALP
Kilgariff, Bernard Francis (1)	N.T.	1980	30.6.84	LP
Lajovic, Milivoj Emil	N.S.W.	1978	30.6.84	LP
Laucke, Hon. Sir Condor Louis, K.C.M.G.	S.A.	1975	30.6.81	LP
Lewis, Austin William Russell (2)	Vic.	1976	30.6.81	LP
McAuliffe, Ronald Edward	Qld	1975	30.6.81	ALP
McClelland, Hon. Douglas	N.S.W.	1975	30.6.81	ALP
MacGibbon, David John	Qld	1978	30.6.84	LP
McIntosh, Gordon Douglas	W.A.	1975	30.6.81	ALP
McLaren, Geoffrey Thomas	S.A.	1978	30.6.84	ALP
Martin, Kathryn Jean	Qld	1978	30.6.84	LP
Mason, Colin Victor James	N.S.W.	1978	30.6.84	AD
Maunsell, Charles Ronald	Qld	1975	30.6.81	NCP
Melzer, Jean Isabel	Vic.	1975	30.6.81	ALP
Messner, Hon. Anthony John	S.A.	1978	30.6.84	LP
Missen, Alan Joseph	Vic.	1978	30.6.84	LP
Mulvihill, James Anthony	N.S.W.	1978	30.6.84	ALP
Neal, Laurence William (5)	Vic.	1980	30.6.81	NCP
O'Byrne, Hon. Justin	Tas.	1975	30.6.81	ALP
Primmer, Cyril Graham	Vic.	1975	30.6.81	ALP
Puplick, Christopher John Guelph (3)	N.S.W.	1978	30.6.81	LP
Rae, Peter Elliot	Tas.	1975	30.6.81	LP
Robertson, Edward Albert (1)	N.T.	1980	30.6.84	ALP
Ryan, Susan Maree (1)	A.C.T.	1980	30.6.84	ALP
Scott, Hon. Douglas Barr	N.S.W.	1975	30.6.81	NCP
Sibraa, Kerry Walter (4)	N.S.W.	1978	30.6.81	ALP
Sim, John Peter	W.A.	1975	30.6.81	LP
Tate, Michael Carter	Tas.	1978	30.6.84	ALP
Teague, Baden Chapman	S.A.	1978	30.6.84	LP
Thomas, Andrew Murray	W.A.	1978	30.6.84	LP
Townley, Michael	Tas.	1975	30.6.81	LP
Walsh, Peter Alexander	W.A.	1978	30.6.84	ALP
Walters, Mary Shirley	Tas.	1978	30.6.84	LP
Watson, John Odin Wentworth	Tas.	1978	30.6.84	LP
Wheelton, Hon. John Murray	W.A.	1975	30.6.81	ALP
Withers, Rt Hon. Reginald Greive	W.A.	1975	30.6.81	LP
Young, Harold William	S.A.	1978	30.6.84	LP

(1) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.

(2) Elected by the Parliament of the State of Victoria vice Ivor John Greenwood, deceased.

(3) Elected by the Parliament of the State of New South Wales vice Robert Carrington Cotton, resigned.

(4) Elected by the Parliament of the State of New South Wales vice James Robert McClelland, resigned.

(5) Elected by the Parliament of the State of Victoria vice James Joseph Webster, resigned.

(6) Elected by the Parliament of the State of Tasmania vice Kenneth Shaw Wriedt, resigned.

PARTY ABBREVIATIONS

AD - Australian Democrats; ALP - Australian Labor Party; Ind - Independent; LP - Liberal Party of Australia;

NCP - National Country Party of Australia

Members of the Senate
THIRTY-SECOND PARLIAMENT FIRST SESSION: SECOND PERIOD
(From 24 March 1981)

President—Senator the Honourable Sir Condor Louis Laucke, K.C.M.G.

Chairman of Committees—Senator Charles Ronald Maunsell

Temporary Chairmen of Committees—Senators Neville Thomas Bonner, Ruth Nancy Coleman, Stanley James Collard, Malcolm Arthur Colston, Gordon Sinclair Davidson, C.B.E., George Georges, Donald Scott Jessop, Gordon Douglas McIntosh, Jean Isabel Melzer, James Anthony Mulvihill, Michael Townley and Harold William Young

Leader of the Government in the Senate—Senator the Honourable John Leslie Carrick

Deputy Leader of the Government in the Senate—Senator the Honourable Peter Drew Durack, Q.C.

Leader of the Opposition—Senator John Norman Button

Deputy Leader of the Opposition—Senator Donald James Grimes

SENATE PARTY LEADERS

Leader of the Liberal Party of Australia—Senator the Honourable John Leslie Carrick

Deputy Leader of the Liberal Party of Australia—Senator the Honourable Peter Drew Durack, Q.C.

Leader of the National Country Party of Australia—Senator the Honourable Douglas Barr Scott

Deputy Leader of the National Country Party of Australia—Senator Charles Ronald Maunsell

Leader of the Australian Labor Party—Senator John Norman Button

Deputy Leader of the Australian Labor Party—Senator Donald James Grimes

Leader of the Australian Democrats—Senator the Honourable Donald Leslie Chipp

Deputy Leader of the Australian Democrats—Senator Colin Victor James Mason

Senator	State or Territory	Term commenced	Term expires	Party
Archer, Brian Roper	Tas.	1978	30.6.84	LP
Baume, Hon. Peter Erne	N.S.W.	1978	30.6.84	LP
Bishop, Hon. Reginald	S.A.	1975	30.6.81	ALP
Bjelke-Petersen, Florence Isabel (7)	Qld	1981	30.6.81	NCP
Bonner, Neville Thomas	Qld	1975	30.6.81	LP
Button, John Norman	Vic.	1978	30.6.84	ALP
Carrick, Hon. John Leslie	N.S.W.	1975	30.6.81	LP
Cavanagh, Hon. James Luke	S.A.	1975	30.6.81	ALP
Chaney, Hon. Frederick Michael	W.A.	1978	30.6.84	LP
Chipp, Hon. Donald Leslie	Vic.	1978	30.6.84	AD
Coleman, Ruth Nancy	W.A.	1978	30.6.84	ALP
Collard, Stanley James	Qld	1978	30.6.84	NCP
Colston, Malcolm Arthur	Qld	1978	30.6.84	ALP
Davidson, Gordon Sinclair, C.B.E.	S.A.	1975	30.6.81	LP
Durack, Hon. Peter Drew, Q.C.	W.A.	1975	30.6.81	LP
Elslob, Ronald Charles	S.A.	1978	30.6.84	ALP
Evans, Gareth John	Vic.	1978	30.6.84	ALP
Georges, George	Qld	1978	30.6.84	ALP
Gietzelt, Arthur Thomas	N.S.W.	1978	30.6.84	ALP
Grimes, Donald James	Tas.	1978	30.6.84	ALP
Guilfoyle, Hon. Dame Margaret Georgina Constance, D.B.E.	Vic.	1975	30.6.81	LP
Hamer, David John, D.S.C.	Vic.	1978	30.6.84	LP
Harradine, Brian	Tas.	1975	30.6.81	Ind
Hearn, Jean (6)	Tas.	1980	30.6.81	ALP
Jessop, Donald Scott	S.A.	1975	30.6.81	LP
Keffe, James Bernard	Qld	1975	30.6.81	ALP
Kilgariff, Bernard Francis (1)	N.T.	1980		LP
Lajovic, Milivoj Emil	N.S.W.	1978	30.6.84	LP
Laucke, Hon. Sir Condor Louis, K.C.M.G.	S.A.	1975	30.6.81	LP
Lewis, Austin William Russell (2)	Vic.	1976	30.6.81	LP
McAuliffe, Ronald Edward	Qld	1975	30.6.81	ALP
McClelland, Hon. Douglas	N.S.W.	1975	30.6.81	ALP
MacGibbon, David John	Qld	1978	30.6.84	LP
McIntosh, Gordon Douglas	W.A.	1975	30.6.81	ALP
McLaren, Geoffrey Thomas	S.A.	1978	30.6.84	ALP
Martin, Kathryn Jean	Qld	1978	30.6.84	LP
Martyr, John Raymond (8)	W.A.	1981	30.6.84	LP
Mason, Colin Victor James	N.S.W.	1978	30.6.84	AD
Maunsell, Charles Ronald	Qld	1975	30.6.81	NCP
Melzer, Jean Isabel	Vic.	1975	30.6.81	ALP
Messner, Hon. Anthony John	S.A.	1978	30.6.84	LP
Missen, Alan Joseph	Vic.	1978	30.6.84	LP
Mulvihill, James Anthony	N.S.W.	1978	30.6.84	ALP
Neal, Laurence William (5)	Vic.	1980	30.6.81	NCP
O'Byrne, Hon. Justin	Tas.	1975	30.6.81	ALP
Primmer, Cyril Graham	Vic.	1975	30.6.81	ALP
Puplick, Christopher John Guelph (3)	N.S.W.	1978	30.6.81	LP
Rae, Peter Elliot	Tas.	1975	30.6.81	LP
Robertson, Edward Albert (!)	N.T.	1980		ALP
Ryan, Susan Maree (1)	A.C.T.	1980		ALP
Scott, Hon. Douglas Barr	N.S.W.	1975	30.6.81	NCP
Sibraa, Kerry Walter (4)	N.S.W.	1978	30.6.81	ALP
Sim, John Peter	W.A.	1975	30.6.81	LP
Tate, Michael Carter	Tas.	1978	30.6.84	ALP
Teague, Baden Chapman	S.A.	1978	30.6.84	LP
Thomas, Andrew Murray	W.A.	1978	30.6.84	LP
Townley, Michael	Tas.	1975	30.6.81	LP
Walsh, Peter Alexander	W.A.	1978	30.6.84	ALP
Walters, Mary Shirley	Tas.	1978	30.6.84	LP
Watson, John Odin Wentworth	Tas.	1978	30.6.84	LP
Wheeldon, Hon. John Murray	W.A.	1975	30.6.81	ALP
Withers, Rt Hon. Reginald Greive	W.A.	1975	30.6.81	LP
Young, Harold William	S.A.	1978	30.6.84	LP

(1) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.

(2) Elected by the Parliament of the State of Victoria vice Ivor John Greenwood, deceased.

(3) Elected by the Parliament of the State of New South Wales vice Robert Carrington Cotton, resigned.

(4) Elected by the Parliament of the State of New South Wales vice James Robert McClelland, resigned.

(5) Elected by the Parliament of the State of Victoria vice James Joseph Webster, resigned.

(6) Elected by the Parliament of the State of Tasmania vice Kenneth Shaw Wriedt, resigned.

(7) Elected by the Parliament of the State of Queensland vice Glenister Sheil, resigned.

(8) Appointed by the Governor of the State of Western Australia vice Allan Charles Rocher, resigned.

PARTY ABBREVIATIONS

AD—Australian Democrats; ALP—Australian Labor Party; Ind—Independent; LP—Liberal Party of Australia;

NCP—National Country Party of Australia

Members of the Senate

THIRTY-SECOND PARLIAMENT FIRST SESSION: SECOND PERIOD

(From 5 May 1981)

President—Senator the Honourable Sir Condor Louis Laucke, K.C.M.G.

Chairman of Committees—Senator Charles Ronald Maunsell

Temporary Chairmen of Committees—Senators Neville Thomas Bonner, Ruth Nancy Coleman, Stanley James Collard, Malcolm Arthur Colston, Gordon Sinclair Davidson, C.B.E., George Georges, Donald Scott Jessop, Gordon Douglas McIntosh, Jean Isabel Melzer, James Anthony Mulvihill, Michael Townley and Harold William Young

Leader of the Government in the Senate—Senator the Honourable John Leslie Carrick

Deputy Leader of the Government in the Senate—Senator the Honourable Peter Drew Durack, Q.C.

Leader of the Opposition—Senator John Norman Button

Deputy Leader of the Opposition—Senator Donald James Grimes

SENATE PARTY LEADERS

Leader of the Liberal Party of Australia—Senator the Honourable John Leslie Carrick

Deputy Leader of the Liberal Party of Australia—Senator the Honourable Peter Drew Durack, Q.C.

Leader of the National Country Party of Australia—Senator the Honourable Douglas Barr Scott

Deputy Leader of the National Country Party of Australia—Senator Charles Ronald Maunsell

Leader of the Australian Labor Party—Senator John Norman Button

Deputy Leader of the Australian Labor Party—Senator Donald James Grimes

Leader of the Australian Democrats—Senator the Honourable Donald Leslie Chipp

Deputy Leader of the Australian Democrats—Senator Colin Victor James Mason

Senator	State or Territory	Term commenced	Term expires	Party
Archer, Brian Roper	Tas.	1978	30.6.84	LP
Baume, Hon. Peter Erne	N.S.W.	1978	30.6.84	LP
Bishop, Hon. Reginald	S.A.	1975	30.6.81	ALP
Bjelke-Petersen, Florence Isabel (7)	Qld	1981	30.6.81	NCP
Bonner, Neville Thomas	Qld	1975	30.6.81	LP
Button, John Norman	Vic.	1978	30.6.84	LP
Carrick, Hon. John Leslie	N.S.W.	1975	30.6.81	LP
Cavanagh, Hon. James Luke	S.A.	1975	30.6.81	ALP
Chancy, Hon. Frederick Michael	W.A.	1978	30.6.84	LP
Chipp, Hon. Donald Leslie	Vic.	1978	30.6.84	AD
Coleman, Ruth Nancy	W.A.	1978	30.6.84	ALP
Collard, Stanley James	Qld	1978	30.6.84	NCP
Colston, Malcolm Arthur	Qld	1978	30.6.84	ALP
Davidson, Gordon Sinclair, C.B.E.	S.A.	1975	30.6.81	LP
Durack, Hon. Peter Drew, Q.C.	W.A.	1975	30.6.81	LP
Eltob, Ronald Charles	S.A.	1978	30.6.84	ALP
Evans, Gareth John	Vic.	1978	30.6.84	ALP
Georges, George	Qld	1978	30.6.84	ALP
Gietzelt, Arthur Thomas	N.S.W.	1978	30.6.84	ALP
Grimes, Donald James	Tas.	1978	30.6.84	ALP
Guilfoyle, Hon. Dame Margaret Georgina Constance, D.B.E.	Vic.	1975	30.6.81	LP
Hamer, David John, D.S.C.	Vic.	1978	30.6.84	LP
Harradine, Brian	Tas.	1975	30.6.81	Ind
Hearn, Jean (6)	Tas.	1980	30.6.81	ALP
Jessop, Donald Scott	S.A.	1975	30.6.81	LP
Keffe, James Bernard	Qld	1975	30.6.81	ALP
Kilgarriff, Bernard Francis (1)	N.T.	1980		LP
Lajovic, Milivoj Emil	N.S.W.	1978	30.6.84	LP
Laucke, Hon. Sir Condor Louis, K.C.M.G.	S.A.	1975	30.6.81	LP
Lewis, Austin William Russell (2)	Vic.	1976	30.6.81	LP
McAuliffe, Ronald Edward	Qld	1975	30.6.81	ALP
Mcclelland, Hon. Douglas	N.S.W.	1975	30.6.81	ALP
MacGibbon, David John	Qld	1978	30.6.84	LP
McIntosh, Gordon Douglas	W.A.	1975	30.6.81	ALP
McLaren, Geoffrey Thomas	S.A.	1978	30.6.84	ALP
Mariin, Kathryn Jean	Qld	1978	30.6.84	LP
Martyr, John Raymond (8)	W.A.	1981	30.6.84	LP
Mason, Colin Victor James	N.S.W.	1978	30.6.84	AD
Maunsell, Charles Ronald	Qld	1975	30.6.81	NCP
Melzer, Jean Isabel	Vic.	1975	30.6.81	ALP
Messner, Hon. Anthony John	S.A.	1978	30.6.84	LP
Missen, Alan Joseph	Vic.	1978	30.6.84	LP
Mulvihill, James Anthony	N.S.W.	1978	30.6.84	ALP
Neal, Laurence William (5)	Vic.	1980	30.6.81	NCP
O'Byrne, Hon. Justin	Tas.	1975	30.6.81	ALP
Primmer, Cyril Graham	Vic.	1975	30.6.81	ALP
Puplick, Christopher John Gulph (3)	N.S.W.	1978	30.6.81	LP
Rae, Peter Elliot	Tas.	1975	30.6.81	LP
Reid, Margaret Elizabeth (9)	A.C.T.	1981		LP
Robertson, Edward Albert (1)	N.T.	1980		ALP
Ryan, Susan Marce (1)	A.C.T.	1980		ALP
Scott, Hon. Douglas Barr	N.S.W.	1975	30.6.81	NCP
Slobra, Kerry Walter (4)	N.S.W.	1978	30.6.81	ALP
Sim, John Peter	W.A.	1975	30.6.81	LP
Tate, Michael Carter	Tas.	1978	30.6.84	ALP
Teague, Baden Chapman	S.A.	1978	30.6.84	LP
Thomas, Andrew Murray	W.A.	1978	30.6.84	LP
Townley, Michael	Tas.	1975	30.6.81	LP
Walsh, Peter Alexander	W.A.	1978	30.6.84	ALP
Walters, Mary Shirley	Tas.	1978	30.6.84	LP
Watson, John Odin Wentworth	Tas.	1978	30.6.84	LP
Wheelton, Hon. John Murray	W.A.	1975	30.6.81	ALP
Withers, Rt Hon. Reginald Greive	W.A.	1975	30.6.81	LP
Young, Harold William	S.A.	1978	30.6.84	LP

(1) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.

(2) Chosen by the Parliament of the State of Victoria vice Ivor John Greenwood, deceased.

(3) Chosen by the Parliament of the State of New South Wales vice Robert Carrington Cotton, resigned.

(4) Chosen by the Parliament of the State of New South Wales vice James Robert McClelland, resigned.

(5) Chosen by the Parliament of the State of Victoria vice James Joseph Webster, resigned.

(6) Chosen by the Parliament of the State of Tasmania vice Kenneth Shaw Wriedt, resigned.

(7) Chosen by the Parliament of the State of Queensland vice Glenister Sheil, resigned.

(8) Chosen by the Parliament of the State of Western Australia vice Allan Charles Rocher, resigned.

(9) Chosen by the Parliament of the Commonwealth of Australia vice John William Knight, deceased.

PARTY ABBREVIATIONS

AD—Australian Democrats; ALP—Australian Labor Party; Ind—Independent; LP—Liberal Party of Australia;
NCP—National Country Party of Australia

THE COMMITTEES OF THE SESSION

(FIRST SESSION: SECOND PERIOD)

STANDING COMMITTEES

DISPUTED RETURNS AND QUALIFICATIONS—Senators Button, Collard, Grimes, Puplick, Rocher (to 24 March), Sibraa, Watson and Withers (from 31 March).

HOUSE—The President, Senators Bonner, Coleman, Georges (to 25 February), Hearn (from 25 February), Martin, Melzer and Young.

LIBRARY—The President, Senators Colston, Davidson, Harradine, Knight (to 4 March), Mulvihill, Puplick (from 1 April) and Walters.

PRIVILEGES—Senator Jessop (*Chairman*), Senators Button, Maunsell (from 1 April), Missen (from 1 April), O'Byrne, Thomas and Wheeldon.

PUBLICATIONS—Senator Archer (*Chairman*), Senators Bonner, Elstob, Georges, Lajovic, McIntosh and Scott (from 1 April).

REGULATIONS AND ORDINANCES—Senator Lewis (*Chairman*), Senators Bonner, Cavanagh, Colston, Hamer, Missen and Tate.

STANDING ORDERS—The President, the Chairman of Committees, Senators Peter Baume, Button, Carrick, Georges, Kilgariff (from 1 April), Douglas McClelland, O'Byrne, Rae and Robertson.

LEGISLATIVE AND GENERAL PURPOSE STANDING COMMITTEES

CONSTITUTIONAL AND LEGAL AFFAIRS—Senator Missen (*Chairman*), Senators Evans, Hamer, Puplick, Tate and Wheeldon.

EDUCATION AND THE ARTS—Senator Davidson (*Chairman*), Senators Colston, Neal, Robertson, Ryan and Teague.

FINANCE AND GOVERNMENT OPERATIONS—Senator Rae (*Chairman*), Senators Evans, Lewis, McAuliffe, Douglas McClelland and Withers (from 5 March).

FOREIGN AFFAIRS AND DEFENCE—Senator Scott (from 10 June) (*Chairman*), Senators Collard (to 9 June), Lewis (from 10 June), McIntosh, Martin (from 1 April), Primmer, Sibraa and Sim (to 10 June).

NATIONAL RESOURCES—Senator Thomas (*Chairman*), Senators McLaren, Maunsell, Robertson, Tate and Watson.

SCIENCE AND THE ENVIRONMENT—Senator Jessop (*Chairman*), Senators MacGibbon, Mason, Melzer, Mulvihill and Townley.

SOCIAL WELFARE—Senator Walters (*Chairman*), Senators Bonner, Elstob, Grimes, Kilgariff and Melzer.

TRADE AND COMMERCE—Senator Archer (*Chairman*), Senators Coleman, Collard (from 25 February), Gietzelt (to 3 March), Hearn (from 3 March), Lajovic and Walsh.

SELECT COMMITTEES

PARLIAMENT'S APPROPRIATIONS AND STAFFING—Senator Jessop (*Chairman*), Senators Knight (to 4 March), Douglas McClelland, Mason, Missen, Robertson and Sim (from 31 March).

PASSENGER FARES AND SERVICES TO AND FROM TASMANIA—Senator Rae (*Chairman*), Senators Grimes, Tate and Townley.

ESTIMATES COMMITTEES

To 2 April 1981:

ESTIMATES COMMITTEE A (Parliament; National Development and Energy; Prime Minister and Cabinet; Treasury; Education): Senators Colston, Davidson, Hearn, McLaren, Watson and Young.

ESTIMATES COMMITTEE B (Attorney-General's; Industrial Relations; Employment and Youth Affairs; Business and Consumer Affairs): Senators Button, Evans, Hamer, Lewis, Rae and Tate.

ESTIMATES COMMITTEE C (Social Security; Finance; Health; Veterans' Affairs; Immigration and Ethnic Affairs): Senators Bonner, Coleman, Grimes, Mulvihill and Walters.

ESTIMATES COMMITTEE D (Aboriginal Affairs; Industry and Commerce; Transport; Science and Technology): Senators Elstob, Gietzelt, Jessop, MacGibbon, Robertson and Townley.

ESTIMATES COMMITTEE E (Primary Industry; Home Affairs and Environment; Capital Territory; Housing and Construction): Senators Archer, McAuliffe, Primmer, Thomas and Walsh.

ESTIMATES COMMITTEE F (Trade and Resources; Foreign Affairs; Defence; Communications; Administrative Services): Senators Kilgariff, McIntosh, Neal, Ryan, Sibraa and Sim.

From 2 April 1981:

ESTIMATES COMMITTEE A (Parliament; Attorney-General's; Industrial Relations; Business and Consumer Affairs): Senator Rae (*Chairman*), Senators Bishop, Evans, Hamer, Maunsell and Tate.

ESTIMATES COMMITTEE B (Education; Communications; Home Affairs and Environment): Senator Martin (*Chairman*), Senators Button, Davidson, Hearn, Puplick and Ryan.

ESTIMATES COMMITTEE C (Prime Minister and Cabinet; Treasury; Finance; Administrative Services): Senator Lewis (*Chairman*), Senators Bjelke-Petersen, Gietzelt, Douglas McClelland, McLaren and Martyr.

ESTIMATES COMMITTEE D (Defence; Foreign Affairs; Immigration and Ethnic Affairs): Senator Kilgariff (*Chairman*), Senators Collard, McIntosh, Mulvihill, Sibraa and Watson.

ESTIMATES COMMITTEE E (National Development and Energy; Employment and Youth Affairs; Housing and Construction): Senator Scott (*Chairman*), Senators Elstob, Roberston, Thomas, Wheeldon and Young.

ESTIMATES COMMITTEE F (Science and Technology; Capital Territory; Transport): Senator Townley (*Chairman*), Senators Georges, Jessop, MacGibbon, Melzer and Mulvihill.

ESTIMATES COMMITTEE G (Health; Social Security; Veterans' Affairs; Aboriginal Affairs): Senator Bonner (*Chairman*), Senators Coleman, Colston, Grimes, Teague and Walters.

ESTIMATES COMMITTEE H (Primary Industry; Industry and Commerce; Trade and Resources): Senator Archer (*Chairman*), Senators Lajovic, McAuliffe, Neal, Primmer and Walsh.

JOINT STATUTORY COMMITTEES

BROADCASTING OF PARLIAMENTARY PROCEEDINGS—Mr Speaker (*Chairman*), the President, Senators Hamer and Douglas McClelland, and Mr Donald Cameron, Mr Fisher, Mr Jull, Mr Kent and Mr Scholes.

PUBLIC ACCOUNTS—Mr Connolly (*Chairman*), the Chairman of the House of Representatives Standing Committee on Expenditure, Senators Georges, Lajovic and Watson, and Mr Beazley (to 4 June), Mr Bradfield, Mr Cadman (to 26 March), Mr Duffy, Mrs Kelly (from 4 June), Mr Shack (from 26 March), Mr Tambling and Dr Theophanous.

PUBLIC WORKS—Mr Bunyey (*Chairman*), Senators Kilgariff, Melzer and Young, and Mr Cowen, Mr Humphreys, Mr Innes, Mr Les McMahon and Mr Sainsbury.

JOINT COMMITTEES

AUSTRALIAN CAPITAL TERRITORY—Senator Reid (from 7 May) (*Chairman*), Senators Georges, Knight (to 4 March), Neal and Robertson (from 5 March), and Mr Bradfield, Mr Dean, Mr Dobie, Mr Fry, Mr Hicks and Mrs Kelly.

FOREIGN AFFAIRS AND DEFENCE—Mr Shipton (*Chairman*), Senators Elstob, Kilgariff, McIntosh, Martin, Sibraa, Sim and Young, and Mr Beazley, Mr Carlton, Mr Dobie, Mr Falconer, Mr Fry, Mr Holding, Mr Jacobi, Mr Jull, Mr Katter, Dr Klugman, Mr Lusher, Mr McLean and Mr Morrison.

NEW PARLIAMENT HOUSE—The President and Mr Speaker (*Joint Chairmen*), the Minister for the Capital Territory, Senators Evans, Maunsell, Melzer, Missen, O'Byrne and Young, and Mr Chapman, Mr Giles, Mrs Kelly, Mr Lloyd and Mr Scholes.

PARLIAMENTARY DEPARTMENTS

SENATE

Clerk—K. O. Bradshaw
Deputy Clerk—A. R. Cumming Thom
First Clerk-Assistant—H. C. Nicholls
Clerk-Assistant—H. G. Smith
Principal Parliamentary Officer (Table)—T. H. G. Wharton
Principal Parliamentary Officer (Procedural)—H. Evans
Usher of the Black Rod—P. N. Murdoch
Senior Clerk of Committees—R. G. Thomson

HOUSE OF REPRESENTATIVES

Clerk of the House—J. A. Pettifer, C.B.E.
Deputy Clerk of the House—D. M. Blake, V.R.D.
First Clerk-Assistant—A. R. Browning
Clerk-Assistant—L. M. Barlin
Operations Manager—I. C. Harris
Senior Parliamentary Officers:
Sergeant-at-Arms Office—I. C. Cochran
Procedure Office—J. K. Porter
Table Office (Programming)—J. W. Pender (Acting)
Table Office (Bills and Papers)—B. C. Wright (Acting)
Committee Office—M. Adamson

PARLIAMENTARY REPORTING STAFF

Principal Parliamentary Reporter—J. W. Roberts
Assistant Principal Parliamentary Reporter—J. M. Campbell
Leader of Staff (House of Representatives)—R. T. Martin
Leader of Staff (Senate)—N. Franzi

LIBRARY

Parliamentary Librarian—H. G. Weir

JOINT HOUSE

Secretary—J. M. Jorgensen

THE ACTS OF THE SESSION

(FIRST SESSION: SECOND PERIOD)

Aerospace Council for Inter-government Relations Amendment Act 1981 (Act No. 7 of 1981)—

An Act to amend the *Aerospace Council for Inter-government Relations Act* 1976

Airlines Agreement Act 1981 (Act No. 75 of 1981)—

An Act to approve the execution of an agreement relating to air transport, and for purposes connected therewith.

Airlines Equipment Amendment Act 1981 (Act No. 77 of 1981)—

An Act to amend the *Airlines Equipment Act* 1958.

Airlines Equipment (Loan Guarantee) Act 1981 (Act No. 38 of 1981)—

An Act relating to guarantees of certain borrowings by a domestic airline.

Antarctic Marine Living Resources Conservation Act 1981 (Act No. 30 of 1981)—

An Act relating to the conservation of marine living resources of the Antarctic and its surrounding seas.

Apple and Pear Export Underwriting Act 1981 (Act No. 14 of 1981)—

An Act relating to the underwriting of returns from the export from Australia of apples and pears.

Apple and Pear Stabilization Amendment Act 1981 (Act No. 15 of 1981)—

An Act to amend the *Apple and Pear Stabilization Act* 1971, to repeal certain related Acts, and for other purposes.

Appropriation Act (No. 3) 1980-81 (Act No. 55 of 1981)—

An Act to appropriate a sum out of the Consolidated Revenue Fund, additional to the sum appropriated by the *Appropriation Act (No. 1)* 1980-81, for the service of the year ending on 30 June 1981.

Appropriation Act (No. 4) 1980-81 (Act No. 56 of 1981)—

An Act to appropriate a sum out of the Consolidated Revenue Fund, additional to the sum appropriated by the *Appropriation Act (No. 2)* 1980-81, for certain expenditure in respect of the year ending on 30 June 1981.

Australian Apple and Pear Corporation Amendment Act 1981 (Act No. 16 of 1981)—

An Act to amend the *Australian Apple and Pear Corporation Act* 1973.

Australian Capital Territory Gaming and Liquor Authority Act 1981 (Act No. 116 of 1981)—

An Act to establish a Gaming and Liquor Authority for the Australian Capital Territory and for related purposes.

Australian Federal Police Amendment Act 1981 (Act No. 22 of 1981)—

An Act to amend the *Australian Federal Police Act* 1979.

Australian National Airlines Repeal Act 1981 (Act No. 78 of 1981)—

An Act to repeal the *Australian National Airlines Act* 1945 and for related purposes.

Australian National University Amendment Act 1981 (Act No. 106 of 1981)—

An Act to amend the *Australian National University Act* 1946.

Australian Tourist Commission Amendment Act 1981 (Act No. 27 of 1981)—

An Act to amend the *Australian Tourist Commission Act* 1967.

Beef Industry (Incentive Payments) Amendment Act 1981 (Act No. 49 of 1981)—

An Act to amend the *Beef Industry (Incentive Payments) Act* 1977.

Bounty (Non-adjustable Wrenches) 1981 (Act No. 18 of 1981)—

An Act to provide for the payment of bounty on the production of certain wrenches.

Bounty (Polyester-Cotton Yarn) Amendment Act 1981 (Act No. 17 of 1981)—

An Act to amend the *Bounty (Polyester-Cotton Yarn) Act* 1978, and for related purposes.

Bounty (Printed Fabrics) Act 1981 (Act No. 102 of 1981)—

An Act to provide for the payment of bounty on the production of certain printed fabrics.

Bounty (Textile Yarns) Act 1981 (Act No. 103 of 1981)—

An Act to provide for the payment of bounty on the production of certain textile yarns.

Broadcasting and Television Amendment Act 1981 (Act No. 113 of 1981)—

An Act to amend the *Broadcasting and Television Act* 1942, and for related purposes.

Broadcasting Stations Licence Fees Amendment Act 1981 (Act No. 114 of 1981)—

An Act to amend the *Broadcasting Stations Licence Fees Act* 1964 to extend it to certain licences.

Census and Statistics Amendment Act 1981 (Act No. 48 of 1981)—

An Act to amend the *Census and Statistics Act* 1905.

Christmas Island Agreement Amendment Act 1981 (Act No. 107 of 1981)—

An Act relating to the Christmas Island Agreement.

Coal Excise Amendment Act 1981 (Act No. 19 of 1981)—

An Act to amend the *Coal Excise Act* 1949, and for other purposes.

Commonwealth Banks Act 1981 (Act No. 29 of 1981)—

An Act to amend the *Commonwealth Banks Act* 1959, and for related purposes.

Commonwealth Employees (Redeployment and Retirement) Amendment Act 1981 (Act No. 26 of 1981)—

An Act to amend the *Commonwealth Employees (Redeployment and Retirement) Act* 1979.

THE ACTS OF THE SESSION—*continued*

- Commonwealth Functions (Statutes Review) Act 1981 (Act No. 74 of 1981)—
An Act to implement certain changes in Commonwealth functions.
- Commonwealth Legal Aid Commission Amendment Act 1981 (Act No. 62 of 1981)—
An Act to amend the *Commonwealth Legal Aid Commission Act* 1977.
- Commonwealth Teaching Service Amendment Act 1981 (Act No. 5 of 1981)—
An Act to amend the *Commonwealth Teaching Service Act* 1972, and for purposes connected therewith.
- Companies Act 1981 (Act No. 89 of 1981)—
An Act to make provision for the government of the Australian Capital Territory in relation to the formation of companies, the regulation of companies formed in that Territory, the registration in that Territory of certain other bodies and certain other matters.
- Companies (Acquisition of Shares) Amendment Act 1981 (Act No. 2 of 1981)—
An Act to amend the *Companies (Acquisition of Shares) Act* 1980.
- Companies (Acquisition of Shares) Amendment Act (No. 2) 1981 (Act No. 94 of 1981)—
An Act to amend the *Companies (Acquisition of Shares) Act* 1980.
- Companies (Acquisition of Shares—Fees) Amendment Act 1981 (Act No. 95 of 1981)—
An Act to amend the *Companies (Acquisition of Shares—Fees) Act* 1980.
- Companies and Securities (Interpretation and Miscellaneous Provisions) Amendment Act 1981 (Act No. 4 of 1981)—
An Act to amend the *Companies and Securities (Interpretation and Miscellaneous Provisions) Act* 1980.
- Companies and Securities (Interpretation and Miscellaneous Provisions) Amendment Act (No. 2) of 1981 (Act No. 98 of 1981)—
An Act to amend the *Companies and Securities (Interpretation and Miscellaneous Provisions) Act* 1980.
- Companies (Fees) Act 1981 (Act No. 90 of 1981)—
An Act relating to fees payable for the purposes of the *Companies Act* 1981.
- Companies (Miscellaneous Amendments) Act 1981 (Act No. 92 of 1981)—
An Act to make certain amendments consequent upon the enactment of the *Companies Act* 1981 and for other purposes.
- Companies (Transitional Provisions) Act 1981 (Act No. 91 of 1981)—
An Act to enact transitional provisions consequent upon the enactment of the *Companies Act* 1981.
- Complaints (Australian Federal Police) Act 1981 (Act No. 21 of 1981)—
An Act relating to complaints made in respect of members of the Australian Federal Police, and for related purposes.
- Conciliation and Arbitration Amendment Act 1981 (Act No. 71 of 1981)—
An Act to amend the *Conciliation and Arbitration Act* 1904.
- Crown Debts (Priority) Act 1981 (Act No. 93 of 1981)—
An Act relating to the priority of Crown debts.
- Currency Amendment Act 1981 (Act No. 11 of 1981)—
An Act to amend the *Currency Act* 1965.
- Customs Amendment Act 1981 (Act No. 64 of 1981)—
An Act to amend the *Customs Act* 1901.
- Customs Amendment (Securities) Act 1981 (Act No. 67 of 1981)—
An Act to amend the *Customs Act* 1901 in relation to securities.
- Customs Amendment (Tenders) Act 1981 (Act No. 45 of 1981)—
An Act to amend the *Customs Act* 1901 to provide for tenders for rights to import goods at concessional rates of duty, and for related purposes.
- Customs Securities (Penalties) Act 1981 (Act No. 46 of 1981)—
An Act to provide for penalties for refusal or failure to give certain securities with respect to the importation into Australia of dutiable goods.
- Customs Tariff Amendment Act 1981 (Act No. 68 of 1981)—
An Act to amend the *Customs Tariff Act* 1966.
- Customs Tariff (Anti-Dumping) Amendment Act 1981 (Act No. 66 of 1981)—
An Act to amend the *Customs Tariff (Anti-Dumping) Act* 1975.
- Customs Tariff Validation Act 1981 (Act No. 87 of 1981)—
An Act to provide for the validation of certain collections of duty of Customs.
- Customs Undertakings (Penalties) Act 1981 (Act No. 47 of 1981)—
An Act to provide for penalties for breaches of undertakings with respect to the importation into Australia of dutiable goods.
- Dairying Research Amendment Act 1981 (Act No. 12 of 1981)—
An Act to amend the *Dairying Research Act* 1972, and for related purposes.
- Designs Amendment Act 1981 (Act No. 42 of 1981)—
An Act to amend the *Designs Act* 1906, and for related purposes.

THE ACTS OF THE SESSION—*continued*

- Dried Fruit (Export Inspection Charge) Act 1981 (Act No. 59 of 1981)—
An Act to impose a charge upon the export of dried fruit.
- Dried Fruit (Export Inspection Charge) Collection Act 1981 (Act No. 60 of 1981)—
An Act to make provision for the collection of the charge imposed by the *Dried Fruit (Export Inspection Charge) Act* 1981.
- Dried Vine Fruits Stabilization Legislation Repeal Act 1981 (Act No. 13 of 1981)—
An Act to repeal certain legislation relating to dried vine fruits and for related purposes.
- Environment Protection (Sea Dumping) Act 1981 (Act No. 101 of 1981)—
An Act providing for the protection of the environment by regulating the dumping into the sea, and the incineration at sea, of wastes and other matter and the dumping into the sea of certain other objects, and for related purposes.
- Excise Amendment Act 1981 (Act No. 65 of 1981)—
An Act to amend the *Excise Act* 1901.
- Excise Tariff Amendment Act 1981 (Act No. 50 of 1981)—
An Act to amend the *Excise Tariff Act* 1921.
- Federal Proceedings (Costs) Act 1981 (Act No. 23 of 1981)—
An Act relating to costs in federal courts and courts of certain Territories.
- Fish (Export Inspection Charge) Act 1981 (Act No. 57 of 1981)—
An Act to impose a charge upon the inspection of fish for export.
- Fish Export Inspection Charge) Collection Act 1981 (Act No. 58 of 1981)—
An Act to make provision for the Collection of the charge imposed by the *Fish (Export Inspection Charge) Act* 1981.
- Flags Amendment Act 1981 (Act No. 9 of 1981)—
An Act to amend the *Flags Act* 1953.
- Health Acts Amendment Bill 1981 (Act No. 118 of 1981)—
An Act relating to sickness and hospital benefits, and for other purposes.
- Housing Assistance Act 1981 (Act No. 70 of 1981)—
An Act relating to financial assistance to the States and to the Northern Territory for the purpose of housing.
- Human Rights Commission Act 1981 (Act No. 24 of 1981)—
An Act relating to human rights.
- Income Tax Assessment Amendment Act 1981 (Act No. 111 of 1981)—
An Act to amend the law relating to income tax.
- Income Tax (Assessment and Rates) Amendment Act 1981 (Act No. 109 of 1981)—
An Act to amend the law relating to income tax.
- Income Tax (Diverted Income) Act 1981 (Act No. 112 of 1981)—
An Act to impose tax on certain income derived under tax avoidance schemes.
- Income Tax (International Agreements) Amendment Act 1981 (Act No. 28 of 1981)—
An Act to amend the *Income Tax (International Agreements) Act* 1953.
- Income Tax Laws Amendment Act 1981 (Act No. 108 of 1981)—
An Act to amend the law relating to income tax.
- Income Tax Laws Amendment Act (No. 2) 1981 (Act No. 110 of 1981)—
An Act to amend the law relating to income tax.
- Independent Air Fares Committee Act 1981 (Act No. 76 of 1981)—
An Act to establish a Committee to review the basis on which certain domestic passenger air fares are determined and to determine those domestic passenger air fares.
- Industrial Research and Development Incentives Amendment Act 1981 (Act No. 44 of 1981)—
An Act to amend the *Industrial Research and Development Incentives Act* 1976 and to repeal certain related Acts.
- Koongarra Project Area Act 1981 (Act No. 104 of 1981)—
An Act to vary the boundary of the Kakadu National Park for the purposes of the Koongarra Project.
- Lands Acquisition (Northern Territory Pastoral Leases) Act 1981 (Act No. 105 of 1981)—
An Act relating to the acquisition by the Commonwealth of certain land in the Northern Territory.
- Local Government (Personal Income Tax Sharing) Amendment Act 1981 (Act No. 100 of 1981)—
An Act to amend the *Local Government (Personal Income Tax Sharing) Act* 1976 in consequence of the *States (Tax Sharing and Health Grants) Act* 1981.
- Long Service Leave (Commonwealth Employees) Amendment Act 1981 (Act No. 6 of 1981)—
An Act to amend the *Long Service Leave (Commonwealth Employees) Act* 1976.
- Minerals (Submerged Lands) Act 1981 (Act No. 81 of 1981)—
An Act relating to the recovery of minerals, other than petroleum, from the continental shelf of Australia and of certain Territories of the Commonwealth.

THE ACTS OF THE SESSION—*continued*

- Minerals (Submerged Lands) (Exploration Permit Fees) Act 1981 (Act No. 83 of 1981)—
An Act to provide for the payment of fees in respect of permits under the *Minerals (Submerged Lands) Act* 1981 to explore for minerals in submerged lands.
- Minerals (Submerged Lands) (Production Licence Fees) Act 1981 (Act No. 84 of 1981)—
An Act to provide for the payment of fees in respect of licences under the *Minerals (Submerged Lands) Act* 1981 to recover minerals from submerged lands.
- Minerals (Submerged Lands) (Registration Fees) Act 1981 (Act No. 86 of 1981)—
An Act to provide for the payment of fees in respect of the registration of certain instruments under the *Minerals (Submerged Lands) Act* 1981.
- Minerals (Submerged Lands) (Royalty) Act 1981 (Act No. 82 of 1981)—
An Act to impose a royalty upon minerals other than petroleum recovered from the continental shelf of Australia and of certain Territories of the Commonwealth.
- Minerals (Submerged Lands) (Works Authority Fees) Act 1981 (Act No. 85 of 1981)—
An Act to provide for the payment of fees in respect of works authorities under the *Minerals (Submerged Lands) Act* 1981.
- National Companies and Securities Commission Amendment Act 1981 (Act No. 1 of 1981)—
An Act to amend the *National Companies and Securities Commission Act* 1979.
- National Health (Pharmaceutical Benefits) Amendment Act 1981 (Act No. 40 of 1981)—
An Act to amend the *National Health Act* 1953 in relation to pharmaceutical benefits.
- Navigation Amendment Act 1981 (Act No. 10 of 1981)—
An Act to amend the *Navigation Act* 1912, and for related purposes.
- Navigation (Protection of the Sea) Amendment Act 1981 (Act No. 36 of 1981)—
An Act to amend the *Navigation Act* 1912, and for related purposes.
- Overseas Telecommunications Amendment Act 1981 (Act No. 115 of 1981)—
An Act to amend the *Overseas Telecommunications Act* 1946.
- Parliamentary Contributory Superannuation Amendment Act 1981 (Act No. 37 of 1981)—
An Act to amend the *Parliamentary Contributory Superannuation Act* 1948.
- Parliamentary Joint Sittings Amendment Act 1981 (Act No. 39 of 1981)—
An Act relating to joint sittings of the Parliament.
- Pay-roll Tax (Territories) Assessment Amendment Act 1981 (Act No. 69 of 1981)—
An Act to amend the *Pay-roll Tax (Territories) Assessment Act* 1971.
- Petroleum Products Pricing Act 1981 (Act No. 117 of 1981)—
An Act to make provision for the holding of inquiries into prices charged or proposed to be charged for the supply of petroleum products or services related to the production or supply of petroleum products in Australia.
- Petroleum (Submerged Lands—Miscellaneous Amendments) Act 1981 (Act No. 79 of 1981)—
An Act to amend the *Petroleum (Submerged Lands) Act* 1967, the *Petroleum (Submerged Lands) Amendment Act* 1980 and the *Coral Sea Islands Act* 1969.
- Petroleum (Submerged Lands) (Registration Fees) Amendment Act 1981 (Act No. 80 of 1981)—
An Act to amend the *Petroleum (Submerged Lands) (Registration Fees) Amendment Act* 1980.
- Pig Slaughter Levy Amendment Act 1981 (Act No. 51 of 1981)—
An Act to amend the *Pig Slaughter Levy Act* 1971.
- Protection of the Sea (Civil Liability) Act 1981 (Act No. 31 of 1981)—
An Act relating to civil liability for pollution damage.
- Protection of the Sea (Discharge of Oil from Ships) Act 1981 (Act No. 32 of 1981)—
An Act relating to the protection of the sea from pollution by oil discharged from ships.
- Protection of the Sea (Powers of Intervention) Act 1981 (Act No. 33 of 1981)—
An Act authorizing the Commonwealth to take measures for the purpose of protecting the sea from pollution by oil and other noxious substances discharged from ships, and for related purposes.
- Protection of the Sea (Shipping Levy) Act 1981 (Act No. 34 of 1981)—
An Act to impose a levy in respect of certain ships in Australian ports with oil on board.
- Protection of the Sea (Shipping Levy Collection) Act 1981 (Act No. 35 of 1981)—
An Act relating to the levy imposed in respect of certain ships in Australian ports with oil on board.
- Public Works Committee Amendment Act 1981 (Act No. 20 of 1981)—
An Act to amend the *Public Works Committee Act* 1981.
- Quarantine Amendment Act 1981 (Act No. 54 of 1981)—
An Act to amend the *Quarantine Act* 1980.
- Racial Discrimination Amendment Act 1981 (Act No. 25 of 1981)—
An Act to amend the *Racial Discrimination Amendment Act* 1980 by substituting references to the *Human Rights Commission Act* 1981 for references to the *Human Rights Commission Act* 1980.
- Repatriation (Pharmaceutical Benefits) Amendment Act 1981 (Act No. 41 of 1981)—
An Act to amend the *Repatriation Act* 1920 in relation to pharmaceutical benefits, and for other purposes.

THE ACTS OF THE SESSION—*continued*

Roads Grants Act 1981 (Act No. 88 of 1981)—

An Act to grant financial assistance to the States and to the Northern Territory in relation to roads.

Securities Industry Amendment Act 1981 (Act No. 3 of 1981)—

An Act to amend the *Securities Industry Act* 1980.

Securities Industry Amendment Act (No. 2) 1981 (Act No. 96 of 1981)—

An Act to amend the *Securities Industry Act* 1980.

Securities Industry (Fees) Amendment Act 1981 (Act No. 97 of 1981)—

An Act to amend the *Securities Industry Fees Act* 1980.

Shipping Registration Act 1981 (Act No. 8 of 1981)—

An Act providing for the registration of ships in Australia, and for related matters.

States (Tax Sharing and Health Grants) Act 1981 (Act No. 99 of 1981)—

An Act to provide for grants to the States and the Northern Territory from the tax collections of the Commonwealth and to provide for grants to the States and the Northern Territory for health purposes.

States Grants (Schools Assistance) Amendment Act 1981 (Act No. 52 of 1981)—

An Act to amend the *States Grants (Schools Assistance) Act* 1979 and the *States Grants (Schools Assistance) Act* 1980, and for related purposes.

States Grants (Tertiary Education Assistance) Amendment Act 1981 (Act No. 53 of 1981)—

An Act to amend the *States Grants (Tertiary Education Assistance) Act* 1978, and for related purposes.

Statute Law Revision Act 1981 (Act No. 61 of 1981)—

An Act for the purposes of statute law revision, and for other purposes.

Supply Act (No. 1) 1981-82 (Act No. 72 of 1981)—

An Act to make interim provision for the appropriation of moneys out of the Consolidated Revenue Fund for the service of the year ending on 30 June 1982.

Supply Act (No. 2) 1981-82 (Act No. 73 of 1981)—

An Act to make interim provision for the appropriation of moneys out of the Consolidated Revenue Fund for certain expenditure in respect of the year ending on 30 June 1982.

Trade Marks Amendment Act 1981 (Act No. 43 of 1981)—

An Act to amend the *Trade Marks Act* 1955.

Wool Industry Amendment Act 1981 (Act No. 63 of 1981)—

An Act to amend the *Wool Industry Act* 1972.

THE BILLS OF THE SESSION

(FIRST SESSION: SECOND PERIOD)

Aborigines and Islanders (Admissibility of Confessions) Bill 1981—
Initiated in the Senate. First Reading.

Archives Bill 1981—
Initiated in the Senate. Second Reading.

Constitution Alteration (Holders of Offices of Profit) Bill 1981—
Initiated in the Senate. First Reading.

Copyright Amendment Bill 1981—
Initiated in the Senate. Second Reading.

Crimes (Currency) Bill 1981—
Initiated in the Senate. First Reading.

Foreign Antitrust Judgments (Restriction of Enforcement) Bill 1981—
Initiated in the Senate. First Reading.

Freedom of Information Bill 1981—
Initiated in the Senate. Third Reading.

Institute of Freshwater Studies Bill 1981—
Initiated in the Senate. First Reading.

Insurance (Agents and Brokers) Bill 1981—
Initiated in the Senate. First Reading.

Patents Amendment Bill 1981—
Initiated in the House of Representatives. First Reading.

Senate Elections (Queensland) Bill 1981—
Initiated in the Senate. First Reading.

Western Australian Aborigines (Right to Electoral Enrolment) Bill 1981—
Initiated in the Senate. First Reading.

COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES

JOINT SITTING

**SENATE
AND
HOUSE OF REPRESENTATIVES**

Hansard

1981

The Joint Sitting convened pursuant to section 9 of the Senate (Representation of Territories) Act 1973 met in the Senate Chamber, Parliament House, Canberra.

Tuesday, 5 May 1981

OPENING OF THE JOINT SITTING

The Joint Sitting met at 2.15 p.m.

The President of the Senate, as Chairman of the Joint Sitting, took the chair. The Speaker of the House of Representatives took a seat on the dais.

**SENATE REPRESENTATION OF THE
AUSTRALIAN CAPITAL TERRITORY**

The CHAIRMAN—Honourable senators and honourable members of the House of Representatives, pursuant to the provisions of section 9 of the Senate (Representation of Territories) Act 1973, as amended by the Senate (Representation of Territories) Amendment Act 1980, and resolutions of the Senate and of the House of Representatives, this Joint Sitting is being held to choose a person to hold the place in the Senate, in the representation of the Australian Capital Territory, rendered vacant by the death of Senator John William Knight.

In accordance with the rules adopted by both Houses, the Joint Sitting will now proceed to choose such a person. Is there a proposal?

Mr MALCOLM FRASER (Wannon—Prime Minister) (2.17)—Mr Chairman and Mr Speaker, I propose Margaret Elizabeth Reid as the choice of the Senate and the House of Representatives sitting together to be the person to hold the place in the Senate rendered vacant by the death of Senator John William Knight. Mrs Reid has indicated that she is willing to hold the vacant place if chosen. I am informed that Mrs Reid is eligible to be chosen for the Senate and that the nomination is in accordance with subsection 9 (3) of the Senate (Representation of Territories) Act 1973, as amended by the Senate (Representation of Territories) Amendment Act 1980.

Mrs Reid is well qualified to be a member of the Senate and to represent Canberra and the Australian Capital Territory. She has been a resident of the Territory for 16 years; but, having lived and worked elsewhere in Australia, she is also well able to cast an overall national perspective on the affairs that come before the Senate. Mrs Reid has been active in Canberra's affairs on the Council of the Australian National University, as a member of the Family Law Sub-committee of the Law Society of the Australian Capital Territory and as President of the Australian Capital Territory Division of the Liberal Party, where she has made a

major contribution to the work of my own party's organisation.

Mrs Reid knows Canberra well. She has practised in Canberra as a solicitor. She is widely known and respected in this city. It is unfortunate, though, Mr Chairman, that we are called to this place on this occasion because of the premature death of Senator John Knight, whom we all knew and respected greatly. Mrs Reid will be a very effective representative, if chosen by this Joint Sitting, of the Australian Capital Territory.

The CHAIRMAN—Is the proposal seconded?

Senator CARRICK (New South Wales—Leader of the Government in the Senate) (2.19)—Mr Chairman and Mr Speaker, I am privileged to second the nomination of Mrs Reid. I have known Mrs Reid for some 15 years or more. I have been privileged to see her journey through studenthood, through the development of her professional skills and qualities and through the development of her participation in public life. She brings to the Senate very considerable skills and talents and, of course, admirable temperament and judgment. I am sure that she will be a considerable acquisition to the Senate. She conforms to the requirements of the Electoral Act and other legislation. I am happy to commend Mrs Reid to the Joint Sitting.

Mr HAYDEN (Oxley—Leader of the Opposition) (2.20)—Mr Chairman and Mr Speaker, I support the nomination of Mrs Margaret Reid to the Senate to replace the late Senator John Knight. She has been selected by the proper processes of her party. She is not only an appropriate choice in the view of her party; she is also, in the view of the Opposition, then the proper person to replace the late Senator Knight. I noted a comment made by Mrs Reid since her nomination. I will quote it before I go on to other matters. She said:

I have always found the Prime Minister easily approachable when I have needed to see him about things that are important to Canberra.

I presume that the Prime Minister (Mr Malcolm Fraser) and Mrs Reid will do a lot of talking in the near future in the light of comments the Prime Minister has made in the very recent past.

The Australian Labor Party has not obstructed, does not intend to obstruct and will never obstruct a replacement appointment for a senator who leaves this chamber, provided that replacement appointment has been properly made by the party from which the departing senator came. We have not obstructed, we do not intend to do so and we will not do so. But there has been obstruction,

and that has been a perversion of the proper conventions in this sort of matter. I think it appropriate to go on the record at this time so that some among us do not forget that there is the occasional smirch, at least, on the record of their performance.

In 1974 in this chamber there were 29 ALP senators and 29 Liberal-Country Party senators. There were two Independents—Senator Townley, who very quickly returned to his spiritual home in the Liberal Party, and Senator Steele Hall, who had a somewhat more circuitous return. The upshot was, Senator Townley finding himself back in his spiritual home, that the Liberal and Country parties had 30 senators and the Labor Party had 29 senators. In those days at least—one hopes that enlightenment will strike Mr Steele Hall again in the near future—Senator Steele Hall declared his independence by supporting the Labor Party on a number of important issues, specifically the issue of Supply.

However, the death of Senator Bert Milliner occurred in June 1975; and that is when the perversion, the corruption, of these processes occurred. Senator Milliner, instead of being replaced by a representative from his own party chosen by his own party, consistent with the practices which had always prevailed in these sorts of situations, was replaced ultimately, through the determination and the corruption of those processes by the Queensland Premier, by a man named Albert Field. We had had the experience in New South Wales of former Senator Murphy, on his movement to the High Court of Australia, being replaced by a man who had no affiliation at all with the Labor Party—Mr Cleaver Bunton. The course of history changed considerably. No longer did we face in the Senate a situation in which there was a tied vote between the Labor Party, the government party, and the Independent, on the one hand—as had been the situation before the death of Senator Milliner—and the Liberal and Country parties, on the other hand, once Senator Townley had been absorbed back into the ranks of his home team. Thenceforth the numbers were 31-29 and later 30-29. They were 30-29 because Senator Field was absent from the Senate pending a High Court hearing. No longer was the situation that the Liberal and Country parties had only one choice available to them if they wished to impede Supply; that is, to reject it. Henceforth they could resort to the rather dubious tactic of deferring Supply.

I do not intend to delay the proceedings of this chamber any longer. I have made the point. While we sit here morally and smugly upright today, more than half of those in this chamber have no

right to experience that feeling. They were responsible for the massive perversion of the proper standards of conduct in the parliamentary system.

Mr LIONEL BOWEN (Kingsford-Smith) (2.25)—Mr Chairman and Mr Speaker, I wish to support what the Leader of the Opposition (Mr Hayden) has said in respect of the nomination of Margaret Elizabeth Reid. I want to draw the chamber's attention to the fact that the Australian Labor Party is always a party of principle. If that principle had been adhered to previously, we would not have had the great division in this country that we have had; nor would we have had the ability—which, of course, is very helpful—now to fill a casual vacancy by the appointment of a member of the party which has the vacancy. I add the fact that the late John William Knight, whom we respected and admired, was politically endorsed by that party and selected by the people. It is accordingly appropriate, I think, when we look at the legislation, that a person to fill a casual vacancy should also be selected and endorsed by that party.

Mr Chairman and Mr Speaker, you will notice that the appropriate legislation we are now discussing requires the person only to be a member of the party. We are all aware of the fact that somebody else has suggested that he is entitled to be nominated today because he is also a member of the party. It is a weakness in the legislation to

which we drew attention in the course of the debate on the motion for the second reading. This weakness can be corrected by the legislation being amended. It does not require a constitutional amendment in respect of territorial senators, whereas it would in respect of senators coming from the States. I suggest that we clear the air so that in future we do not have the difficulty of two or three people saying that they are members of a party and are entitled to be nominated. It would be easy to suggest that the appropriate section be amended to say that the person must be not only a member of the party but also a person endorsed and nominated by that party.

The CHAIRMAN—Is there any further proposal of a person to hold the vacant place in the Senate?

Mr Speaker, honourable senators and honourable members of the House of Representatives, there being only one person proposed, the proposal before the Joint Sitting is agreed to. I declare that Margaret Elizabeth Reid has been chosen to hold the place in the Senate rendered vacant by the death of Senator John William Knight. As required by the Senate (Representation of Territories) Act, I shall, as President of the Senate and in the absence of His Excellency the Governor-General, certify to His Excellency the Administrator the choice made by the Joint Sitting. In accordance with the rules, I now declare this Joint Sitting closed.

Joint Sitting concluded at 2.28 p.m.

Tuesday, 5 May 1981

The PRESIDENT (Senator the Hon. Sir Condor Laucke) took the chair at 3 p.m., and read prayers.

REPRESENTATION OF THE AUSTRALIAN CAPITAL TERRITORY

The PRESIDENT—I inform the Senate that at a Joint Sitting of members of the Senate and the House of Representatives held this day pursuant to section 9 of the Senate (Representation of Territories) Act 1973, as amended by the Senate (Representation of Territories) Amendment Act 1980, Margaret Elizabeth Reid was chosen to hold the place in the Senate in the representation of the Australian Capital Territory rendered vacant by the death of Senator John William Knight. In accordance with sub-section 9 (6) of the Act, the name of the senator chosen at the Joint Sitting has been certified to His Excellency the Administrator of the Government of the Commonwealth of Australia in the absence of the Governor-General.

Swearing-in of Senator

Senator Margaret Elizabeth Reid made and subscribed the oath of allegiance.

QUESTIONS WITHOUT NOTICE

REVIEW OF COMMONWEALTH FUNCTIONS

Senator BUTTON—I refer the Leader of the Government in the Senate to the report of the Review of Commonwealth Functions and ask whether he can tell the Senate whether the following activities of government were considered by the review committee and, if so, why they remain untouched: The VIP plane fleet and especially the two Boeing 707 flying hotels used by the Prime Minister on overseas trips; the Government propaganda unit known as the Government Information Unit; the Casey University-Australian Defence Force Academy; the Industrial Relations Bureau, the existence of which has been criticised by employer and employee organisations and which was known to be out of favour with the former Minister for Industrial Relations; the proposed grand prix motor racing circuit at Canberra; and Project Australia.

Senator CARRICK—The review committee had as its task an overall review of all functions. If, indeed, the matters that have been mentioned have not been subject to action by the committee, it signifies that the committee has reviewed those

functions and it believes that the bodies involved are performing their functions. I cannot comment on the list seriatim. Once again I remind the Senate that the possession of the two Boeing aircraft as part of No. 34 Squadron results from a recommendation on security, both in Australia and elsewhere, that heads of state and heads of government should not put ordinary citizens at risk by flying in commercial aircraft and that therefore there should be a special fleet of aircraft. Those who follow this situation will know that the great majority of the time of the two Boeing 707s is spent on ordinary transport duties, largely involving the movement of members of the defence forces to Butterworth from Australia and back, and also in moving migrants to Australia. In other words, I am surprised that propaganda still persists relating to two aircraft that are well and truly serving Australia in the widest possible sense.

TASMANIA: HOSPITAL FUNDING

Senator WALTERS—I ask the Minister representing the Minister for Health: Is it a fact that an additional amount of \$1.29m of Commonwealth funds has recently been made available to the Tasmanian Government for hospital funding? Is the Minister aware of a further amount of \$3.4m which suddenly has been found by the Tasmanian Government for hospital funding in the past two weeks? Is he further aware that in the intervening period before this find the Royal Hobart Hospital Board sent telegrams to privately insured, pregnant women cancelling their maternity bookings, closed three wards and reduced its surgical operating sessions by half?

Senator PETER BAUME—Although it had not been drawn to my attention that the exact dollar amount referred to by the honourable senator had been made available by the Commonwealth, I am extremely interested to hear that the Tasmanian Government has been able to find from its own resources, from some hitherto secret source, an amount, which the honourable senator says is \$3.4m, to apply to its hospitals. It is interesting just how often State governments which are crying poor are able to find extra amounts of money which they have squirrelled away in secret places. It is equally interesting to see how many of the States which tell us how badly off they are have been able, over the past few years, to reduce many charges and many State taxes. It is simply not consistent. The fact that the State could find this extra money is what we might have expected.

As to the other matter to which the honourable senator referred—the fact that telegrams were

sent, that wards were closed or that operating time was cut down—I would imagine that all of those actions were entirely unnecessary if the State Government was doing its job responsibly and well. I would be very distressed if they had in fact happened and if they had happened, as it turns out, unnecessarily.

HEALTH CARE FOR DISADVANTAGED PERSONS

Senator GRIMES—My question is directed to the Minister for Social Security and seeks clarification of the new rules for people seeking disadvantaged status. I ask: How will these people claim for previously paid hospital and medical bills, as was stated in the Minister's answer to Senator Button's question last Thursday? How can they ensure that the doctor they see will participate in the disadvantaged scheme? Does the Government expect that in levying in-patient and out-patient charges the States will levy charges in hospital pharmacies? If so, will this remove an option for free pharmaceuticals which are at present available to the disadvantaged patient?

Senator CHANEY—As I have earlier indicated, some of the details of this scheme still remain to be worked out, and officers are working on them. With respect to subsequent or post-treatment claims for disadvantaged status, it is envisaged by the Government that people will be entitled to come along and demonstrate that status after they have been billed, and arrangements will then be able to be made for a payment of 85 per cent of that account to be made to the medical practitioner concerned.

Senator Button—What if they do not succeed with that?

Senator CHANEY—If who does not succeed?

Senator Button—The person seeking disadvantaged status.

Senator CHANEY—That person will be liable for the account as his or her personal account. Quite clearly, it would be quite extraordinary to suggest that somebody who was outside the guidelines which have been indicated would still get the free treatment. What is clearly envisaged is that only people who do fit within those categories will receive the treatment. I will examine the other matters raised in the honourable senator's question and let him have an early reply.

DATA BROADCASTING SERVICES

Senator TEAGUE—I direct my question to the Minister representing the Minister for Communications. Has it been brought to the Minister's attention that a few weeks ago the Australian

Broadcasting Commission announced that it would soon begin field trials of Antiope, the French teletext system? However, Telecom Australia has been pushing for a variation of the British Prestel teletext system, and yet another rival in Australia is the Canadian Telidon system, which has been accepted by business companies, including the Myer company? Are these three systems incompatible? If so, can the Government ensure that there is a rational and orderly solution, to the eventual benefit of all Australian teletext users? In this area, we should not repeat the confusion of the nineteenth century on railway gauges, which we are even now still in the process of overcoming.

Senator PETER BAUME—If I may take the last part of the honourable senator's question first, I am sure that none of us would want to go back to the nineteenth century confusion on railway gauges. In response to the honourable senator's question, the answer to the first part is yes; in fact, on 6 April the Minister for Communications issued a media release announcing the commencement of these test transmissions. I assume that when the honourable senator uses the term 'teletext' he means a one-way data broadcasting system. This distinction is important, because a number of data broadcasting systems are being developed overseas. The United Kingdom Teletext is only one system. Others include Telidon and Antiope. Prestel is not a broadcast system, but an interactive data system using telephone lines. Telidon can also be used as an interactive system. Let me hasten to add that I am responding to the honourable senator's question from a brief supplied by my colleague and I do not know what an interactive system is, so I do not want anyone asking me that.

The different data services are incompatible in that they cannot be received by the one decoder. The use of one broadcast or interactive system does not rule out the use of any other system. They may all co-exist. When Mr Staley authorised the data broadcasting service called United Kingdom Teletext in February 1980 it was given a fully operational status to permit market evaluation and viewer reaction to such a service. He noted then that as other data broadcasting systems became available they would also be fully field-trialled in the Australian broadcasting environment.

The Government's particular interest is to ensure that any broadcasting systems are thoroughly proved to be satisfactory through an adequate period of assessment in a technical sense and that they comply with the technical and operating standards set by regulation under the

appropriate Act—the Broadcasting and Television Act 1942. The final selection of the data broadcasting system or systems most suitable for Australia will ultimately be confirmed by the broadcasting industry and by the public. The question of Telecom's use of Prestel is still being considered by the Minister. I hope that covers the matters raised by the honourable senator. If any of the issues remain unanswered, I will gladly refer them to my colleague.

ABORIGINAL HOUSING

Senator RYAN—Will the Minister for Aboriginal Affairs give an assurance that the channelling of all funds for Aboriginal housing through the Commonwealth and State Housing Agreement will not involve an overall reduction in the level of Commonwealth funding for Aboriginal housing? I ask this question having in mind a specific example. In the case of New South Wales in 1980-81 the Commonwealth allocated \$9m for Aboriginal housing—\$3m through a Department of Aboriginal Affairs grant to the State and \$6m through earmarked funds under the Commonwealth and State Housing Agreement. The \$3m grant will now be discontinued. Will the earmarked funds under the Commonwealth and State Housing Agreement be increased by the same amount?

Senator PETER BAUME—The honourable senator's question arises from a decision of the Review of Commonwealth Functions committee. As near as I can remember the words of that decision, State grants funds for welfare housing for Aboriginals will now be administered through the Commonwealth and State Housing Agreement and not as a States grant function through the vote of the Department of Aboriginal Affairs. The decision also indicated that funds so transferred will be earmarked as Aboriginal housing funds and it will be possible for the honourable senator to identify the extent to which Aboriginal housing is being supported through the Commonwealth and State Housing Agreement. It will be possible to identify that in any Budget that is brought down. Clearly I cannot responsibly anticipate what any government will decide in the Budget context, but I would say that the funds that are being transferred at present are the funds that have been allocated so far as States grants through my Department. When that transfer takes place the actual level of funds will be the level decided by government in the appropriate Budget context.

HUMAN RIGHTS COMMISSION

Senator MISSEN—I refer the Attorney-General to the passage of the Human Rights

Commission Bill and the desirability of early appointment of commissioners of high competence and public repute under the terms of the Bill. Does the Attorney-General propose to invite suggestions for appointments as commissioners from interested organisations such as the State councils for civil liberties, the United Nations Association, the International Commission of Jurists, Amnesty International and other reputable human rights organisations in Australia, so that the Government will have all available information to assist it in appointing a well-balanced and effective Commission?

Senator DURACK—I am giving consideration to names of people for appointment to the Human Rights Commission. I would be very happy to hear from any organisations which have suggestions to make. They may submit names to me. Of course, a great range of organisations may be interested. If I asked some organisations and not others I think that I would be in a rather invidious position. At the last ministerial meeting on human rights, I mentioned to the State Ministers that if they cared to submit names I would be pleased to receive them. Perhaps the question that Senator Misson now asks me and my reply may be taken as a public indication that I will be prepared to consider the names submitted by interested organisations. I had not thought of actually writing to any specific organisations and asking them to do so.

PRICES JUSTIFICATION TRIBUNAL

Senator WALSH—My question is directed to the Minister representing the Minister for Business and Consumer Affairs. It arises from the report of the Review of Commonwealth Functions, decision No. 3 under the heading 'Business and Consumer Affairs'. I ask: What proportion of the Prices Justification Tribunal staff does the Government intend to absorb into the proposed new bureaucracy for what the report calls 'the maintenance of the Government's petroleum product pricing policy'? What will the net savings, if any, be? Has the cost of the new bureaucracy been deducted from the assumed ultimate \$560m savings?

Senator MESSNER—Unfortunately I do not have the specific detail which Senator Walsh is seeking in respect of the staff numbers that will be transferred from the PJT to the proposed new body. However, I am informed that it is quite reasonable to expect that there will be adequate supervision of petrol prices and that the public will not in any way have its interests jeopardised by virtue of the moves that have been undertaken following the report of last week. As to the other

detailed matters, I will refer them to the Minister and obtain an early reply.

AVIATION: AIRWORTHINESS STANDARDS

Senator WATSON—Is the Minister representing the Minister for Transport aware that there are significant differences in evaluation procedures adopted by the Department of Transport for aircraft used by commuter operators and those used by operators on major trunk routes? Can the Minister assure the Senate that, with the increase in commuter airlines and the Government's encouragement for commuter airlines—possibly at the expense of the smaller aircraft such as Fokkers—the same standards will apply in determining the airworthiness of commuter airline aircraft as are applied in respect of major operators? I refer to one major difference, that is, that the evaluation procedures applied to major airlines in respect of the DC9s, the 727s, Fokkers and the like take place at the point of takeoff rather than, as in the case of commuter airlines, when the aircraft are in a flying or cruising position. Can the Minister assure the Senate that in future the same standards of airworthiness will apply to the two types of airlines, that is, commuter operators and trunk line operators, to ensure that the safety of the travelling public is paramount in air transport evaluation procedures?

Senator MESSNER—I can assure the honourable senator that it is the Government's concern that the maximum standards of safety be applied in all matters of aircraft whether they are flying, as he suggests, on commuter lines or on the larger trunk routes. Nevertheless, I do not have any specific information about the airworthiness tests which Senator Watson brings to our attention. I think the best thing I can do in the circumstances is to refer the matter to the Minister and bring down an early reply for the honourable senator.

FREEDOM OF INFORMATION BILL

Senator EVANS—My question is directed to the Attorney-General. I ask: When does the Government propose to allow honourable senators to consider the merits of the Freedom of Information Bill by bringing on the Committee stage of that Bill for debate? In the event that full debate on this Bill is not completed this session, will the Government give an unequivocal assurance that the Bill will be brought on for debate early in the Budget session?

Senator DURACK—It is the Government's desire that debate on the Freedom of Information Bill in the Committee stage should proceed as

soon as possible in this session. I have been considering a number of amendments which have been submitted. There was not any time to deal with them in the Senate last week. The Bill is listed for debate tomorrow. I trust that there will be time tomorrow and later in the week to make some progress in the debate. The Government hopes that the debate will proceed expeditiously.

Senator EVANS—Mr President, I ask a supplementary question. Will the Attorney give a direct answer to the second part of the question? In the event that it proves, for one reason or another, to be impossible to give the amendments the full consideration which the Senate undoubtedly will believe they deserve, will he give the unequivocal assurance about the next session for which I asked him?

Senator DURACK—The matter which Senator Evans raises is quite hypothetical. The Government's policy is that the Bill should be debated. If the debate is not able to be concluded in this session, it will continue in the next available session; but I cannot give unequivocal assurances as to when the Bill will be debated. Maybe there will be a great deal of other business in the future. As I said, it is the Government's intention and hope that the Committee stage of the debate on this Bill will be concluded in this session. Senator Kilgariff has just mentioned something to me which is contrary to my assumption. On the last program I saw the Bill was listed for debate tomorrow. Apparently there is some doubt about that. I will investigate the matter.

35-HOUR WORKING WEEK

Senator MacGIBBON—My question is directed to the Leader of the Government in the Senate. Has the Government considered negotiating with the union movement to introduce a 35-hour working week in return for the abolition of all penalty and overtime rates?

Senator CARRICK—I am not aware of any such proposal. I will refer the question to the Minister for Industrial Relations in another place and seek his reply.

URANIUM

Senator MASON—My question is addressed to the Minister for National Development and Energy. I refer to Thursday's statement on the Cabinet Review of Commonwealth Functions in which the Prime Minister is quoted in *Hansard* as saying:

Responsibilities for the regulation and control of nuclear activities are to be implemented as far as possible by the States and Northern Territory, with the Commonwealth maintaining a co-ordinating role.

Can the Minister elaborate on that statement in some particulars since it concerns his own portfolio? Will the States and the Northern Territory be able to make their own laws to regulate the nuclear industry without any need to take a national standard into account? Will the States and the Northern Territory have the responsibility of deciding to whom their uranium is sold and on what conditions? How does the Commonwealth Government propose to ensure that international agreements concerning uranium safeguards which we have entered into as a nation are observed? Will the Minister agree that the word 'co-ordinating' used by the Prime Minister to describe the Commonwealth's future role regarding uranium implies a passive role in which the Commonwealth retains no real authority but merely co-ordinates? Is this, indeed, the Government's intention for its own future role?

Senator CARRICK—I think that the words in the statement, being very brief, lead to some misunderstanding of what the functions are. I am therefore grateful that Senator Mason should raise the matter. Let me take the points almost in the reverse order to which Senator Mason raised them. First of all, all international agreements, nuclear non-proliferation and standards under the nuclear non-proliferation treaty will be a Commonwealth responsibility and will continue to be a Commonwealth responsibility. So too will the Australian Safeguards Office which will remain under my departmental responsibility. Therefore, all the responsibilities under the International Atomic Energy Agency will remain with the Commonwealth.

There will be discussions with the States concerning matters which normally relate to them—for instance, health, whether it is health in relation to pollution, including nuclear pollution, industrial usage of nuclear material or environmental matters—so that we can get a high degree of understanding and uniformity between the States and the Commonwealth. As of now, the movement of radioactive materials within a State is a State matter. As of now, the use of industrial and medical isotopes is a State matter. As of now, the environmental circumstances remain a State matter. As to the sale of uranium or uranium products, clearly, as soon as there is any suggestion as to radioactive materials leaving these shores they come under our own nuclear non-proliferation treaties and under the supervision and auditing of the Australian Safeguards Office. That is entirely a Commonwealth matter. The aim will be to ensure that we observe the full recommendations of the Ranger inquiry, that we maintain the highest possible standards in a world

sense and, at the same time, that we work with the States which, at this moment, have the responsibility in regard to health, industrial and environmental matters.

Senator MASON—I wish to ask a supplementary question. My question was a detailed one and I ask the Minister whether he would address his attention to one specific part of it: Will the States and the Northern Territory have the responsibility of deciding to whom their uranium is sold and on what conditions?

Senator CARRICK—I thought that I had dealt with that aspect. Anything that involves external trade is a Commonwealth matter. The Commonwealth has authority to issue licences for export, or to withhold them. In that regard, the matter will be entirely within the province of the Commonwealth. Of course, if there were movement within Australia of radioactive materials for non-nuclear power generation reasons, such as the production of isotopes, that would be a matter as between the States. Otherwise, it is a Commonwealth matter. The Lucas Heights institution is a Commonwealth institution which makes arrangements on a commercial or industrial level and is within my own field of responsibility. Nothing has changed in regard to the acceptance by the Commonwealth of full responsibility in an international or national sense.

VITAMINS

Senator BONNER—My question is addressed to the Minister representing the Minister for Health. The Minister will be aware that many people in the community are concerned that they may be forced to have a doctor's prescription in order to purchase vitamins that are now available over the counter. Will the Minister assure the Senate that the Government has no plans to force this change on the Australian people?

Senator PETER BAUME—My colleague the Minister for Health issued, I believe last week, a Press statement to endeavour to clarify the concern that had been expressed by a number of people on this subject, which has been the cause of quite a few letters being written. The Minister has had published a discussion paper on vitamins and vitamin use, as well as some of the dangers of such use. At this stage it is intended as a discussion paper only. That certain vitamins, particularly vitamin D and vitamin A, when taken in overdose, are dangerous, is well known. It is also known that many people use vitamins in quite responsible doses and for quite responsible reasons. I repeat that the intention of the Minister is that this discussion paper shall be just that. He

is seeking the expression of a whole range of community views which will then be taken into account. There are no immediate plans to restrict unreasonably the availability of vitamins over the counter. May I add that even today certain vitamins, in certain doses, are available on prescription only. That will continue to be the case.

TOWRA POINT, SYDNEY

Senator GIETZELT—My question, which is directed to the Minister representing the Prime Minister, relates to the report of the Review of Commonwealth Functions, presented to the Parliament last Thursday. I ask: Does the Minister recall the decision in 1975 of the Labor Government to acquire Towra Point on the south-eastern foreshores of Botany Bay as a wilderness reserve? What stage has been reached in these negotiations? Is the site currently owned by the Commonwealth? Does the Minister recall that on a previous occasion a Liberal-Country Party government was prepared to build Sydney's second airport on that site? In view of the decision set out in item 2 of the Fraser gang's report—'Surplus Commonwealth land to be sold or leased'—I ask: Is Towra Point one of those sites and can the Minister state unequivocally that it is not to be sold or, alternatively, is not proposed to be used for airport purposes?

Senator CARRICK—I am aware of the unique situation of Towra Point and that there was a proposal some five or six years ago that it should be a wilderness reserve. I am not aware of the present state of affairs in that regard. It is not my understanding that it is proposed that it be sold, but I will check on the present status of Towra Point, its ownership and its future and advise Senator Gietzelt. My answer to the specific question of whether it is intended for an airport is an emphatic and unqualified no. The situation regarding a new airport for New South Wales is clearly that there is no choice between extending Sydney airport and finding another site on which to build another airport. The fact is that both moves will have to proceed. If there is to be a new international airport for Sydney in the decades ahead, our best advice is that the securing of the land and the completion of the building of the new airport will take between 12 and 20 years.

The Commonwealth Government has asked the Wran Government to work with it in locating a site so that we can work towards that end of having an international airport which will operate in, say, 15 to 20 years. The real problem, to which the State Government has refused to direct itself, is that there is a period of 12 to 15 years to be accommodated. Already Mascot airport is so

overcrowded that international flights are being diverted to Melbourne and to Brisbane with a great loss of tourist trade and much inconvenience. Very soon, with the introduction of the wide-bodied jets, Mascot airport will not be able to continue to handle its commuter trade and country air services will start to be restricted severely. There is nowhere else for them to go. They cannot go to Bankstown airport, which is already overcrowded.

So the simple situation is that everybody should direct his mind to how Sydney and New South Wales, including their commuters, are to be serviced with aircraft in the next 12 to 15 years. That will not be solved by a new airport site. The Major Airport Needs of Sydney Study recommended that the solution is the construction of a close-spaced, parallel runway at Mascot airport, which is on the northern headland and not on Towra Point. The Commonwealth Government believes this to be the only short term solution and has invited the Wran Government to direct its attention to, and to give a response as to, how it proposes to handle the problems of Sydney over the next decade. I will seek information as to the future of Towra Point itself and let the honourable senator know.

AUSTRALIAN-WEST GERMAN ECONOMIC RELATIONS

Senator LAJOVIC—Has the Minister representing the Minister for Trade and Resources noted an article in the *Australian* of 1 May under the heading 'Top West German calls for closer trade, investment ties'? The article quotes from the speech delivered to the German-Australian Chamber of Commerce in Melbourne by the State Secretary of the German Federal Ministry for Economic Affairs, Dr Dieter von Wuerzen, in which it was stated that economic exchange between the two countries had failed to reach its potential. Dr von Wuerzen in his speech singled out the various causes for the failure of relations to develop, and among them was Australia's emphasis on the Pacific area and the lack of a free flow of information between the two countries. Another point made in the speech was the fact that German industry is inadequately informed of the possibilities of using Australia as an industrial export base for supplying Pacific markets. In view of the points highlighted in the speech, will the Minister undertake a complete investigation as to how it was possible for such a situation to develop and make sure that the necessary steps are taken to rectify the situation?

Senator CARRICK—I have not seen the article concerned, but I am well aware of the

trends which have developed in the past. All honourable senators will know that until about 30 or 40 years ago the main direction of Australia's trade, which was essentially primary industry, was towards the United Kingdom and Western Europe. In the post-war period that situation has changed largely due to the development of the Economic Community and the inability of that Community to accept such products. Indeed, a much greater preoccupation with the Pacific area has developed. With the energy crisis that has developed in recent years again a 180 degree turnaround has occurred in that Western Europe now has become acutely interested in Australia. Australia has a responsibility to Western Europe as well as an interest in its markets, those markets essentially being, of course, for our energy resources, whether raw or processed, and for our minerals. I have had discussions with the West German Government in an attempt to get a better understanding and exchange of technology and trade understandings. Day by day there is now a growing realisation by Europe that Australia exists and that it has an enormous potential to work in co-partnership with Western Europe. I believe that one of the significant things Australia can do both in ensuring a more secure world and indeed, in developing our own interests, is to re-establish strong links with the countries of Western Europe.

SHOPPING HOURS: AUSTRALIAN CAPITAL TERRITORY

Senator HARRADINE—My question, which is directed to the Leader of the Government in the Senate, refers to the Government's decision that shopping hours in the Australian Capital Territory will be deregulated. Does the Government know of the professionally documented evidence which shows that open slather trading means increased prices, decreased customer services, increased small business bankruptcies and, worst of all, the increased casualisation of employment in the retail trade? In fact, in relation to Canberra, is the Minister aware that the percentage of full time shop assistants in supermarkets operated by G. J. Coles and Co. Ltd has been slashed since that company extended its trading into Saturday afternoons? Does the Minister not agree that the Government's proposals which will reduce full time employment and job opportunities for school leavers, and in particular for young girls, are inconsistent with its publicly stated concern over youth unemployment, particularly as 2,800 youths aged 15 years to 19 years are now seeking full time jobs in Canberra? Can the Minister tell

the Senate just what are the savings in its proposals or were they the result of discussions between Sir Phillip Lynch and the management of Coles and Myer stores? If the Government persists with its misguided proposals can I and the Senate have an assurance that the Government will act with propriety and proceed by way of amendment to the Australian Capital Territory Trading Hours Ordinance so that the whole matter can be the subject of review by the Senate and not proceed through the back door?

Senator CARRICK—I am not aware of the background of the consequences of open-ended shopping hours. I know that Senator Harradine has had considerable industrial experience in these matters and I will be very happy if he will let me have the information. I am not the representative of the Minister for the Capital Territory and, therefore, I do not know what has happened in the Australian Capital Territory. I will direct the attention of the responsible Minister or Ministers to that. I can assure Senator Harradine that the decision on shopping hours was made by a Cabinet committee of, I think, six Ministers. It was made by objective judgment and not by any discussion with self-interest in mind. It was made in the belief that the results, on balance, would be good for the Australian community. I will direct the remainder of Senator Harradine's question to the appropriate Ministers. If he has specific information I would be grateful if he would let me have it.

Senator HARRADINE—Mr President, I wish to ask a supplementary question. The final part of the question has not been answered. I believe that it is within the power of the Leader to answer it. My question is: If the Government proceeds with its intentions, will it do so by way of amendments to the Trading Hours Ordinance so that the matter can be considered by the Parliament?

Senator CARRICK—I had not overlooked that matter. The fact is that I said that I am not the Minister representing the Minister for the Capital Territory and I am not aware of how it is intended that the reform of the shopping hours is to be introduced. I will direct the question to the Minister and seek a reply.

INFRASTRUCTURE BORROWING PROGRAM: PORT AUGUSTA POWER STATION

Senator JESSOP—I direct a question to the Minister representing the Treasurer. Is it a fact that in 1979 the Federal Government approved an infrastructure loan of \$135m to the South Australian Government in order to provide for the future industrial expansion at Port Augusta and

in the surrounding Spencer Gulf area? Is the Minister aware that the Electricity Trust of South Australia is proceeding with the construction of a third power station at Port Augusta as a fundamental part of this infrastructure program? Can she say whether it is a fact that the Loan Council recently deferred until June next year a decision to provide South Australia with \$20m for this project, which will cost something of the order of \$400m? If so, will the Minister request a reconsideration of this decision with the object of approving this loan? Otherwise, this could impede the South Australian Government's program for the development of industries in that region.

Senator Dame MARGARET GUILFOYLE—I understand it is a fact that an infrastructure loan of \$135m was approved for the northern power station in South Australia. I am also advised that South Australia submitted a major revision of that borrowing program to take account of major increases in costs that have occurred. Under the agreed Loan Council guidelines, such a major revision of the program has to be resubmitted to Loan Council for consideration and decision. At yesterday's Loan Council meeting, the Treasurer indicated that the proposal, along with a number of other proposals involving other additions to the infrastructure borrowing program, will be considered at the June Loan Council meeting. In the light of the States' responses to the Commonwealth on infrastructure borrowings, a number of requests will need to be looked at further at that June meeting. We will need to await the outcome of it before being able to make any definite comment on the matter that has been raised by Senator Jessop. I have noted what he said about the additional work that is being done at present and the requirements for that infrastructure. But, as I have said, there is to be a review of the matter and it will need to be submitted again to the June meeting.

Senator JESSOP—I ask a supplementary question, Mr President. Am I to take it from what the Minister has said that the Press statement I noted this morning indicating that the Loan Council has deferred a decision on this matter until June next year is incorrect and that the reconsideration of the matter will occur in June this year?

Senator Dame MARGARET GUILFOYLE—The matters that were discussed yesterday and not finalised are to be reconsidered in June this year. It will be the June meeting this year at which the further consideration will be given.

MINATOME URANIUM MINE

Senator KEEFFE—My question is directed to the Minister representing the Minister for Home Affairs and Environment. I preface it by saying that it is particularly appropriate, in view of the razor gang's activities in the field of uranium and transferring controls to Queensland, to other States and to the Northern Territory. In my State, of course, this means that the transnational mining companies will take over as the State Government has little ability to control uranium mining. Can the Minister inform the Parliament whether it is a fact that during the recent wet season leaching from the ore stockpiles at the Minatome uranium mine at Ben Lomond near Townsville caused an unusually high radiation reading in the waters of Keelbottom Creek? Can the Minister also inform the Parliament of the details of the readings and what action has been taken to rectify the situation? Can he advise whether the company exploiting the uranium ore body is planning at this stage to establish an ore treatment plant in the Yabulu area?

Senator PETER BAUME—I have no such knowledge. I suggest that the honourable senator put that question on the Notice Paper.

HEALTH CARE FOR DISADVANTAGED ABORIGINALS

Senator KILGARIFF—I refer the Minister representing the Minister for Health to the statement on health tabled in the Senate last week in which reference was made to special assistance schemes available to those in genuine need, namely, eligible pensioners and the disadvantaged. As there is a large population of Aboriginal people in need in Western Australia and Queensland and particularly in the Northern Territory, where approximately 25 per cent of the population are Aboriginals, is it the intention of the Government to ensure that the disadvantaged among this section of the community are able to participate in special assistance schemes to cover hospital and medical bills? If so, what will be the arrangements between governments?

Senator PETER BAUME—Under the policy announced last week, the Minister for Health made it clear that the present special assistance arrangements covering eligible pensioners and their dependants will be retained. That covers one group of the people referred to by the honourable senator. The Minister also announced that special assistance arrangements for the disadvantaged will apply to certain general groups in the community. I think the Senate will recall that these are migrants and refugees in their first 6 months in

Australia, without income test; the current unemployment and special beneficiaries, including their dependants, who have private income below the pensioner health benefit limits; and people who satisfy a particular income test.

Very broadly, the income test is a husband and wife earning less than \$8,000 a year with \$1,000 added for each child. So, for a husband and wife with two children the income level is about \$200 a week. Anyone earning below that amount is classified as disadvantaged for the purpose of hospital and medical benefits. Any Aboriginal person who falls within the definition of disadvantaged will, of course, be able to participate in any medical or hospital scheme for the disadvantaged. For single people without dependants the income limit will be 60 per cent of that for married people.

It seems to me that most Aboriginal people in need would be picked up by that definition as laid down by the Commonwealth. It is intended that that definition should apply as the only definition of 'disadvantaged' across Australia. It is already a fact that some governments, for example, the Government of the Northern Territory, provide a number of services at no cost to Aboriginal Australians and I am not certain that they would want to vary that arrangement.

KAKADU NATIONAL PARK

Senator CAVANAGH—I direct a question to Senator Peter Baume either as Minister for Aboriginal Affairs or as Minister representing the Minister for Home Affairs and Environment. As a result of the deliberations of the razor gang, is it the intention of the Government to hand over control of Kakadu National Park to the Northern Territory Government? Has this been discussed with the Aboriginal owners of that land? Furthermore, is it the intention of the Government to alter the boundaries of Kakadu National Park after it is declared a national park next month? If so, is this for the purpose of permitting uranium mining in what is now a reserved area?

Senator PETER BAUME—The honourable senator's question is in two parts. I saw an item in the *National Times*, in Clancy's column I think, at the weekend which asserted that control of the Kakadu National Park was to be handed over to the Northern Territory. That is, as I understand it, quite incorrect. There is no truth whatsoever in that assertion. I think that is the first reassurance which the honourable senator seeks. I offer that reassurance to Aboriginal people as well. No arrangement of that kind has been made.

Secondly, it is true that there is a desire to change the boundaries of the excision area provided for the Koongarra-Denison project. I would like to be able to consult further with the traditional owners and the Northern Land Council on this matter, but it may be possible to put back into the Kakadu National Park some areas of the escarpment of the massif which are presently set down for excision as part of the excision for Koongarra. It would be desirable to get those back into the park and I think that, if the Government can move that way with the agreement of the Aboriginal people, that is something we should desire to do.

AUSTRALIAN BUSH DERMATITIS

Senator NEAL—Has the attention of the Minister representing the Minister for Health been drawn to an article by Jill Baker in last Saturday's *Australian* which was concerned with a disease which has become known as Australian bush dermatitis? Is the Minister aware that some people, especially those over 45 years of age, are being forced by the ailment to leave the land? Is this specific disease just another example of the illegal importation of an exotic weed which was previously unknown to the Australian environment and which is proving to be highly noxious? Will the Minister undertake to seek scientific investigation of biological control for the specific cause of ABD—the weed 'feverfew', the botanical name of which is *parthenium hysterophorus*?

Senator PETER BAUME—I am aware of the article which appeared last weekend. I was previously unaware of the medical condition to which the honourable senator has drawn my attention. It has been widely reported now in scientific literature that *parthenium* is known to cause dermatitis in man, and I think that is the causative seed. *Parthenium* was not introduced into Australia as an illegal importation. It is believed to have been brought in as a contaminant of legally imported grass seed from the United States of America, probably in the mid-1950s. At that stage its significance as a weed or allergenic agent was not recognised. Its weed status was first recognised about 10 years ago in Queensland. The Queensland Department of Lands is actively involved in the biological control of the weed and the Federal Department of Health is responsible for approving the importation and release of beneficial insects for biological control purposes. I have no other information to offer the honourable senator. If any more is required, I will be grateful if he will let me know.

KAKADU NATIONAL PARK

Senator BUTTON—My question is directed to the Minister for Aboriginal Affairs and follows his answer to Senator Cavanagh in relation to the future of the Kakadu National Park. I refer the Minister to the ministerial review statement which says that the Commonwealth:

... will maintain control of marine parks and the essential Commonwealth interests in the Kakadu National Park ...

What is the distinction between maintaining control of marine parks and maintaining control of the essential Commonwealth interests in the Kakadu National Park?

Senator PETER BAUME—The answer I gave a moment ago was my understanding of the matter as I have it. I comprehend the point that Senator Button is raising. I think it will be best if I refer the question to my colleague and obtain a detailed answer for the honourable senator.

AUSTRALIAN NATIONAL LINE

Senator LEWIS—I direct my question to the Minister representing the Minister for Transport. My question is about the Australian Shipping Commission, commonly called the Australian National Line. Is the Minister aware that, in its report for the year ending 30 June 1980, the Commission showed an after tax loss of \$9.4m and carried forward losses of \$24m? Is the Minister further aware that last night Australia's maritime unions decided to begin a campaign of industrial action designed to obtain the equivalent of reduced working hours for their members by the introduction of a two crew duty system for all Australian registered ships? If this action is successful, what will be its cost in terms of increased freight on the Australian coast, or increased losses to the Australian National Line? Will the Government give consideration to the deregulation of the Australian coastal trade so that competitive shipping can be introduced on the Australian coast? Further, will the Government give consideration to the sale of the assets of the Australian Shipping Commission?

Senator MESSNER—I have no immediate information to confirm the matters which Senator Lewis has outlined. However, I can confirm that union action has been or is about to be undertaken with regard to what the unions are seeking. Apparently the employers have notified the Conciliation and Arbitration Commission of the existence of a dispute in this matter, and an early hearing will be held. As to the matter to which Senator Lewis has adverted regarding some other form of competition for the Australian National

Line, I would need to refer that matter to my colleague and obtain an early reply for him.

FUNDING OF HEALTH SERVICES

Senator MELZER—My question is addressed to the Minister representing the Minister for Health. What is the expected effect of the new health changes on the services of bodies such as family planning clinics and the Aboriginal medical services? Will the provision of these services continue to be funded by the Commonwealth and to what extent will they be funded? If not, is it a fact that the States will be expected to impose additional charges to maintain the provision of these services to the underprivileged section of the community and, in the case of family planning, to the community at large?

Senator PETER BAUME—My understanding is that the Community Health Program, along with the School Dental Scheme, is to be included in the arrangements announced last week. The Aboriginal medical services which are funded through grants-in-aid are supplemented in some cases by health program grants from the Department of Health. If I understand the honourable senator's question correctly, her interest in family planning is in relation to the health program grants which it attracts. To the best of my understanding, the health program grants will continue; they were not included in the new arrangements which were announced last week. So those organisations which qualify for salary support through health program grants will continue so to qualify.

SUPERVISING SCIENTIST

Senator MULVIHILL—My question is directed to the Leader of the Government in the Senate and flows on from the question asked by Senator Mason about the divestment of Federal responsibilities in the Northern Territory. Can the Minister give an unequivocal assurance that the current operations and funding of the Supervising Scientist will remain unimpaired and subject only to Federal Cabinet control?

Senator CARRICK—The position of Supervising Scientist was set up under Commonwealth statute. It is not proposed to alter that statute. He will remain under Commonwealth control.

FUNDING OF WOMEN'S REFUGES

Senator PRIMMER—My question is directed to the Minister representing the Minister for Health. What will be the effect on the funding of women's refuges now that responsibility for the Community Health Program will go to the States? Will these refuges now be a Commonwealth or

State responsibility? If the latter is the case, will the Commonwealth continue to issue guidelines?

Senator PETER BAUME—All I can do is answer the question by applying the general principles announced last week. My understanding of the situation concerning women's refuges is that many of them are funded under the Community Health Program. Therefore, they will be part of the absorption announced last week. I will obtain a detailed answer for the honourable senator.

REPATRIATION PENSIONS

Senator TATE—My question is directed to the Minister for Veterans' Affairs. I preface my question by saying that his presence in the chamber was sorely missed last week. Is it a fact that the maintenance deductions available to veterans suffering serious service-related mental illness will be abolished as a result of the razor gang's report? What was the rationale for the original introduction of this deduction? How many veterans will be affected by this decision? What savings will accrue to the national Government as a result of the abolition of the availability of maintenance deductions to those veterans suffering serious service-related mental illness?

Senator MESSNER—This is a quite complicated matter. I am not sure whether Senator Tate understands the impact of the decision on the recommendations of the Review of Commonwealth Functions announced last week. The effect of the decision taken last week was to abolish the practice of the Government of deducting from pensions of veterans amounts for maintenance in veterans' organisations, hospitals, institutions and so on and, consequently, to make a later proposal whereby the control of the total pensions of veterans would be handed over to the States. That in effect would not result in any savings as far as the Commonwealth is concerned. I think Senator Tate would be better served if I gave him a letter to this effect, setting out exactly the impact of the decision.

PASSENGER FARES: 'EMPEROR OF AUSTRALIA'

Senator HEARN—My question is directed to the Minister representing the Minister for Transport. Tasmanian pensioners are greatly disadvantaged when visiting friends and relations in other States. Although a 50 per cent discount is available on their passenger fares on the *Empress of Australia*, it does not apply to their vehicles. In view of the cost of travel from Tasmania, will the Minister consider allowing a 50 per cent discount on pensioners' vehicles on the *Empress of Australia*?

Senator MESSNER—As I have no information on the matter I will need to refer it to the Minister, and I will do that for Senator Hearn.

REPATRIATION PENSIONS

Senator BISHOP—My question to the Minister for Veterans' Affairs refers to the recommendation in the Review of Commonwealth Functions paper as mentioned in the question asked earlier by my colleague Senator Tate. In particular, I would like to know what is going to happen about the provisions in section 49 of the Repatriation Act, bearing in mind the recommendations in the Toose report. The Minister will recall, because I have drawn his attention to this, that over recent months organisations and their members have complained about the residue of funds in respect of ex-servicemen whose money has been placed in trust under the provisions of section 49 because of their mental condition, and the suggestion that there should be some alteration to take account of those who have helped these ex-servicemen. I ask the Minister: To what extent is that section of the Act to be altered? The report states that the States will be handed the function of controlling the pensions. Will the States have control of the pensions in the same way as the Repatriation Commission at present has responsibility under section 49, or does the Minister have some other recommendations in respect of those matters?

Senator MESSNER—The last point which Senator Bishop made is the correct one. The Government still has that matter under consideration.

FRASER GOVERNMENT: NATIONAL RESPONSIBILITIES

Discussion of Matter of Public Importance

The **PRESIDENT**—I have received a letter from **Senator Evans** proposing that a definite matter of public importance be submitted to the Senate for discussion, namely:

The abdication of national responsibilities by the Commonwealth Government.

I call upon those senators who approve of the proposed discussion to rise in their places.

More than the number of senators required by sessional order having risen in their places

Senator EVANS (Victoria) (4.7)—Even if we ignore the grubby street fight between Mr Fraser and Mr Peacock last week, the events of the last seven days have undoubtedly been among the most important and eventful in our nation's political history, certainly the history of the last decade or more. In the health statements, in the razor

gang report and in the Premiers Conference developments yesterday we have seen signalled a wholly new direction in which the Fraser Government is trying to force this nation. It is important to understand the nature and importance of those developments and what is wrong with that new direction. The purpose of bringing forward this matter of public importance today is to pull together some of those general underlying themes and to advance some more general underlying considerations to justify the stance that will be taken on every occasion that presents itself in this Parliament, not just this week, not just this month but indeed for the lifetime of this Parliament as we question, debate and argue about the changes that the Government has brought down.

Let me state at the outset that the direction of the change that is involved in the recent developments to which I have referred is rather more important at this stage than the actual distance which has been travelled. The reality is that for all the huff and puff about expenditure savings, as a result in particular of the razor gang report, in fact those expenditure savings are, for the moment anyway, quite trivial. They represent a maximum, it appears, of around 1.7 per cent of the Government's total Budget outlays, and that is all. They are even more trivial when one looks at them as a proportion of the gross domestic product. They look to be, at a maximum, only around 0.4 per cent.

There is no question of anyone getting compensating tax gains as a result of the expenditure savings supposedly involved in the cuts in Government functions that have so far been announced. In fact, the contrary is the case to the extent that the Government proposes as part of its health package announcement last week to remove tax indexation from next year. Further, to the extent that the changes that have so far been made have had any direct financial implications at all for ordinary Australians, then they have been wholly negative implications in the sense that it is now clear that Australians will have to pay substantially more for their health care in the future than they have had to under the various earlier health schemes and in particular Medibank as initiated by a Labor government. And almost certainly, it appears that ordinary Australians will have to pay substantially more by way of State taxes which, despite the resistance which will undoubtedly come from the State Premiers, will have to be imposed if the Commonwealth Government persists with the attitude which was manifestly demonstrated at the Premiers Conference yesterday.

What is important is the ideological or philosophical direction which is evident in the health announcement, the razor gang's statement and the Premiers Conference negotiation—if that is the right word—which was conducted yesterday. That ideological or philosophical direction is important in itself and for what it clearly foreshadows and presages about what is to come so far as further abdications of Commonwealth responsibility are concerned. It cannot be denied or doubted that buried away within the text of those 350 decisions of the razor gang's report are a very large number of potential further declines in Commonwealth expenditure and Commonwealth commitment being signalled.

Let me give just one example of that in my own area of responsibility—the Commonwealth Legal Aid Commission. In itself a relatively trivial saving was won by the Commission's demise; only around \$700,000 per annum as compared with the \$26m plus which the Commonwealth presently devotes to legal aid. But the whole point of the existence of the Commonwealth Legal Aid Commission was to advise the Commonwealth as to how its legal aid funding moneys could best, most sensibly, most efficiently, most rationally and most justly be directed to recipient States and to recipient community legal aid centres. The abandonment of the Commonwealth Legal Aid Commission—certainly, the legal community and the legal aid community are in no doubt whatsoever that that is what it is all about—clearly signals the ultimate winding back and probable ultimate abandonment of the Commonwealth's commitment to legal aid. Significant further changes are signalled by what has happened in the last week, but as I said, let us focus for the moment on the implications of those changes just at their face value as they stand at the moment.

What is the nature of the directions which are marked out by these recent events? I suggest that three elements in the ideological approach or motivation of the Government are clearly emerging from what has gone on. In the first place there is the abdication by the Commonwealth of a number of functions, handing them back to the States. The central theme here has been part of Government rhetoric for a long time, but now that rhetoric, it appears, is starting to bear some fruit. Actual functions are being identified as inappropriate for the Commonwealth to continue to exercise. Actual functions are being cut off from Commonwealth funding largesse. Actual functions are being identified as appropriate for takeover by the States whether they want to, whether they will perform them well, whether

they will perform them at all or whether they will perform them responsibly.

There is a handful of examples which I can give to make the point very simply. No doubt, Senator Ryan and other honourable senators who will follow in further debates this week will discuss in detail many more.

In regard to Aboriginal affairs, one classic example is the abdication of Commonwealth authority over sacred sites in the Northern Territory and the return of that supervision to the Northern Territory Government, which can be likened only to giving a can of petrol to a pyromaniac so far as that sensitive area of government administration in the public interest is concerned. In regard to education, we see the abandonment of Commonwealth support for 30 single-purpose colleges of advanced education, abandonment of Commonwealth support for a number of specific degree courses and functions which are exercised in other such institutions—for example, engineering at Bendigo—and the abandonment, in favour of the States, of the overseas students training program.

In the environmental field, we see the unbelievable decision to give the supervision of nuclear safeguards back to Sir Charles Court and to the rest of that team of Strangeloves from the States who seem so far to have demonstrated a rather less than spectacular degree of sensitivity to the question of nuclear safety and to nuclear safeguards. In the area of transport, we see the transfer back of the Australian National Railways staff to State authorities in South Australia. In the area of national development, we see the manifestly lunatic decision to wind down the soil conservation program or at least the demand that it be picked up by the States if it is to be maintained at all. Of course overriding everything else we have the extraordinary new changes that have been made to the health scheme, involving as they do a massive new set of fiscal and financial responsibilities for the States, insofar as hospital funding is concerned. That again will be the subject of much more detailed debate in other contexts. Thus, there is to be a whole set of changes. I have quoted just some examples from a long list of proposed actions involving the abdication by the Commonwealth to the States of functions which it has come to assume over the years—in some cases over many years.

The second element in this package is the abdication by the Commonwealth of a number of functions specifically in favour of the private sector. Two sorts of things are going on here. First, there is the abdication to the private sector of the

functions performed by particular commercial bodies as a whole. Secondly, there is the winding down of functions presently performed by Commonwealth salaried officers in favour of private individuals and contractors, operating on a fee for service basis. So far as the former category is concerned, we have again what is becoming a familiar list. We have the leasing to the private sector of the Australian Government Publishing Service bookshops, of which there are many scattered around the country. The Australian Wool Testing Authority is to be sold to private enterprise, notwithstanding that two or three similar attempts to do that in the past have broken down in a shambles, with resulting financial disability to the industry. There is the proposed selling of the Ordnance Factory at Bendigo, or what is left of it after significant functions are transferred, as is foreshadowed, to the Maribyrnong factory. Also to be sold off is the Australian Government Clothing Factory, which has been a going concern for many decades. In fact, it was the subject of strenuously fought High Court litigation in the 1930s, litigation in which the Commonwealth fought tooth and nail to keep that factory alive in the face of private sector attempts to have its continued existence declared unconstitutional.

In the employment area, we have the Templine scheme sacrificed on the altar of the greed of private employment agencies which found themselves in unhappy competition with it. The Housing Loans Insurance Corporation is to be sold off. The airport terminals are to be sold off, presumably for no other reason, and with no other justification, than to enable the airlines to buy them and use their occupancy as an additional piece of weaponry with which to fight off the possible intrusion of further competitors into their business. Within the Australian Capital Territory, the Belconnen Mall and a number of other enterprises are to be sold.

In respect of that long list—and there are many others mentioned in the report—there seems to be no coherent rationale underlying the Government's plans. Some of those operations are trading profitably. Others are not trading so profitably. Some have long been established. Others have been established much more recently. The only criterion that the Commonwealth seems to have had in mind was: 'These are the sorts of things that we can get rid of without presumably a great deal of fuss being generated'—although it badly miscalculated in some instances, not the least that of the Bendigo enterprise. The Government apparently said: 'This is the sort of action that will advance the symbolism, the imagery, that we are

trying to promote about having smaller government. Let us do it whether there is rational justification for it or not'.

One has here, so far as the selling off of these sorts of enterprises is concerned, not necessarily an ideological question. It is rather a question in each case whether the Commonwealth, through its agencies in some instances and directly in others, can perform the commercial function in question better, more efficiently, more socially responsibly, than can its possible private sector competitors. It is a question of asking whether, in all the circumstances, the private sector can be expected to pick up the function without loss of any public interest concerned, either from the point of view of the workers in that industry of the community as a whole, or of the environment that may be offended by its actions. If the private sector can perform the function in question satisfactorily, measured against a whole series of touchstones, there may indeed be justification in particular cases for selling off those enterprises. But I simply make the point that there is no coherent, systematic or argued basis underlying any of these apparent decisions on ideological rather than commercial grounds to sell off particular activities in this way.

The other side of the devolution to private sector coin is of course the business of giving to private individuals and contractors jobs to do which are presently performed by salaried Commonwealth public servants. Lawyers, architects, surveyors and accountants are among the numerous classes of beneficiaries of this potential razor gang largesse. I will have a fair bit more to say tomorrow about the role of lawyers, in particular, as the beneficiaries of razor gang largesse when this matter is debated in another context; I will leave that aspect until then.

The last aspect of the direction that has been set out by the Commonwealth Government in its actions over the last week that needs to be identified is the winding down of a whole series of Commonwealth functions even where those functions are in outline being retained. There is an attempt, in a number of identified areas, to strip back the degree of effective regulatory or other action of the Commonwealth; it is an attempt to spend less money on the function in question. This is being done in two basic ways. In the first place some across-the-board financial measures are being adopted. I refer to the sacrifice, for a start, of a number of capital works projects, particularly in the Australian Capital Territory, the across-the-board 3 per cent real reduction in administrative costs which is somehow to be achieved by all Government departments and

authorities, and again the 2 per cent further reduction in staff ceilings which also has to be achieved on an across-the-board basis. The implications of all this for efficiency in government and effective government are absolutely horrendous as was demonstrated in microcosm by the Auditor-General's report in March this year when he identified systematically a whole variety of ways in which the Government was actually on the one hand losing revenue and on the other hand performing services much more inefficiently and ineffectively by virtue of the staff cuts that were already biting in the Public Service. How much worse will this be in the light of these further across-the-board cuts?

Beyond the across-the-board cutting activity, we have also seen the phenomenon of a winding back of government regulatory activity in a variety of significant areas. Rent control has been abolished in the Australian Capital Territory. Architects and real estate agents, among others, are now regulating themselves; it is not being done through government authorities. The Trade Practices Commission is to have a massive wind-back in its activities resulting in reduced adjudication work, reduced education functions, reduced safety and information standards, reduced monitoring and so on. The functions of the Office of Road Safety in the Department of Transport are to be wound down. Under the Treasury aegis, the offices of the insurance and life insurance commissioners are to be reviewed, we are told, with a view to reducing government supervision.

Why do we say that this sort of activity has gone wrong? Why do we say that this is an abdication, in all the ways I have mentioned, of Commonwealth responsibility? Why do we say that it is not in the interests of the Australian people for there to be lesser government of this kind in the way that the Government claims on the contrary that it is? I can give two reasons at least. In the first place, it does not follow that less government is better government. Government's getting off the backs of people often means only that someone else climbs on. It does not happen very often, of course, to the rich and privileged and the economically powerful people in the community, but it does happen to many ordinary Australians. Of course we should aim all the time for more efficient and more effective government. We should trim off flab and fat if it can be shown sensibly and rationally to be there and to deserve attention. But just to mount the kind of ideological bandwagon that has been mounted in this instance without justification other than to resort to the slogan 'less government is better government' is nonsensical.

What do ordinary Australians think about having less government when it comes to consumer protection, less government when it comes to product safety control, less environmental protection, less road safety activity, less regulation of business malpractice, less effective companies and securities and stock market regulation and less information available in the way of employment statistics from the Commonwealth Employment Service and elsewhere about the extent of the problem of employment and regional variations? What do ordinary Australians think about less legal aid being provided for all the sorts of cases of ordinary Australians, both the less well off and the middle classes? I repeat: It is always proper to examine the context in which claims for spending are made, but we must always ask in each case what the justification for that expenditure is. If it is not justified by reference to any considerations I have mentioned, it ought to be retained.

The other justification advanced for the Government's action is the extraordinary notion—this runs through everything that the Government has done—that it is somehow intrinsically proper for a mass of functions presently being exercised by the Commonwealth to be transferred back to the States. But the notion that the States want those functions, the notion that, if they did, they could pay for them without resorting to additional taxes out of the pockets of Australians, and the notion that if they were given the responsibility for them they would in all cases exercise it responsibly and rationally, is in each case palpable nonsense. It ignores the experience of Australian history—indeed turns history on its head. It turns the clock back. The Government is behaving like a collection of constitutional Luddites.

In the couple of minutes I have left let me explain just exactly what I mean by that. The razor gang's statement and the other activities that have been associated with it over the last week are pervaded not only by crude hostility to the public sector generally but also by a nineteenth century federalist ideology which totally ignores our 80 years of development as a single nation. Whatever the literal language of the Constitution and the parochial obsessions of our founding fathers may have been, we are an integrated and interdependent national economy—not a collection of self-contained colonial fiefdoms. We buy as consumers in a national market. We have a rapidly mobile population capable of communicating instantaneously. We share common welfare, cultural and education needs. Our concerns with law reform and civil liberty are national in scope. Environmental depredation knows no State borders.

The truth of the matter is that Australians learned long ago that they cannot rely on the States alone for better education, for better cities, for better development and use of resources, for better social and health services, for better environmental control and for better and more just laws. They learned that in a whole series of fields of activity—not across the board completely—Commonwealth intervention is necessary. Retreat from that responsibility is constitutional Luddism of the most insensitive kind.

The DEPUTY PRESIDENT—Order! The honourable senator's time has expired.

(Quorum formed.)

Senator Dame MARGARET GUILFOYLE (Victoria—Minister for Finance) (4.29)— Senator Evans, in bringing forward this matter of public importance which he has styled 'the abdication of national responsibilities by the Commonwealth Government', has set the stage for a philosophical argument. He stressed in some of his comments the ideological and philosophical direction of the report of the committee which reviewed Commonwealth responsibilities. When he asked what is wrong with the direction we are taking he perhaps sets the stage for the sort of debate which will ensue from that report. We ought to contrast his remarks with those of the Leader of the Opposition (Mr Hayden) and note that Senator Evans has said that the direction is more important than the distance and that savings from the report are trivial. If we contrast those remarks with the somewhat hysterical remarks of the Leader of the Opposition last week and the shallowness with which he treated the report, we can see that we have two different opinions from members of the same political party.

I think it ought to be said at the beginning that it probably is a philosophical and ideological argument because it is about the direction that Australia will take in the 1980s. Senator Evans has recognised this in the comments he has made. When new documents are put down by government the Australian community wants more than just a series of personalised attacks interspersed with hysterical remarks such as those that were made by the Leader of the Opposition last week. It is fair to look at the significance of the direction because, as Senator Evans said, the direction is more important than the distance. In particular, in this report the direction is very important indeed.

The Prime Minister (Mr Malcolm Fraser) made it clear in his statement that Australians want, and have identified that they want, smaller government, lower taxation, less regulation of

business and less centralised control of the States from Canberra. We could perhaps spend the whole time talking about the centralised control of the States from Canberra because in this area we see a very clear ideological conflict between the two parties. If the Australian Labor Party thinks, as Senator Evans suggests, that this approach represents an abrogation of Commonwealth responsibilities, I would have to say that the Labor Party has completely lost touch with the Australian electorate. I think he has also lost touch with the system of government under which we live in the Commonwealth of Australia. I think, in the conclusion Senator Evans made with regard to Commonwealth and State governments, that he completely ignored, not the compact of federation, but the federal style of government under which we live and the role of State governments in many of the services that are given to the people of the States of Australia.

The Liberal Party of Australia believes that by pursuing these goals of smaller government and reduced taxation, economic growth will be promoted. The Australian community will be able to enjoy greater disposable income, have greater job opportunities as a result of the policies of this Government and it will be able better to carry out its essential responsibilities, including the protection of the needy in the community. The Prime Minister, in the statement made last week, quite clearly stated:

... small and limited government bears no relationship to a mean and ungenerous government. On the contrary, by strengthening the economy, limited government provides the foundation for generous social security arrangements.

It will be noted that in the statement, that area of government responsibility was largely untouched by the recommendations of the review committee. If we look at the matters raised by Senator Evans we see that in the ranks of the Australian Labor Party there is a need to develop their philosophy and platform for the 1980s. I think that those of us sitting in the Senate would recall that on a number of occasions Senator Button has spoken on many matters of philosophy. He has criticised the philosophy being expounded by the Government. This has been a somewhat negative approach perhaps because of the debates that have been conducted on these issues. I have always read Senator Button's comments and listened to him with interest as he is one of the more reflective members of the Opposition.

Senator Evans also is concerned with matters of philosophy. I am certainly aware of some of the things he has written about the philosophy of his party. I say, perhaps fairly lightly, that I admire the courage, if not the goals, of both of those

honourable senators. There must be no more difficult intellectual task than to attempt to make socialism relevant to the 1980s in Australia. Collectivist solutions have been tried in many countries. They have led to crushing burdens of taxation, inflation, unemployment and reduced economic growth. I think there is an implication underlying all the remarks made by Senator Evans today of 'Give us more socialism and give us more of the things that have failed' not only when his party was in government but also when this was reflected in comparable countries.

Socialists have a very great problem in dealing with the challenges of a complex and mixed economy such as the one we have in Australia. One of the problems Australian industry faced after the experience of the Whitlam years was a total lack of confidence in investment, development and planning for the growth that it knew could be undertaken in this country. One would have hoped that following this experience the Labor Party might have learnt its lesson. Sometimes, one would think that it is trying to pretend that it has. But from what Senator Evans has said today I think he has demonstrated that the suspicion with which Labor faces the private sector has continued unabated. Honourable senators heard the comments he made with regard to the private sector taking over the areas that could be undertaken only by government.

Senator Evans certainly grappled with the challenges of ownership and control by government, by the state. I know that in some of the things he has written for his own party policy philosophy he has said that nationalisation for a variety of reasons is not a serious policy option. He says that ownership by the state means nothing and solves nothing unless it is accompanied by a control arrangement. He has demonstrated that today too. One of his comments I think bears analysis. He said:

There are more ways of redistributing wealth and income and securing the necessary degree of Government intervention in the economy than by buying out (with rich compensation) the present bunch of predators.

I suppose that, if that is his philosophy, it is not new for him to suggest that only government is able to do the things that may have been stepped aside from in the review committee's report. The people who supply the vast proportion of jobs in this country will no doubt be delighted to know that the shadow Attorney-General refers to them as a 'bunch of predators'. Senator Evans goes on to say in that article from which I have quoted that, among other things, business can be controlled by, 'the extended exercise of regulatory powers and government procurement policies'.

That, I would argue, is the big difference between the philosophies of the Government and the Opposition. We can contrast this statement by Senator Evans with the approach of the Government expressed in the ministerial statement on the Review of Commonwealth Functions with which we are dealing. In that statement made last week the Government said:

Over the years there has evolved a great deal of legislation which involves regulation of industry . . . it is evident that much of the Government regulation of private sector activity is neither necessary nor effective and is certainly more costly than self regulation.

That is the argument that is put and that is part of the philosophy behind the review committee's report. One of the many virtues of the free enterprise system based on the market is that it decentralises influence and control over what is produced to the greatest extent possible. It gives consumers a greater say through their spending decisions than any other system. Through their decisions they have a dominant influence over the allocation of resources. We would argue that the more that government intervenes to change the impact of consumers' decisions through regulation and subsidies the more control over the economy passes from the many to the few. That is a philosophy embodying the Liberal democratic ideal. It is a philosophy that is put forward in the report and it is one—

Senator Walsh—What about the really big fish?

Senator Archer—Dry up.

Senator Walsh—I can understand why you don't like it. Nor does she.

Senator Dame MARGARET GUILFOYLE—The Opposition brought forward the argument from its side of the chamber. If the honourable senator does not want to argue it, we will take it out. We did not ask to argue the matter. There is a desire for regulation and control in the Opposition and this can be seen in the criticisms it has made of the transfer of some functions to State governments. We believe that State and local governments are closer to the recipients of many services and they are better placed to administer some of these programs. I think State governments of all political persuasions would argue the same thing, namely, that at State level a whole range of services has been developed and provided which they would wish to deal with through their own system of government. They are democratically elected governments too, despite what Senator Evans has said about the fact that there seemed to be some necessity for central control of almost every activity.

Senator Evans—I didn't say that.

Senator Dame MARGARET GUILFOYLE—

Senator Evans has argued that there is no justification for transfer to the States of some of the functions. In fact, he even said that we wanted to transfer back to the States. He argued that the States had once had these services, policies and provisions and that we had taken them from the States, some during the Whitlam years and some over the years. He thought it was not proper and that there was no justification for transferring these things back to the States. We would argue that there is every justification and that it is quite proper and philosophically sound to do so. The review undertaken by the Commonwealth Government over a number of months was aimed at streamlining the functions of the Commonwealth Government by eliminating waste, inefficiency and unnecessary duplication with the States and with private enterprise. Senator Evans mentioned a number of areas such as legal services, or whatever it might have been. Perhaps we will have an opportunity in the coming weeks to argue many of the areas of government which have been affected by this report. Largely it was aimed at reducing the burdens that government imposes on private enterprise through costly regulation and unnecessary demands for low priority information. It is based on the recognition that smaller but more efficient government is essential if Australians are to pay lower taxes, enjoy higher disposable incomes, have more employment opportunities and achieve reduced inflation. These things need to be tackled.

Senator Georges—That won't come about.

Senator Dame MARGARET GUILFOYLE—

I think Senator Georges would accept that in the last election the people of Australia identified that they wanted lower taxation in this country. Lower taxation will mean less government, more efficient government and streamlined government. The review has been based on the philosophy that it is not for government to try to do everything that individuals may be able to do for themselves or that private enterprise may be better able to do. Some of the changes proposed in the 350 decisions could be considered controversial by the Opposition. We would be prepared to argue them, but the vast proportion of them and the direction and philosophy of the report itself were welcomed by the Australian community. I believe that many of the individual decisions will be welcomed. They will lead to that lower level of government and that opportunity to reduce the cost to the Australian people of government itself.

The matters of health and education that were referred to by Senator Evans can be dealt with only briefly. Perhaps it ought to be said that over many months the Government undertook an extensive review of the arrangements for medical and hospital care. The changes flowing from that review were based upon the objectives to ensure that eligible pensioners and the disadvantaged members of our community have free access to high standard health care and to encourage members of the general community to accept greater personal responsibility for their health costs through the application of the user pays principle. That principle underlay some other decisions that were taken through the review committee's work.

One of the other things that it was hoped to do with regard to health was to remove inefficiencies and waste within the public hospital system. I think honourable senators will find that State governments will respond to the opportunity provided by the new arrangements to remove inefficiencies from their systems. Where there is, to a large extent, low occupancy of hospital beds, decisions will need to be taken by the State governments to reflect their responsibilities. I believe that as the health decisions are implemented in total, greater efficiency and reduced costs will evolve throughout the health system. The measures that were announced by the Minister for Health (Mr MacKellar) are designed to meet the objectives that I have mentioned. They represent a comprehensive and responsible policy to maintain existing high standards in health care while ensuring that providers and consumers are made more conscious of the costs to them of those services.

In the area of education, as in the area of health, the Commonwealth believes that the States have a primary responsibility for the administration and delivery of educational services. I do not think that the Labor Party would be prepared to argue with State governments that there is not that constitutional responsibility for the provision of educational services. Accordingly, it is proposed in the review report to reduce significantly some of the Commonwealth involvement that has crept in over the years. I think that is welcomed by the States. It has always been requested by them. The response has now been given. At the tertiary education level, the Government has been concerned at the proliferation of separate institutions. The Tertiary Education Commission reports have reflected this concern. The Government proposes immediate action to reverse this trend and to provide again for the more efficient use of resources and for better

expenditure of the funds of the Australian people. The Government will promote a major rationalisation and reallocation of resources in higher education arising from the recommendations of the Tertiary Education Commission.

Senator Evans mentioned the issue of lower taxes. On page 42 of the report it was stated that the decisions that were announced will contribute to the further pursuit by the Government of lower inflation, higher economic growth, lower taxes, better wages and less centralised government. That, in a nutshell, is the objective and the philosophical stance of the report. To suggest that we are able to find a means of cutting taxes in this country without looking at government programs and the cost of administration of government, is just unreal in the light of the growth in government that we have seen in recent years. The Treasurer (Mr Howard) has said that this year the Federal and State governments must take decisions on issues of basic importance to future financial relations within our federation and that the decisions we take will have long term significance. They must complement and not frustrate policies which have been so successfully pursued in recent years and which have provided such evident gains to the Australian economy. The national economic need at present is for a smaller public sector, not a greater one. I have not heard anyone outside this Parliament say that he or she wants Australia to have a greater public sector.

Senator Evans referred to the Australian Legal Aid Commission. I refer only briefly to the Press release made by the Attorney-General (Senator Durack) last week in which he said that the Government recognised the desirability of an independent Commonwealth body to keep legal aid under review at a national level. He went on to say:

A body was needed to perform functions such as providing the Government with advice, having research undertaken, collecting and analysing statistics and providing a clearing house of legal aid materials.

The Commission itself had already concluded that it should concentrate on priority functions such as these.

Senator Durack also said that the Government was conscious, however, of the heavy demands on the legal aid dollar and was accordingly concerned that administrative costs should be contained. He said that funds available for legal aid should, as far as possible, be applied in giving direct assistance to people who need legal aid rather than spending those dollars on administrative costs. That sounds like good sense to me and I think it would sound like good sense to the people of Australia. If there are dollars to be spent on

legal aid, let us see that they are spent on giving legal aid and not on administration which may or may not enhance the opportunities for people to have the service that is required in this important sector.

The Cabinet Review of Commonwealth Functions does not amount to a 'massive liquidation sale of national assets', which was the phrase used by the Leader of the Opposition last Friday. I do not know whether he read the report. I do not know whether he had the speech written in advance. His reference to a 'massive liquidation sale of national assets' makes us look again at what Senator Evans said. He was totally in discord with his own leader when he said that the savings are trivial and that the direction is more important than the distance. The Leader of the Opposition is talking about a massive liquidation sale of national assets and Senator Evans is talking about something that is trivial. I rather think they ought to get together and come to one conclusion with regard to the report.

This debate has made clear some of the fundamental differences between the Government and the Australian Labor Party. A failed philosophy of socialism which belongs to the past is not what we want in Australia for the future. I think the report put down by the Government last week is an important step in the journey towards a philosophy which will take Australia through the 1980s, give people enhanced prospects for their prosperity, enhance the development of the private sector and, at the same time, recognise the role of the State governments and the lack of need for a bigger and bigger Commonwealth government.

(Quorum formed).

Senator RYAN (Australian Capital Territory) (4.50)—I support the argument so ably advanced by my colleague, Senator Gareth Evans, in proposing for discussion the following matter of public importance:

The abdication of national responsibilities by the Commonwealth Government.

The Opposition persists in its view that there has been a serious abdication of responsibility by the Commonwealth Government—an abdication which cannot be justified in economic terms, in legal terms or in moral terms. Despite the attempted defence by the Minister for Finance, Senator Dame Margaret Guilfoyle, nothing which has been said by the Minister has in fact rebutted the essential core of Senator Evans's argument, which was not really an argument about the size of government. Government Ministers and Government spokespeople at this stage are absolutely obsessed—they are preoccupied—with the

rhetoric of small government. That is all they can say. Every time a Minister opens his or her mouth—be it Senator Dame Margaret Guilfoyle, who has just spoken or the Treasurer (Mr Howard) on *AM* this morning—all the Minister can say is 'small government'. We—the Federal Opposition, the Australian Labor Party—are not engaged in a debate about the size of the Government. The Government likes to say: 'Small equals good equals efficient, but the socialists want big and inefficient'. It is trying to set the terms of the debate which it sees it can win if the debate is conducted in those terms. But we will not have the terms of the debate about such a crucial matter as the structure of the Australian economy, the relationship between the public and private sectors, set in those small-minded, rhetorical, unjustified terms.

What we are about—and I am sorry that Senator Dame Margaret Guilfoyle is not here because she asked what the socialists were about and she expressed her concern that we would be unable to formulate a program for the 1980s—is not defining the size of government, but good government, responsible government, accountable government, efficient government. Those are the characteristics by which we judge this Government and, by each of those criteria, this Government has failed. By each of those criteria—the strategy of the Government displayed for us on several days last week—the Government has failed.

I should like to correct a wrong impression given by Senator Dame Margaret Guilfoyle of an alleged difference of view between our leader, Mr Bill Hayden, and Senator Evans. She claimed that the Leader of the Opposition, Bill Hayden, had made some sort of hysterical estimate of the cost of the cuts in the razor gang's report and that, to the contrary, Senator Evans had said that those costs were minimal. Senator Dame Margaret Guilfoyle has misled honourable senators and anyone who listened to that point. What Mr Hayden said was that the effect on certain individuals—the people who will be badly affected by these changes—will be very great and very discriminatory, but that the savings, as set out by the Government in its own documents, will be trivial. On that latter point he accords entirely with what Senator Evans has said. I read from the statement made by the Leader of the Opposition on 30 April 1981 in the House of Representatives. He said:

The Government says it will save \$560m in a full year. Do honourable members know what that is? At the most it is 0.4 per cent of gross domestic product. In 1980-81 public authorities spending was 38.8 per cent—nearly 39 per cent—of gross national product as against an average of about 36 per cent for

all public authorities between 1972 and 1975. That will bring the spending down to 38.4 per cent at the most. That will hardly put a dint in it.

Those words of Mr Hayden, which I have now reiterated for the benefit of the Senate, demonstrate that there is an absolute unity between our leader and all members of the parliamentary party on the matter of the financial effect, in macro terms, of the Government's strategies.

Senator Dame Margaret Guilfoyle in her remarks has reiterated the philosophy of small government, which of course we consider not to be the proper subject for debate. But, in doing so, she conveniently ignores the enormous division which exists between her and people of her Liberal philosophy and her National Country Party colleagues. She again trotted out all the clichés about small government, deregulating business, letting the private sector do what it can do best, and so on, paying no attention to the fact that the greatest call for government regulation, for subsidies, for protections, for tariffs, comes from her very own political ally, the National Country Party. There is gross disparity between what the small 'I' liberals like to expound in this place and what the Government, which is obviously guided and ruled by the National Country Party, actually does in fact. It is that gross disparity to which we wish to draw attention at this stage.

I turn now to the Premiers Conference held this week and the complaints by the Premiers that they are being asked to accept burdens which the Commonwealth Government is anxious to slough off. I must say that for once the Premiers' claim is justified. They are right to display, to expose for the benefit of the Australian public, the fact that the Fraser Government is engaged in a massive confidence trick. It is trying to confuse and manipulate the electorate with all this rhetoric of small government, with talk of dismantling bureaucracies, when it is taking no steps to reduce significantly the aggregate size of the public sector, which must include State bureaucracies as well as Commonwealth bureaucracies, and is merely redirecting and redistributing public expenditure, not reducing it in any way which is significant for the structure of the economy of this country. The Australian community will be deceived badly if it is persuaded to accept this Government's strategy as doing any of the following things: Reducing expenditure, improving efficiency, or improving services. With regard to services, I must say that there has been absolutely no consideration in any of the statements made by the Government in recent days about public interest, about what the public may expect by way of improved or reduced services because of these

changes. The effect on average families in this country has received not one iota of consideration by the Fraser Government.

The Commonwealth Government has national responsibilities. This is a constitutional fact. It cannot be argued against. What the argument is about now is: What is the extent of those national responsibilities? It seems to us that there has in fact been a consensus in Australia in recent decades or a bipartisan approach in regard to some very serious matters about what are the proper national responsibilities of the Commonwealth Government. It seems to me that there has been a consensus which covered the administrations of Labor and Liberal Prime Ministers in this country. There was no drastic departure from the Chifley Government's view of national responsibility in the governments of Sir Robert Menzies, Mr Gorton, Mr McMahon or Mr Whitlam. During all those decades, it was agreed within the Parliament and by the public that there were national responsibilities to ensure adequate standards of education, access to national health services, the defence of the country and the overall direction that the economy should take. All of those elements were accepted by the people during that time as being matters for which the national government had primary responsibility.

In the razor gang document and the other statements of the Government last week we have a radical departure from what had been accepted up to this point. In the razor gang document, we have, I believe, the most ideological statement that we have seen by a Prime Minister of this country since the Second World War. The statement is an ideological one and its significance is in that respect. I repeat what Senator Evans has said: The claimed figure of \$560m to be saved is trivial. As he has pointed out, that figure has not even been established. And how will we get that figure? Will we cost what it will cost the Government to transfer all those services? Will we count all the public investment which will be wasted by the selling off of public enterprises and so on? The Government is simply removing from itself to State bureaucracies the obligation to provide certain services. This will not reduce the public sector; it will not save money; it will not cause efficiency. It will cause only inefficiency and a reduction in the quality of services.

If the Government were intent on efficient, rational restructuring of the public sector and restructuring the relationship between the public and private sectors the Federal Opposition would support it. Senator Dame Margaret Guilfoyle has asked: What is the program of the Australian Labor Party for the 1980s? Obviously, I do not

have time to answer that question but there is adequate documentation in our official reports, platforms and so on to answer that question. We want to see an efficient public sector. We want to see a proper and rational distribution of responsibilities between the Federal and State governments. We were the ones who were the decentralisers and who tried to develop community organisations so as to enable them to take responsibility for their own affairs. Overall we are not centralists but we do see responsibilities for national governments. I notice that Senator Puplick is now in the chamber. He puts himself forward as some sort of philosopher for the Liberal Party. I will be very interested in how he answers the questions that I am about to ask and how he explains the contradiction between what his National Country Party colleagues constantly ask for and the kind of small business rhetoric that we have just heard from the Minister for Finance.

I will ask some questions that I believe cannot be answered in terms of rationality or efficiency; they can be answered only in terms of the fanatical ideology of the Prime Minister (Mr Malcolm Fraser). Why are we amalgamating 30 colleges of advanced education but retaining the Defence Force Academy? Why are we abandoning migrant translation services to the private sector but keeping multicultural television? I am sure that if honourable senators asked the ethnic communities throughout Australia what they needed most they would certainly put access to translation services ahead of this very dubious multicultural broadcasting organisation which can be viewed in only a few suburbs of Sydney and Melbourne. Why cut out the provision of basic health care but introduce new and complicated administrative procedures to accommodate the task of defining the disadvantaged? Why renege on our international obligations to monitor the development of uranium in this country when handing that responsibility to the States will require the States to develop new State bureaucracies to carry out those functions? Why reduce education opportunities and research—research has been slashed to almost nothing—but maintain tariffs and subsidies to prop up inefficient industries? What is the Liberal philosophy in answer to that question?

Why abolish the Australian Legal Aid Office, which serves such an important function, but maintain the Industrial Relations Bureau, which nobody except the Prime Minister wants? Why lease the Australian Government Publishing Service bookshops but maintain the Government Information Unit, a very costly propaganda outfit that nobody except the Government wants? The

Government bookshops are, in freedom of information terms, absolutely essential for the functioning of a democracy? Why maintain the Burdekin Dam scheme but abandon national environment protection programs? Why withdraw the commitment to the electrification of the Sydney-Melbourne railway but maintain publicly funded advertising to encourage citizens to use less petrol? I suppose people are expected to fly! Why abandon the proposed Museum of Australia but fund spurious nationalistic campaigns, such as Project Australia? Where is the cost saving in handing the management of migrant hostels to private enterprise? The migrants have no money. The Government will still have to foot the bill, which will be bigger because the private operators will want to profit from them.

Why take commercial activities from Telecom Australia if it will have to increase costs for the ordinary subscriber as a result and lose its capacity to subsidise rural services? We support that cross-subsidisation of rural services. We are not opposed to the rural sector. We realise that there has to be a cross-subsidy but it can come about only if Telecom has commercially profitable operations from which it can draw profits to cross-subsidise. None of these questions can be answered rationally. If we look at what has happened we will see that financial and administrative responsibilities have merely been shifted to the States, or given to the private sector, in a way that will be inflationary and exclude poorer citizens from access to those services.

The real cost of these changes, of this new ideological trend which we are having inflicted on us, is to be measured not only in terms of the financial cost of making the changes and the public investment wasted, the expertise and research that have been wasted, but also in terms of the fact that Australia, as a modern, united nation, will be fragmented. Nationally accepted goals and standards in a whole range of areas—education, health, research and so on—will be lost and ultimately Australians will pay more for poorer services. The question that remains to be asked—I very much doubt whether Senator Puplick will be able to answer it—is: If the Fraser Government is not prepared to accept its constitutional and moral responsibilities as a national government to run this nation in the interests of the Australian people, why is it in office?

(Quorum formed).

Senator PUPLICK (New South Wales) (5.7)—The last three general elections in this country were won convincingly by record majorities by the Liberal and National Country parties,

under the leadership of our Prime Minister (Mr Malcolm Fraser), and on each occasion the Australian electorate was clearly on notice about the ideological direction in which the coalition parties intended to take Australia in the 1980s and beyond. At each of those elections it was clearly spelt out that the coalition parties believe, and have believed, in the winding back of the role of the Federal government in those areas where services or responsibilities properly belonged either to the States or to the private sector and that the services of government could be provided more efficiently, more effectively and with greater return to the Australian taxpayer. Now that we have brought down a report in which a large number of these hard decisions have been made, in which a large number of the feather-bedded operations and soft options have been squeezed out, it is not surprising that the pips opposite are squeaking as loudly as they are at the moment.

Senator Ryan has come forward in this debate and, in response to the Minister for Finance, Senator Dame Margaret Guilfoyle, has said: 'Of course we have a program for the 1980s. Our program for the 1980s is well documented. It is in our platform; it is in our policies; it is in our various documents'. I will spend a few moments looking at precisely what this grand design, the alternative government's design, this Opposition design for the 1980s happens to be. I will compare that—a document which has been exposed to the Australian electorate and rejected overwhelmingly on the last three occasions—with the statements which the coalition parties have made clearly and publicly and have had endorsed three times by the acid test of democratic governments, which is fair and free parliamentary elections. I come to the first part of the Labor Party's grand design for the 1980s and beyond. Labor's platform states:

The Australian Labor Party's objective is to achieve: the Democratic socialisation of industry, production, distribution and exchange—to the extent necessary to eliminate exploitation and other anti-social features in those fields—in accordance with the principles of action, methods and progressive reforms set out in this Platform.

One does not now hear Senator Evans being particularly vocal on this matter because he is in the process of trying to find some way to rewrite that objective so as to disguise, for the next Federal Conference and election, precisely what is and continues to be the Labor Party's objective for the 1980s and beyond. We will see how successful Senator Evans is in this rewrite and whether he can eventually get the numbers to enable him to oppose Mr Uren or whoever it happens to be that he will have to brawl with at the next Federal Conference of the Labor Party. We might as well

find out some of the specific ways in which this glorious socialist utopia is to be achieved. For instance, it is to be achieved, as the platform says, 'by enhancing the equity of the tax system, by taxing large accumulations of personal capital above a floor which is to be reviewed regularly'. Under a Labor government which on its own is unable to sort out the economy we are to have an economic planning advisory council—a bureaucracy to assist a Labor government in fouling up the economy. The record of past Labor administrations has indicated that a body of external experts should be called in to help Labor with its own degree of competence in fouling up the economy. Just for the benefit of Senator Evans and indeed the distinguished honourable senators who sit opposite, I point out that this will be achieved by changing the balance of power within the Parliament to ensure that the Senate has no power to reject, defer or otherwise block money Bills and to provide that the Senate may delay for up to six months but not reject any other proposed Bill. Just so that Labor in government can have the opportunity of fiddling in the affairs of other people it will 'reform the State upper houses and ultimately abolish them'. I am sure the fact that the Australian Labor Party is essentially advocating a system of government that applies in Queensland at the moment would come as a great surprise to a large number of people.

Senator Ryan said: 'Here we are, a marvellous party. We are not a centralist party'. Heavens above! Senator Ryan said: 'We are the party that decentralises. We are the party that decentralised administration'. I suppose she means through their late and unlamented Department of Urban and Regional Development. The Labor Party is so decentralised that the number of seats it holds in the House of Representatives for Queensland, Western Australia, the Northern Territory and Tasmania can probably be counted on the fingers of one hand. Senator Ryan said: 'We are a party which is not anti-rural'. We can count on the fingers of the other hand the number of genuinely rural seats that the party opposite holds.

Here it is, the grand master plan of the Labor Party which provides: 'We will achieve what we want to achieve for Australia and impose upon the people, upon the States and upon the private sector in Australia our vision for the future by an expansion of the role of the Federal Government, by an expansion of the role of the Federal bureaucracy and by an expansion of the public sector'. This has been Labor Party policy for a considerable period. It has been clearly exposed to the Australian electorate. By contrast, over the last three Federal elections, the Liberal Party

platform—a platform adopted in 1974 and not amended—has clearly indicated—

Senator Ryan—You didn't have one before then.

Senator PUPLICK—Again Senator Ryan's monumental ignorance is an example to us all. This applies to some of the other charges she has made because the Liberal Party's first official platform was published in 1949. But one should not let a mere historical fact stand in the way of Senator Ryan's rhetoric. The Liberal Party since 1974 has had its policy clearly indicated in its platform under the heading 'Federalism—the Responsible Exercise of Power'. Our policy states:

To develop to the full extent the Australian Nation and to maintain the Federal system against its fragmentation or centralisation, the Liberal Party affirms three main principles governing the exercise of political power in the Federation—

The distribution of power and responsibility between Commonwealth and State Governments and local authorities to ensure the maximum participation of the individual citizen in the decision-making processes and as an essential safeguard against authoritarianism.

The clear and contemporary delineation of powers as between Commonwealth and State Parliaments with safeguards to ensure that State Parliaments have adequate and assured sources of revenue over which they have full responsibility.

A spirit of co-operation between Commonwealth, State and local authorities, particularly in areas where Commonwealth or State Governments have essential but different obligations.

We have made those principles clear all along. There has been no seeking to hide those aims. There has been no doubt since the 1974 platform was adopted by the Liberal Party that it was our intention to wind back the excesses that had occurred not only in the period between 1972 and 1975 but also the excesses that had taken place in a number of areas under previous coalition governments which many people in the coalition parties objected to at the time and which we have now got around to rectifying and to restating in terms of their proper distribution of relationships between the Commonwealth and the States.

Senator Evans—Menzies was wrong about education, was he?

Senator PUPLICK—I happen to believe that Sir Robert Menzies was wrong on a number of things. I have never disguised that fact. The fact is that we on this side are prepared to admit our past mistakes whereas honourable senators on the opposite side are prepared simply to be saddled with the excesses of their past mistakes and to turn them into some sort of altar at which they all bend the knee to the name of the great Whitlam Government and the Department of Urban and Regional Development. All of the hideous excesses that took place during that period are an

indication of the extent to which, like the Bourbons, honourable senators opposite having failed to learn from their mistakes. Their party continues to be unfit to play any role in the government of the Commonwealth of Australia. We have clearly indicated in terms of continuing our clear national responsibility that in winding back functions which properly belong to the States, in restoring functions which ought to be transferred to private enterprise, there are areas which we as a Commonwealth Government still take as our particular responsibility to ensure that no damage is done to them.

Under the new health system there is specific protection for those who are disadvantaged and for those who are pensioners. Under the whole of the social security system that protection is still provided by this Government. The whole business of first degree courses at universities without fees is protected. There is adequate money for the States. There is continuing support for sports and the arts. As to this furphy of Senator Evans about the control of sacred sites being sent back to the Northern Territory, in fact administratively it has been with the Northern Territory Government for some time. The only change that is proposed is that the funding will go direct to the Northern Territory Government instead of going through the Department of Aboriginal Affairs so that the administrative and financial practices turn out to be the same and that is still protected under Federal legislation. We have a better record in the field of human rights than the Labor Party has ever had. We have a better record in terms of environment protection than the Whitlam Government, which after all was the Government that wanted to export all of those mineral sands from Fraser Island. We have proper protection with our nuclear safeguards policies as Senator Carrick explained at Question Time today.

I will refer to the three great areas of clear national responsibility. One is national development which is at a peak under this Government and will continue to develop under the policies of this Government. Another is our control over the national economy with a record in terms of economic management which is considerably better than the Labor Party has ever managed to achieve. We have proper controls over the rate of inflation and over taxation levels. We have record numbers of people in full time employment. We have proper controls kept over matters such as export prices and uranium development. In another area we have a record in the field of national defence—the primary responsibility of any national government—which stands in comparison with the record of any government in the

history of the Australian Commonwealth. We have seen quite clearly that the people of Australia have had a chance to judge between a record that they saw exposed between 1972 and 1975 and a set of alternative, clear, philosophical policies presented to them in 1974, 1975, 1977 and in 1980. The people of Australia have chosen to take a course of action which indicates just how fallacious the arguments put forward by the Labor Party are on this occasion. Consequently, I move:

That the business of the day be called on.

Question resolved in the affirmative.

PRESENTATION OF PAPERS

Senator PETER BAUME (New South Wales—Minister for Aboriginal Affairs)—Papers are tabled in accordance with the list circulated to honourable senators. With the concurrence of the Senate, I ask that the list be incorporated in *Hansard*.

Leave granted.

The document read as follows—

1. Aboriginal Loans Commission—Annual Report 1979-80—Pursuant to Section 36 of the Aboriginal Loans Commission Act 1974.
2. Review of Commonwealth Functions—Ministerial Statement by the Prime Minister.
3. Australian Wheat Board—Corrigenda to Annual Report for 1979.
4. Government Review of Aspects of the Broadcasting and Television Act 1942-80—Text of a statement by the Minister for Communications.

GOVERNMENT REVIEW OF ASPECTS OF THE BROADCASTING AND TELEVISION ACT 1942-80

Ministerial Statement

Senator BUTTON (Victoria—Leader of the Opposition) (5.21)—by leave—I move:

That the Senate take note of the paper.

I want to make a number of observations in some detail about this statement on broadcasting which was brought down in the House of Representatives on 9 April. I want to deal with the issues on a *seriatim* basis but first of all I want to make some general observations about broadcasting in Australia today. Media ownership and monopoly is an active issue in Australia today set against, in a sense, a number of background factors which I want to refer to in more detail in a moment. I think the first thing to be said about the foreshadowed legislation on broadcasting is that there is no apparent reason for its introduction which has been explained with any clarity to the Parliament. I think it was Myles Wright, the former Chairman of the Australian Broadcasting

Control Board who, in a comment on the statement by the Minister for Communications (Mr Sinclair), had this to say:

I think first of all, I'd worry about the haste with which this is being done. The history of broadcasting legislation in Australia shows that whenever amendments have been introduced in haste they have been wrong and they have had to be corrected again later, and there's no reason for the haste that I can see—except a sinister one. And secondly, I am very concerned that any watering down of ownership and control provisions of the Act, which have been a corner-stone of Government policy for thirty years or more.

I make the general observation that the legislation in relation to media ownership and cross-ownership of media in Australia is weak legislation in any event without any changes which have been foreshadowed by the Minister for Communications, Mr Sinclair, being made by the present Government. I just say briefly that the view which I take about media ownership, cross-ownership of the media with other enterprises as well as media enterprises, is that the legislation as it now exists is not very satisfactory. Such legislation as we have in relation to these matters has been introduced by Liberal governments in the past. Let me deal with the rhetoric in relation to media ownership as it is and the relevant statements which have been made about these matters which I think concern members of both major parties in the national Parliament. I refer to the platform of the Liberal Party of Australia which states:

We believe that in the interests of objective reporting of news the widest possible spread of ownership of the media is desirable.

That is stated in the Liberal Party platform. Secondly, the Prime Minister (Mr Malcolm Fraser) said on 5 December 1980:

Liberalism believes that society is healthier . . . when responsibility, enterprise and power are spread widely throughout the community rather than concentrated in one or a few places. That is the ideal to be aimed at and any deviation from it requires special justification.

There has been no special justification for the statement made by the Minister in the House of Representatives and which has been brought down here today for changes to the essential ownership and control provisions of the broadcasting and television legislation. There has been no special justification, and we would be fools if we did not recognise the factual, real justification for these changes. I can document that in a moment. The factual and real justification of these changes is to help the Murdoch News Corporation in its attempts to gain control of an additional television channel in Melbourne. I will say at a later stage what the ramifications of that are and I will give the particulars in relation to that matter. The views of the Liberal Party and the views of the

Prime Minister express concern about concentrations of power. There can be no worse concentration of power in a modern society than a concentration of power in the media. It is what the Liberal Party and the Prime Minister said about this in the past which makes this exercise by the Minister for Communications a very cynical political exercise. I ask honourable senators to look at the views of others who understand the dynamics of a society such as ours and who have expressed views about it. There have been many letters in the newspaper about these issues from people such as Professor Julius Stone. But let us look at what Mr Murdoch himself had to say about these issues when he was interviewed about these matters of social policy in 1977. He said:

I think it would be a pity if I grew any bigger in Australia. There are now basically three groups in Australia and that's too few already. If I were to grow bigger and take over one of the other groups—or to be taken over—that would be against the public interest. I'd like there to be six groups. The fewer there are the worse it is.

I agree with Mr Murdoch about that as a matter of social policy. We should be mindful that this legislation of the Minister for Communications is specifically designed in several respects to assist Mr Murdoch to grow bigger and to make for greater concentration of media ownership in Australia, contrary to the platform of the Liberal Party and contrary to the expressed philosophical views of the Prime Minister. Mr Murdoch, in the same interview, went on to say:

I have grave doubts about whether a shipping company should own a newspaper. I don't think that a newspaper should own outside interests. Owning something else leads to suspicion of our motives.

I agree with that. He went on to say:

We—

That is News Ltd—

have some mining leases outside Perth, for instance, which have become valuable. We are in the process of selling them. By owning something outside journalism, you lay yourself open for attack. And newspapers should be above that.

I agree with that as a statement of philosophy of the role of the media and the ownership of the media in a democratic society. I agree with the view expressed in the Liberal Party platform and I agree with the only rational interpretation which can be placed on the Prime Minister's speech about the dangers of a concentration of power in a society. Let me refer to the legislation. I have already said that in Australia we have the highest concentration of media ownership in few hands than in any country in the Western world. The Republic of Ireland was once an exception, but it is no longer so. And who wants to be compared with the Republic of Ireland on an issue such as the democratic structure of society? Mr Sinclair,

in bringing down his statement a couple of weeks ago, said:

There is no truth whatsoever in these amendments being related to any particular application.

But when he was asked in December 1980, at Question Time in the House of Representatives, why he saw the need to rush into making amendments to the broadcasting and television legislation, he said:

There are a couple of instances of recent times which have caused the Government to consider the Broadcasting and Television Act. One is the decision by the Australian Broadcasting Tribunal with respect to Channel 10 in Melbourne.

That was in contrast to his denial of a couple of weeks ago. Then, in an interview with the journal *Australian Business* on 29 January 1981 the Minister for Communications said that the reason for giving priority to the ATV decision of the Australian Broadcasting Tribunal and the review of the Broadcasting and Television Act was:

... that there is an appeal under way before the Administrative Appeals Tribunal. If there are to be changes it would be totally inequitable for the Administrative Appeals Tribunal not to know the law as it will operate at the time that it hears the case.

I want to come back to that statement but, for the benefit of honourable senators who are not aware of the facts, let me state them quite baldly.

Some 15 months ago, the Murdoch group of companies, which was then the owner of television stations in Queensland and South Australia, sought, after obtaining ownership of Channel 10 in Sydney, to obtain ownership of Channel 0, as it then was—later Channel 10—in Melbourne. An application to that end was made to the Australian Broadcasting Tribunal. As a result of preliminary skirmishes before that Tribunal the matter went to the High Court on an appeal by Mr Murdoch. The Broadcasting Tribunal was subsequently instructed by the High Court, if I may summarise what it said, to behave itself; to perform its functions in a proper quasi-judicial way; and to reconsider the matter and follow the views of the High Court as expressed in Hardiman's case. The Broadcasting Tribunal did so and refused the Murdoch group of companies the licence of Channel 10 in Melbourne. The Tribunal's decision was expressed in terms of what it saw in the public interest—that it was against the public interest for ownership of the channel to go to a group which was, firstly, already in possession of the ownership of a major television channel in New South Wales because it would give that group an undue influence in regard to the networking arrangements of the Channel 10 network throughout Australia. The Tribunal also referred, as a matter of course, to the concentration of media ownership in Australia generally and to the

fact that the Murdoch group owned newspapers and other broadcasting interests which amounted to an important conglomeration of power.

Thus, at the time of the last election, the situation was simply this: News Corporation, the Murdoch companies, had applied for ownership of the licence for Channel 10 in Melbourne. The High Court had rejected an earlier appeal and had said that the matter should be dealt with by the Broadcasting Tribunal, having regard to public interest criteria. The Tribunal had dealt with the matter and decided that, for the reasons which I have given, it was not in the public interest for the Murdoch group to have control of the Channel 10 licence in Melbourne.

That decision having been reached by the Broadcasting Tribunal, at the time of the last Federal election something nasty happened on the way to the election forum. Whatever it was, all I can say is that, after the election, the new Minister for Communications suddenly became possessed of an urgent desire to change the ownership and control provisions of the broadcasting legislation which had been established by the Menzies Government and strengthened by subsequent Liberal governments in order to prevent greater concentrations of power in respect of the ownership of television and radio stations in Australia. It was legislation which had been strengthened and changed by those governments over many years in order to prevent the sort of thing that was happening in relation to Channel 10 in Melbourne. The whole legacy of Liberal Party rhetoric, platform and tradition on this subject was to be thrown out the window and, as Myles Wright put it, legislation was to be introduced in haste for what he suspected were sinister reasons.

I wish to touch on the essential amendments to the proposal as indicated in the Minister's statement. I ask honourable senators who are interested in this topic to bear in mind the general bipartisan approach that for a long time has been made to the concentration of media ownership. Such concentration has generally been recognised on a bipartisan basis as socially undesirable. The existing law is law of Liberal governments—law that has been strengthened by its successors. If what the Minister has expressed in his statement is to be carried out by this Parliament, that body of legislation is to be broken down. I refer again particularly to some of the issues of cross-ownership and so on involved.

Before going into the details, I remind the Senate of what past Liberal Ministers have said about the importance of such legislation. In 1956, when the legislation was first introduced the

Postmaster-General, the Honourable Charles Davidson, said:

Ownership of commercial television stations should be in as many hands as practicable and it should not be possible for any one organisation to obtain control of any substantial number of stations.

On 12 May 1960, the same Minister said:

These provisions are enacted to express this Government's policy that this very important channel of communications should not fall into the hands of too few.

On the same date, he said:

The area of mass communications is one in which the Government has consistently taken the stance that there should not be an undue aggregation of power in the hands of any few.

I repeat that he said that his Government had consistently taken the stance that there should not be an undue aggregation of power in the hands of any few persons.

If one moves forward from the time of the Liberal Party governments of Sir Robert Menzies and Mr Harold Holt to 1977, one sees a bold and interesting step forward taken in relation to broadcasting legislation under the aegis of the then Minister, Mr Eric Robinson. The Minister commissioned the so-called Green report on broadcasting in Australia and a number of changes thereafter made to the broadcasting and television legislation transferred the control of licences for broadcasting channels from the hands of Ministers of this Parliament to the hands of an independent tribunal which would hear applications for the granting or renewal of such licences, and would hear those members of the public who wanted to object to such grant or renewal. I remind honourable senators, particularly those on the Government side of the chamber, of the sort of thing that Mr Eric Robinson was saying on behalf of the Government in 1977. On 13 October of that year he talked about getting the licensing power away from the Minister and said:

Regulatory functions in the broadcasting area should rest with autonomous statutory authorities rather than with the Government itself.

Those are the words of a Minister in a Fraser Government. On the same day, in referring to the taking of politics out of broadcasting, he said:

The principle of a broadcasting system not subject to political interference is one of the basic aims of the changes proposed to this Bill.

That was the principle of the Fraser Government in 1977—that no political interference in the granting and renewal of licences and in broadcasting policy should be allowed. I referred earlier to bipartisan policies on basic issues. Apart from some quibbles we had about details of the legislation in 1977, we supported the basic principle that the granting and renewal of licences should

be vested in the Broadcasting Tribunal, that public interest provisions should properly be built into the Broadcasting and Television Act and that public access to the Broadcasting Tribunal should be made available with the assistance of a body abolished last week, the Broadcasting Information Office, which would assist members of the public in making applications to the Broadcasting Tribunal.

I make the point that the Bill introduced by Mr Eric Robinson in 1977 did not interfere with the basic ownership and control provisions which were established by Liberal governments and which had been strengthened by Liberal governments in the past. What the Bill did in 1977 was to set the stage for the Broadcasting Tribunal, as a quasi-judicial body, to develop the concept of public interest in a variety of areas. That, to which I will refer in a minute, is something that the Broadcasting Tribunal has tried to do, not always with great success. But it has tried. Despite the Broadcasting Tribunal's erratic start under the somewhat disastrous chairmanship of Bruce Gyngell, it did attempt to lay down certain criteria of public interest which are very important to people not only in the cities of Australia but also in country towns where regional television operates, particularly places like Queensland. The Tribunal started to lay down criteria, it got a prod from the High Court in Hardiman's case instigated by the Labor Party on what the public interest concept meant and it was developing arrangements and procedures for public interest groups to give evidence to the Tribunal about matters of public concern.

I refer to three cases decided by the Broadcasting Tribunal in which the public interest concept was developed to some extent. In Townsville, in July 1977, there was a proposed takeover of two radio stations by the television station in Townsville. The Australian Broadcasting Tribunal approved but it flexed its muscles a little to the extent that it kept in mind certain criteria. The first of those criteria was the extent of concentration of ownership of broadcasting in one area; that is, the Tribunal cast doubt on cross-ownership of radio and television interests. That was the first time, as far as I know, that the question of cross-ownership of radio and television interests had ever been raised in a rule-making context by a body responsible for broadcasting policy in Australia.

Senator Puplick—Which case was that, Senator?

Senator BUTTON—That was the Townsville case in July 1977 relating to the proposed

takeover of 4AY in Ayr and 4GC in Charters Towers by the Townsville television station TNQ. The second point which the Tribunal dealt with in that case, as a matter of criteria of public interest, was the extent of concentration of ownership or control of mass media generally. For the first time, a body responsible for the media in Australia in terms of broadcasting, introduced newspapers, as it were, into its criteria.

The second important case of the Broadcasting Tribunal occurred in July 1979 when the Australian Broadcasting Tribunal blocked the sale of radio station 2HD Newcastle, on the ground that it would have given too high a concentration of media ownership in one city. It would have resulted in two out of three radio stations and the sole television station in the city of Newcastle being owned by one proprietor. The Broadcasting Tribunal blocked that sale and the matter went to the High Court which upheld the decision of the Broadcasting Tribunal. The High Court said, in effect, that the limitations to ownership and control in the Broadcasting and Television Act were ceilings, but not entitlements. In other words, according to the High Court, it was lawful for the Australian Broadcasting Tribunal to refuse approval, even though it would have been within those limits, on public interest grounds. This was a milestone decision. After decades of talking about cross-ownership of media in Australia, something had been done by an independent statutory tribunal established by the Fraser Government during the period when Mr Eric Robinson was Minister for Post and Telecommunications. Finally, in terms of public interest criteria, the Broadcasting Tribunal blocked, on grounds of the ownership in Sydney and Melbourne—the concentration argument—the ATV10 licence proposal in relation to Melbourne, on the ground specifically that it would have given too much power within the 0-10 network to the Murdoch interests.

I might say that the Australian Broadcasting Tribunal has, in a sense, been a reluctant regulator. It needed stiffening by the High Court in relation to two of the cases which it decided on the basis of cross-ownership of media in Australia and it got that stiffening from the High Court in Hardiman's case and the 2HD case. The Broadcasting Tribunal was developing a case history based on its discretion and its uncircumscribed capacity on public interest to develop a body of law in relation to public interest.

Sitting suspended from 5.46 to 8 p.m.

Senator BUTTON—Before the suspension of the sitting I was talking about a statement on broadcasting brought down by Mr Sinclair, the

Minister for Communications, some 10 days ago. I was endeavouring to make the point that in foreshadowing amendments to the broadcasting legislation there was only one real purpose in this hasty proposal which was first brought before the Parliament in November last year and which was then specified more frankly in the Minister's statement a couple of weeks ago. The real purpose was to assist the Murdoch companies to obtain control of Channel 10 in Melbourne and to influence the outcome of an appeal to the Administrative Appeals Tribunal from a decision of the Broadcasting Tribunal, which appeal hearing is currently taking place. I made the point that the Broadcasting Tribunal had been developing criteria relating to public interest. I cited three important cases—there are a number of others which could be referred to—which dealt with the question of media concentration and localism in relation to regional television stations, important matters in the platforms and philosophies of both major political parties. I said that the Broadcasting Tribunal had been a reluctant regulator but was developing criteria and was stiffened in its intent to develop criteria by judgments of the High Court of Australia.

After the last election the commercial interests got busy in relation to this matter and the Minister for Communications, who, I might say, has been less than frank with his own political party about some of the issues involved in this matter—I will come back to that in a minute—announced that there had to be changes to the broadcasting legislation because of two things. He said that there was a problem of institutional investors—that is to say, investors who invest in broadcasting companies, insurance companies and other companies—getting caught by the ownership and control provisions of the legislation. He also said that there was a problem about networking. The Minister for Communications for some weeks obfuscated and misrepresented issues about networking in broadcasting to the Australian public and, of course, was assisted by the cross-ownership—the newspapers with broadcasting interests—in that obfuscation.

Essentially he was saying that it was necessary for Murdoch to control Channel 10 in Melbourne in order that networking could take place. That is totally untrue. The fact is that the Channel 7 network does not depend on common ownership in Melbourne and Sydney and the Channel 10 network did not depend on common ownership in Melbourne and Sydney for networking arrangements to be made. To suggest that the Murdoch companies have to have ownership of Channel 10 in Melbourne in order that networking can take

place is clearly either misinformed or dealing lightly with the truth. There is only one alternative explanation of what the Minister repeatedly said about that question in a desire perhaps to confuse the issue. Of course, there were other misrepresentations in relation to the legislation to which I will come in a moment.

I turn now to three facets of the proposed legislation, as revealed in Mr Sinclair's statement, which are totally unacceptable to the Opposition and which should be totally unacceptable to the Government. The first of those is that the legislation, according to the Minister's statement, is to provide four public interest criteria which are to be spelt out. I said previously that the Broadcasting Tribunal and the High Court had developed some public interest criteria and were proceeding with the process of developing public interest criteria. The four public interest criteria which are now to be spelt out are as follows: The first is whether a person or a company is fit and proper to hold an interest in a licence. I do not know what that means. It might strike terror into the hearts of some of the existing media proprietors if that is to be a criterion, but the fact is that that is to be a criterion. There is perhaps scope for examination of it in a judicial sense, but I think it is a fairly limited sort of criterion.

The second criterion is whether an applicant will provide adequate and comprehensive programming reflecting the need of the community to be served by the station and encouraging production of Australian programs. That sounds okay as a criterion. But, in view of the Government's stated commitment to self-regulation for broadcasting channels, how will it be implemented? That is a criterion of doubtful validity in those circumstances. Thirdly, there is the question of the commercial viability of the applicant and his or its technical and financial management capacity. That is an important criterion. It is very important, in my view, that we should have viable commercial television stations in Australia because viable commercial television stations will be more likely to give a better program choice and better programs to viewers and listeners. So we do not object to the notion of viability insofar as commercial television stations are concerned.

The fourth criterion concerns the degree of concentration of ownership or control of radio and television in regional areas. Presumably that is intended as some sort of sop to the Country Party—I do not know. But if it is good enough for regionals to have limitations on the concentration of ownership or control in radio and television, why is it not good enough for the great Australian cities where the bulk of the population lives? Why

is that criterion being changed, thus overthrowing the decisions of the Broadcasting Tribunal and of the High Court on that matter?

Senator Durack—You want to overthrow the decision of the High Court on income tax. What is sacrosanct about the—

Senator BUTTON—That is a very smart interjection from the Attorney-General. I will deal with that in a moment. I want to come to the question of tax avoidance. The Attorney-General will be very interested to hear what I have to say about that if he bides his time.

Senator Durack—You want us to overrule—

Senator BUTTON—The Attorney-General is not reluctant about it. He is not in the current case, is he? His Government introduced that legislation, I thought. So what is he talking about?

Senator Durack—That is what I am saying. What is wrong with overruling decisions of the High Court?

Senator BUTTON—I take it that the Attorney-General is saying that it is quite in order to upset a decision of one of his tribunals while it is hearing a case. If he is saying that, I would love to hear him say it on the public record, because it is disgraceful. The four points of public interest which are to be set out in the Act will circumscribe what the criteria should be; that is to say, there will be no discretion in the Tribunal to deal with public interest matters other than the public interest points which are to be set out in the criteria in the legislation. Under those criteria the Australian Broadcasting Tribunal could not have found the way it found in the 2HD or ATV-10 case. They stop dead that development of public interest law in relation to broadcasting, a matter which the Attorney-General, I thought, would have approved. They stop cross-ownership considerations and they stop generally the criteria laid down by the Australian Broadcasting Tribunal in the Townsville inquiry to which I referred. The first major objection we have is that the public interest criteria are prescriptive and exclusive of other criteria which should properly be taken into account by a body such as the Broadcasting Tribunal.

The second major objection we have is that the Minister can notify other criteria of public interest in writing to the Broadcasting Tribunal. That is a preposterous suggestion because it is rule-making by the Minister, not by the Parliament. There would be no reference to the Parliament. As I understand the Minister's statement, the Minister would lay down extra criteria for the

public interest. I remind honourable senators that that comes from the Government which spoke so loftily about taking politics out of broadcasting only three years ago and which made such a big thing of the Parliament and its importance in the context of the synthetic outrage of 1975. These words come from the same Government which stated that the Minister should have the power to put politics right back into broadcasting by determining himself, without any reference to parliament, what the public interest might be in a matter. This is the sort of thing which Ministers like Eric Robinson fought to overthrow in this Parliament and succeeded in overthrowing. Some 3½ years later the Government is going back on that and allowing the Minister to intrude directly into broadcasting licensing by altering the criteria of public interest.

That is a very important political principle because it lays open to a Minister the charges which were made in the past, namely that Ministers were susceptible to political favouritism and to all sorts of things in relation to licensing powers which allegations should not be made against a Minister, although, in the present context, it would not be surprising if they were made again.

Senator Jessop—Oh, what about your Government, Senator?

Senator BUTTON—What about it? What does the honourable senator want to say about it? The second point I would like to make on that matter is that the prescribed interest which a broadcasting company can hold in other channels beyond the number prescribed in the Act has been raised to 10 per cent. I do not think that is terribly important. It may mean that, for example, insurance companies, institutional investors, are able to invest more solidly across the broadcasting system in Australia. I do not think it is of major importance at this stage whether that is a good or bad thing.

Senator Puplick—It is also qualified by not being a controlling interest which they have to demonstrate to the Tribunal.

Senator BUTTON—Yes. One of the matters I find unsatisfactory is implicit in some of the pronouncements being made. There is a suggestion that a company such as an insurance company really has no interest in the management of a television licence. Any company, by virtue of its memorandum and articles of association, I would have thought, is obliged to look after its shareholders' interests and to take an interest in its investments. I think that is important. The other matter to which we object most strongly is the fact that if a party breaches the prescribed number of

stations which it is allowed to own, it can get away with that for a period of six months provided that it gets rid of the station within six months. That is an open invitation to the major media groups in Australia which are seeking to enforce networking on regional stations to say to a regional station: 'Take our network programs. If you don't we will buy you or one of your competitors and sell you to somebody who will take our networking programs'. That is a clear invitation, particularly in view of the clear evidence of warehousing in relation to broadcasting company shares before the Tribunal.

The next point I want to deal with concerns retrospectivity. This legislation, as explained by the Minister, will effectively be retrospective legislation. The Australian Administrative Appeals Tribunal hears the appeal from the decision of the Broadcasting Tribunal under the current law as it is at the time. Since the Australian Administrative Appeals Tribunal has begun this appeal which is now before it, there have been applications for adjournment of the case and there have been applications to take into account the statement made by the Minister. All sorts of devices have been used in a very transparent way to try to get the appeal currently before the Tribunal delayed in order that the law might be changed by this Government.

Earlier I quoted what Mr Sinclair said in his statement on 9 April. The Minister said that he wanted to make it clear that there would be full awareness of the Government's intention by the Parliament, the public, the Australian Broadcasting Tribunal and the Administrative Appeals Tribunal. What he was saying effectively there was that he wanted the Administrative Appeals Tribunal to take note, without any reference to this Parliament, of a stated intention by the Minister and the Government to endeavour to change the law in a way which would influence the course of that appeal. One can talk about retrospectivity. The matter of retrospectivity in relation to legislation is a legitimate subject for debate. According to my researchers, this is the first time in the history of this Parliament that legislation will be introduced which is retrospective in its effect and which is designed to help one man. I repeat that this is the first time this has happened in the history of this Parliament. I will come back to that point in a second.

The notion of the undesirability of retrospective legislation from the point of view of government stems basically from the notion of separation of powers. Parliament makes laws. The courts interpret the law. In this current situation the court is being asked to interpret the law in the

light of a statement by a Minister of what he expects parliament to do. The Liberal Party has constantly asserted its opposition to retrospective legislation on many grounds and many of them I agree with. In relation to the tax avoidance issue it was reluctantly persuaded to introduce retrospective legislation, not to help one man, but because many individuals were ripping off the other taxpayers of this country. That was the reason it was done then. The Treasurer, Mr Howard, in December 1980 when dealing with this matter in connection with taxation legislation stated:

It is totally unacceptable to have any suggestion of retrospectivity so far as criminal penalties are concerned.

I do not attach much importance to criminal penalties in this matter and neither does the Attorney-General judging by his conduct in relation to this matter before the Broadcasting Tribunal. The Broadcasting Tribunal in its decision found that the Murdoch group of companies had committed multiple breaches of the law. The effect of this legislation, if it were introduced in this form and passed, would be that a person who has committed multiple breaches of the law would, on appeal, have that finding of the Broadcasting Tribunal reversed retrospectively. That seems to me, to adopt the expression used by Mr Myles Wright, the former Chairman of the Australian Broadcasting Control Board, to be the most sinister aspect of this legislation.

Senator Missen—It is not legislation yet.

Senator BUTTON—It is not legislation yet. It is a statement. That is the matter which is really most worrying and of the utmost concern. This statement, as a statement of legislative intent, is an outrage. It is an outrage which has been compounded by numerous prevarications and somewhat devious statements made by the National Country Party Minister in relation to his own colleagues. I will come to that point in just a moment. It is not only a matter of principle of government which suggests that this legislation is totally unacceptable. It is a matter of the future of the Australian broadcasting system. I put it to the Senate that broadcasting companies have a vested interest in there being public inquiry procedures and public interest law relating to their activities. In my view they have that interest in the good interests of the broadcasting system in Australia simply because if they do not have it they are using a public resource—namely the air waves—which is immensely profitable and they are doing it without any significant tax on the use of that resource. That is a matter which, in my view, will attract problems for them in the future.

I take one example. If a law had been upheld promptly at the beginning the Fairfax organisation, for example, would not have had to put itself in financial jeopardy by paying \$50m for a shareholding in the Melbourne *Herald* in order to protect the integrity of the Melbourne *Herald* because of the absence of proper government controls and the proper interpretation of the law at that stage by the Broadcasting Tribunal. Surely that company has a vested interest in some proper enforcement of the broadcasting legislation and some proper controls being made available to it.

I have referred to the statement made by Mr Sinclair and the basic objections which we as a party and I as a citizen have to this proposal in relation to broadcasting. Those basic objections are, firstly, that it is retrospective legislation to help one individual; secondly, that it will lead to a greater concentration of media ownership in Australia; and, thirdly, that it will write public interest provisions into the legislation which are narrowly conceived and prescriptive. The Minister is given the right to alter that prescription of public interest—something which the Liberal Government of 1977 fought to change and succeeded in changing. We are now to have a total reversal of that policy. The contents of this statement, if put into legislative form, will be totally contrary to the express concern of the Prime Minister (Mr Malcolm Fraser) about concentrations of power in Australia and expressly contrary to the platforms of the Liberal Party and the Australian Labor Party insofar as they both oppose increased concentrations of media ownership in this country.

The statement which the Minister made to this Parliament a fortnight ago was designed to influence the course of current proceedings before the Administrative Appeals Tribunal which is hearing an appeal by the Murdoch interests against the refusal of the Australian Broadcasting Tribunal to give them the licence for Channel 10 in Melbourne. The statement was made by the Minister in an attempt to influence the course of that case. The judge, in the course of presiding over the appeal before the Administrative Appeals Tribunal, quite properly said, in effect: 'If a Minister in the Government has anything to say he does not convey it to me by making a statement in Parliament about what he thinks Parliament ought to do. He conveys it to me by coming here and telling me about it'. Yesterday the Minister, responding to that invitation, went to the Broadcasting Tribunal and, through counsel, made a statement about the Government's intention. The statement, which was made on behalf of the Government yesterday in the Murdoch

appeal before the Administrative Appeals Tribunal, was very different from the statement which the Minister made in Parliament a fortnight ago. Only last week Mr Steele Hall—I will refer to him as ex-Senator Steele Hall because I cannot remember his electorate—

Senator Davidson—Boothby.

Senator BUTTON—His electorate is Boothby. I thank Senator Davidson.

Senator Davidson—It is a good South Australian electorate, if I may say so.

Senator BUTTON—Yes, it is indeed. He asks good questions too. On 30 April, Mr Steele Hall directed a question to the Minister for Communications in relation to the statement. He referred to the fact that the statement had been incorporated into evidence before the Administrative Appeals Tribunal. He asked:

. . . will the Minister ensure that further evidence is given indicating that those changes in his statement requiring parliamentary approval should be disregarded at this time so they do not pre-empt decisions yet to be made by Parliament?

I repeat:

. . . decisions yet to be made by the Parliament.

That was the question asked by the honourable member for Boothby on Thursday of last week. The answer was as follows:

. . . any court can interpret the law . . . Accordingly, the question he proposes does not arise.

I think it does. The answer continued:

It is appropriate to respond to any requests, however, from the AAT or any other court for any explanation of statements that might be made in this House about intended Government policy. Such an intention has been made to the Tribunal. As the honourable gentleman will recall, within that statement there were a number of phrases relating to transitional provisions. I have no doubt that the AAT, as indeed any court considering such a matter, would take note of the intent of those transitional provisions. However, no change in the law will apply or can affect any decision taken by . . . a tribunal . . . until it has been passed by the Parliament.

How does that contrast with the Minister's statements made last year, in January this year and again only a fortnight ago—statements recorded in documents of public record—to the effect that he made the statement in Parliament with the intention of flagging the Government's intentions to the Administrative Appeals Tribunal? But in his answer to Mr Steele Hall he referred to the transitional provisions mentioned in his earlier statement. He did not refer to the matters which a Queen's Counsel, appearing on his behalf, was to put to the Administrative Appeals Tribunal yesterday. I draw the Senate's attention to one very important thing in particular in relation to the statement made on behalf of the Government to the Administrative Appeals Tribunal yesterday. In this statement, it is indicated that it is the

Government's intention to change completely the rules applying to foreign ownership of broadcasting companies in Australia. Effectively, the important point in the statement is this:

No individual natural person not ordinarily resident in Australia, nor any company in which 50 per cent or more of the shares carrying voting rights are held directly or indirectly by non-residents will be able to be in a position to exercise control, as defined in the Act, of the licensee company.

I seek leave to have the entire text of that statement incorporated in *Hansard*.

Leave granted.

The statement read as follows—

ADMINISTRATIVE APPEALS TRIBUNAL POLICY STATEMENT—THE BROADCASTING AND TELEVISION ACT 1942

As the Minister for Communications announced in the House of Representatives on 9 April 1981, the Government has examined a number of issues in relation to the Broadcasting and Television Act 1942. It has made certain policy decisions and expects to introduce into the Parliament within the next few weeks a Bill to amend the Act to give effect to those policy decisions. The general thrust of the policy is as follows, although detailed drafting has yet to be completed.

First the Government has decided that the Australian Broadcasting Tribunal (ABT) should be given clear legislative guidelines on what constitutes public interest. It will be with respect to the following specified criteria that the ABT will consider applications before it:

whether a person or company is fit and proper to hold an interest in a licence;

whether the applicant will provide adequate and comprehensive program services reflecting the needs of the community to be served by the station, and encourage the production of Australian program;

the commercial viability of the applicant and his or its technical, financial and management capacities;

in regional areas, the degree of concentration of ownership or control of radio and television.

The ABT shall also take into consideration any additional criteria that might be notified in writing by the Minister to the Chairman of the ABT. If any criteria are so notified, it will be necessary for them to be published by the ABT within 28 days of such notification, and they shall also be included in the Annual Report of the ABT.

The second major modification concerns the ownership or control provisions of the Act. Amendments are to be made which will:

permit applications for approval of acquisitions to be made after, as well as before, transactions have taken place;

in the case of major acquisitions (that is, where the purchaser would be in a position to control the licensee company), enable the ABT to inquire into the acquisition in conjunction with a licence renewal inquiry, which, at the request of the applicant, shall commence within three months of the application; and

permit any purchaser to participate fully in the management or operations of the licensee company prior to a decision being made.

It is also proposed to enable the ABT to permit the holding of a direct or indirect interest in a licence of up to 10 per cent,

without it being considered a prescribed interest. This provision will be limited to markets with more than one commercial television station—that is, at the moment, the five mainland State capitals—and where the interest is in excess of 5 per cent, the onus of proof will be on the applicant to satisfy the ABT that the interest in question does not carry with it the possibility of control or significant influence in the affairs of the licensee. This change will allow third parties who may acquire excess prescribed interests through share-tracing provisions but who have no possibility of influencing the licence, to hold up to a 10 per cent interest in multi-stationed areas. The present level of ownership diversity in regional—that is, one commercial station—areas will remain unaffected.

All persons acquiring excess prescribed interests as a result of share transactions will be allowed a period of at least six months to bring themselves within the permissible limits.

In order to clarify the existing non-resident ownership provisions, there will be a redefinition of the restriction on non-resident ownership of radio and television stations. No individual natural person not ordinarily resident in Australia, [nor any company in which 50 per cent or more of the shares carrying voting rights are held directly or indirectly by non-residents] will be able to be in a position to exercise control, as defined in the Act, of the licensee company.

There will also be modification to the provisions under which loan interests in television stations may give rise to prescribed interests, by allowing exemption for ABT registered lenders. This amendment will retain safeguards against undue control by a lender over the affairs of a licensee.

Finally, existing penalty provisions applying to breaches of the Act are being reviewed.

The bill implementing these changes will contain appropriate transitional provisions, so that any unresolved application can be treated as a fresh application under the new procedures, unless the applicant wishes to proceed under the old provisions.

In addition to announcing the proposed changes to the Act outlined above, the Government has reaffirmed its support for networking arrangements between television stations. In metropolitan areas, the Government is concerned that there should be three major networks operating, if at all possible, in the Brisbane, Sydney, Melbourne and Adelaide context as long as they are consistent with the Government's objective of fostering and preserving localism. 'Localism' as applied to program networking, in both regional and metropolitan areas, includes consideration of the extent which provision is made for locally produced and originated programs to meet the particular needs of the local community and, in the case of commercial outlets, services to local advertisers.

Common ownership and control of licences in both Sydney and Melbourne is not in itself inconsistent with Government policy provided each of the two stations and any other station associated with them in a network arrangement discharges its responsibility to the community it serves.

It is the Government's intention to promulgate regulations covering networking arrangements, following full consultation with the broadcasting industry.

The Government will seek passage, through both Houses of Parliament, of legislation based on the policy decisions outlined above, in the course of the present session.

Senator BUTTON—The Minister was asked two questions last week, one by the honourable member for Calare (Mr MacKenzie) and, on the same day, one by Mr Steele Hall. I draw the Senate's attention to those questions and to the answers that were given. The answers were less than frank with Government back benchers about

the Government's intentions in relation to this legislation and were at odds with the statement made by the Minister in the Parliament a couple of weeks ago, which was understood to be a statement of the Government's intentions. In the last week or two there has been ample evidence that certain Ministers in this Government are prepared to pull the whole Parliament by the nose if they can get away with it. In the context of what has been said in relation to this matter, I think, with respect, that that is what is happening here. The Minister is prepared to pull the whole Parliament by the nose in order to get the main purpose of this legislation achieved, namely, to alter the result of a case which is before the Administrative Appeals Tribunal.

I wish also to incorporate in *Hansard* a statement of what I believe to be the legal effect of the statement made by the Minister yesterday about foreign ownership and control and the foreign ownership and control provisions in relation to broadcasting companies. I seek leave to have that statement incorporated.

Leave granted.

The statement read as follows—

If the proposal is in substitution for the present restrictions—that is, to replace completely both (a) and (b) of S92D—then the following result is obtained.

2. The aggregate foreign ownership restriction of 20% is abandoned. Non Australian individuals will be able to hold up to 15% each. Seven foreigners could buy a whole licence. In relation to companies, a company will only be deemed to be non-Australian if it has 50% or more of its voting shares owned overseas. Thus a company with 99.9% of its voting shares owned by non-Australians would be able to buy a licence. The foreign share holders could have any number of non-voting shares.

3. If the proposal simply relates to part (b) of S92D then the following result obtains. At present it appears that the definition of 'control of a company' in S92B applies to S92D. Thus tracing applies to determining foreign ownership and in determining the level of foreign ownership 15% holdings are the test and non-voting shares are caught. Thus the method of determining control of a company which is used through the other ownership and control provisions of the Act (in relation, for example, to domestic ownership) is applied to determining foreign ownership of Australian licences which is achieved through intermediate corporations if enacted. The proposal would mean that S92B and its levels and methods of tracing shareholders would no longer apply to foreign ownership.

4. The result of the substitution of the new tests for the present ones would be of particular significance in two respects. The provision would operate only upon shares carrying voting rights and then only when the level of foreign ownership reaches 50% (not the present level of 15%).

It is important to note that in other tracing provisions in the Act non-voting shares are included for the purposes of assessing a person's aggregate interests in a company.

Senator BUTTON—Thank you, Mr President. I say in conclusion that I oppose this legislation. I

have gone to some length to express my opposition to it because I believe that this legislation is a cynical exercise in the Australian political system. It is a dastardly cynical exercise which will do no good for the broadcasting system and the media system of this country. It is an abandonment of the principles of government which Liberal governments have espoused for a long time and, indeed, which Labor governments have espoused in relation to these issues. It is an abandonment of those fundamental principles in relation to public interest questions, the development of public interest law and retrospectivity in legislation. It is not only a matter of concern in the interests of the public of this country and in the interests of good government in this country that this legislation foreshadowed by the Minister should not be passed but also a matter of grave concern to others involved in the broadcasting system in Australia. It is a matter of grave concern to regional television stations, to other major media groups, and so on. Because of that concern which is expressed behind the scenes, it is unlikely that the legislation will come into the Parliament in the immediate future. Only as at last Friday, the major interest groups concerned were still arguing against aspects of this legislation with officers of the Department of Communications. Some new amendments have been incorporated which were not included in the Minister's statement. To that extent, the Minister's statement is deficient. To the extent that a new statement of Government policy was made in the court yesterday, it is out of date. A number of further amendments are still being debated. It is in this context that I sought the time to make some comments in relation to the mess which this matter has got into. It has got into this mess because it is unprincipled legislation, contrary to the interests of good government. It has been done in haste to satisfy a particular client of the National Country Party. That is the most reprehensible circumstance of it all.

I conclude my comments by quoting Myles Wright, the former chairman of the Australian Broadcasting Control Board. Referring to this proposed legislation, he said:

I think first of all, I'd worry about the haste with which this is being done. The history of broadcasting legislation in Australia shows that whenever amendments have been introduced in haste they have been wrong and they have had to be corrected again later, and there's no reason for the haste that I can see—except a sinister one. And secondly, I am very concerned at any watering down of ownership and control provisions of the Act, which have been a corner-stone of government policy for 30 years or more.

That is government policy of governments of both political persuasions. There is a very real case, by

means of a public inquiry, for looking at the question of future ownership and control of broadcasting in Australia. We are the only country which has a complex media system, as we have here, which has not had a royal commission into these sorts of questions in the last few years. I think in Britain there have now been three. If other countries are prepared to look at those questions through a royal commission, so should we look at the questions of current issues in broadcasting and the media and current issues in the concentration of media control. We should be prepared to look at them in that way too, because just over the horizon there is a whole new world of new technologies which will make the decisions made today about government structures in relation to broadcasting of vital importance to the future of the country. When cable television comes into effect, or even now, broadcasting is not just an entertainment system but is the basic information system for the society in which we live and exist. It is for that reason that we oppose the statement made by the Minister.

Senator MISSEN (Victoria) (8.34)—This is a very important statement before the Parliament. As we know, it is a statement by the Minister for Communications, the Right Honourable Ian Sinclair, on the conclusions of the Government's review into aspects of the Broadcasting and Television Act. Matters have been raised by Senator Button tonight that are of great importance and of great concern to me. Senator Button tonight has discussed the platform of the Liberal Party. It has been mentioned a couple of times today. Perhaps the arrival of Senator Margaret Reid, who has played such a distinguished part in the development of and recent alterations to the platform, has something to do with this. But in that platform, as has been mentioned, Liberal policies for the media require that:

Effective legislation be employed to ensure that television and radio licences and newspapers are owned on a broad and diverse basis and that there is wide and vigorous competition amongst proprietors in the presentation of news and other information to the public.

I stand by those provisions of the Liberal platform and will fight for them, come what may.

I take up the offer which the Minister made in his statement on 9 April when he said:

To avoid the widespread speculation on the result and to ensure some opportunity for public debate on the conclusions the Government has reached, I now announce the broad thrust of those conclusions in anticipation of the introduction of a Bill to incorporate the changes outlined . . .

Therefore it is important that we should express views concerning a very vital and important part of our life. I should like to read some words which were written to me by Mr Mark Armstrong

on 28 November 1980. Mr Armstrong is a noted New South Wales authority in the television area. He said:

This note is written in some haste, but briefly it may be said that the changes proposed would allow a fundamental restructuring of the broadcasting industry. The independence of many broadcasting stations, particularly stations outside Sydney and Melbourne, would be threatened. Since the Menzies Government first decided that control of television should lie in as many hands as possible, pressures to allow concentration in control of television have been resisted. Now for the first time a Parliament may be asked to reverse those policies. If accurately reported, the current proposals would open a way towards effective control of communications in Australia by a small number of interests.

He further said:

The dangers of hastily abandoning the free enterprise policies adopted by the Menzies Government and defended by all subsequent governments are real and imminent.

I believe that those statements are true and that they require attention by this Parliament. As I said, we are dealing with a statement. We are not dealing with legislation. We are in a pre-legislation area. We are considering, as I have considered and am considering, the many representations from public interest organisations and from individuals concerning the proposals which the Minister has now spoken of since about December last year. Those submissions express great concern about those proposals.

I must say that I recognise that the policies which have been applied in the past by this Government and by other governments have, on the whole, been desirable ones so far as the way in which licensing and other arrangements are made in respect of television and broadcasting. At the same time, I do not express myself as being in any way happy with the standard of commercial television in this country. I regard it as pretty poor indeed. I regard it as sad that a better standard of television is not presented to the people of this country.

Senator Chipp—Particularly in Canberra.

Senator MISSEN—I do not know about 'particularly in Canberra'. I think it is fairly widespread, Senator. We are not on television yet, so we do not know whether we could improve it. But in addition we do have, I think, excessive control, and already too much concentration of control, among powerful economic influences in the radio and television area. The idea that we ought to have any further concentration of control worries me indeed. We do not have sufficiently strong public interest organisations, or sufficient opportunities for the public to intervene. I must say that one thing I do deplore about the recent activities of the razor gang is the fact that apparently we are not to have the broadcasting information office

which we have been promised, and which I believe was very essential to ensure that there could be a greater degree of public input and criticism of the standards of television and radio in this country.

Before I turn to the statement, I refer to the policies which have been maintained over the years by this Government, among others. I think they may be summarised in a few words. I believe that the policy was one which developed real powers for the Australian Broadcasting Tribunal and which ensured the depoliticisation of the licensing process, the taking of politics out of licensing. It was to ensure that the Minister did not have too much power, that in fact he did not have to make political decisions in the area of licensing, and that there would not be a further continued concentration of control. On 9 December 1976, Senator Carrick made the following statement in this chamber:

It is intended however that the Tribunal will ultimately assume the present Ministerial responsibilities to grant, renew, suspend or revoke licences, as well as impose conditions on licences or impose penalties. It will also be granted all the powers presently available to either the Minister or the Australian Broadcasting Control Board for the administration of the ownership and control provisions applicable to broadcasting licences.

In this way there will be a very substantial 'depoliticisation' of the licensing process. Determinations on questions of licence grants and renewals, as well as the administration of licence conditions, will no longer rest with the Minister. These responsibilities will, in the future, be vested in the new Tribunal.

I do not think that it worked all that well in the early stages of the Tribunal. I do not believe that it achieved all the objectives which we had sought, but I certainly believe that the Tribunal, under its present Chairman, David Jones, has achieved very substantial success in these areas. Another Government desire was expressed on 13 October 1977 by the then Minister, the late Eric Robinson, who stated:

At the same time as we see the need for government responsibility in these areas, it is our view that responsibility for the licensing and regulatory functions in the broadcasting area should rest with autonomous statutory authorities, rather than with the Government itself.

I stress the words 'autonomous statutory authorities'. I think it is important that that be maintained. Mr Robinson went on to say:

The principle of a broadcasting system not subject to political interference is one of the basic aims of the changes proposed in this Bill. The major elements of the change aimed at depoliticising the broadcasting system is the transfer of the licensing power from the Minister to the Australian Broadcasting Tribunal.

I believe that the aims of cutting out politics in regard to licensing, ensuring that there is an autonomous statutory body and ensuring that there is

public involvement in these matters are desirable. I think that such public involvement should be maintained.

I spoke to most of these Bills. I supported the changes which ensured that these policies would come into force. I intend to keep supporting these policies without change. Of course some things require change, but not the change that removes the essential principles involved there. I said in this chamber on 8 November 1977:

A further matter on which a considerable amount of criticism has been made today is the allegation that the powers of the Minister under this Bill or the powers from the original Act which are left with the Minister are too great. I have a general reservation not only about this provision but also about many provisions which leave too many decision-making powers to the Minister. Ministers are very busy, attributing to them the best possible motive, and often make decisions which a specialist tribunal is in a better position to make.

I maintain that the Tribunal is in that position. To reiterate the policies which have developed, I refer to the Green report of September 1977. That report, which was generally accepted, states:

The Inquiry accepts the view put forward in every submission which touched on this point that licensing must proceed by the application of general criteria to particular cases; there should be no suspicion of undue influence by any individual or group.

The Inquiry also accepts the view put forward in many submissions that the whole of the licensing process is a legitimate area of public interest. As such, it should be performed in the course of public inquiries, and proceedings and reports of which are fully available to interested parties.

I believe that it is necessary to repeat those statements because regrettably the statement which is before us today is one which does not fit well with the statements on this subject by successive Ministers. It has been pointed out that the statement being debated today is not the statement which is now before the Administrative Appeals Tribunal. Today it was stated in the *Australian Financial Review* that the statement circulated in the court was a 'beefed up' version of Mr Sinclair's original statement to Parliament on the proposed amendments. The submission to which, I presume, Senator Button referred states:

'In metropolitan areas the Government is concerned that there should be three major networks operating, if at all possible, in the Brisbane, Sydney, Melbourne and Adelaide context, so long as they are consistent with the Government's objective of fostering and preserving localism.'

That is not mentioned in the statement that we are debating tonight. The submission goes on to say:

"Common ownership and control of licences in both Sydney and Melbourne is not in itself inconsistent with Government policy provided each of the two stations and any other stations associated with them in a network arrangement discharges its responsibility to the community it serves."

As I see it, that is not mentioned in the statement that we are debating tonight. It is a curious state of affairs that we are debating a statement which has been superseded by a statement made to the Tribunal.

Senator Chipp—Do you agree or disagree with the two additions you have read out as being in the 'beefed up' version?

Senator MISSEN—I do not agree with them. I am by no means satisfied that we should agree to such combines having control in those places. That is not mentioned in the statement we are debating. It is interesting that the statement made to the Tribunal is supposed to be one of policy. Yet, as I understand it, it is more a statement of the expectation of the Government about changes to the law in certain directions. It is up to this Parliament, including this chamber, to determine what changes will be made to the law. I do not regard the statement made to the Tribunal as in essence a statement of policy. In fact, it is a statement of the expectations of the Minister as to what changes he will be able to make to the existing law. It would be one thing if he merely said that he would do certain things under the powers presently vested in him, but this is speculation and it is put before the inquiry as the policy of the Government.

Senator Chipp—He must be saying that with the full support of the Cabinet, surely?

Senator MISSEN—One would expect that he is. But the laws of this country are made by the Parliament, not by the Executive. I will run through some of the remarks made in the statement. The Minister tells us, in that statement, that more than 50 submissions have been received from television and radio broadcast operators and other bodies. I know from inquiries and documents I have received that a number of public interest organisations which were asked around Christmas to submit submissions rejected the request and wrote to the Minister. Some of the writings were regarded as submissions. The organisations complained that they were not in a position—

Senator Button—Three public interest groups were asked to put in submissions.

Senator MISSEN—Yes, I think that three public interest groups were asked to put in submissions, but in a number of cases organisations said that they were not in a position to do so and could not see why a change in the law was required. On 6 January 1981, the Rupert Public Interest Movement wrote to the Department of Communications stating:

That the enquiry is a contrivance appears clearly from the circumstances giving rise to the enquiry and the manner in which it is to be continued . . .

But for the Minister's announcement it would hardly seem necessary to repeat the theme which has persistently dominated consideration of broadcasting, that the interests of the public should be paramount.

The Rupert Public Interest Movement then criticised the changes which appear now to have been made. Likewise, on 27 April this year, Justice in Broadcasting, another public interest body, said:

Furthermore, we are disturbed at the manner in which this review of legislation is such an important area of public interest has been and is being carried out and in particular at the lack of proper opportunity for public examination of the issues.

I do not think we have had sufficient discussion or explanation about the problems. Indeed, we may need to have further inquiries in the Parliament about this matter. If in fact we are called upon to alter the law substantially, surely the Parliament and its committees will have to look into the subject and determine the complaints, the problems and the attitudes of the public interest groups in this community which have not been properly and adequately called upon to express their views. There are a number of aspects of the Minister's statement I wish to talk about tonight. Page 2 of the statement provides:

The Government will continue to carry the responsibility for the formulation of policy governing the development of the broadcasting system, and the Australian Broadcasting Tribunal will retain the responsibility it has had since 1978 for regulation and administration.

When one reads the whole statement, one cannot conclude that the Tribunal will retain that power. Much of the power will have gone. Let me give but one example—the particular 'public interest' requirements are to be added to by the Minister and to be binding on the Tribunal. It clearly will not have the power described.

In the course of his statement, the Minister refers to the report of the Administrative Review Council on the Australian Broadcasting Tribunal procedures. I read that report with interest and regard it as a very valuable report, the recommendations of which, if adopted I think would considerably improve the procedures adopted by the Tribunal. The Minister extracted one sentence from that report. The Administrative Review Council has adopted the view that it would be desirable to alter the public interest requirements by specifying the criteria. Its recommendation is that the Broadcasting and Television Act should be amended to include clear statements of the policy criteria as seen by the Government—I note that it mentions the Government and not the Parliament—as being relevant to the exercise of

the Tribunal's important powers. That is not argued at all. I do not accept that a public interest criterion which the Tribunal may use would be better specified in detail. I refer to the Senate Standing Committee on Constitutional and Legal Affairs report on the Freedom of Information Bill relating specifically to the public interest as a criterion. The report recommended strongly against its being specified in detail.

Leaving that aside, and whilst disagreeing with the Administrative Review Council on that point, there are two other major recommendations of the Review Council that the Minister has not yet taken up. The first is the power that the Tribunal should have to issue directions and attach conditions to licensees and to investigate and comment. Another is that it should have wider disciplinary powers on stations; it should not just be able to take away their licences but also should be allowed to reprimand, admonish, fine and do other things. Those other useful recommendations are ignored. Why did the Minister take only one of the recommendations of that whole report and apply that to legislation which he is about to present before the Parliament? This point has been made to me by Northern Television (TNT 9) Pty Ltd in Tasmania in a submission that it has made on public interest. It regards the recommendations on public interest as the most 'scandalous' of the proposals. That is perhaps a strong view that I will not necessarily endorse. The station goes on to say:

The definition of 'public interest', the Minister said, is being inserted in line with recommendations of the Administrative Review Council. In the same statement he says 'there will not be any decision as to the specific recommendations until the public and the broadcasting industry have had the opportunity to comment'.

We might have waited a little longer for the comment on the whole of the report, because then we might have considered the whole of the report in its context. I have no particular objection to the first three criteria that are presented. We may assume that the criteria for public interest are to be developed, a matter to which Senator Button adverted. In fact, the first three criteria perhaps ought to be taken into account. The last one refers to the degree of concentration of ownership or control of radio and television in regional areas. It does not relate to the major areas, the metropolitan areas where the greatest amount of influence over mass audiences can be exercised. Are we to be worried additionally about the concentration of ownership? The Tribunal is to be worried only in the regional areas. Senator Button and others will know that there is a view in law—it is called the *ejusdem generis*—that if one specifies in this way one cannot take into account the other things

that are left out. It is quite definite that the power is to be confined to a concentration in regional areas only. Why? I have many submissions from organisations in the regional areas which indicate that they too are concerned about this legislation and these provisions.

I will not deal at any length with the proposed changes of the ownership provisions which have increased in one case holdings from 5 per cent to 10 per cent. The provisions which the Minister has in mind allow, among other things, a purchaser who is in default under the terms of the Broadcasting and Television Act to participate fully in management prior to the decision of the Tribunal as to whether he will be allowed to take over an organisation. A great deal of consideration is required by the Parliament before we legalise activities for up to six months and allow control by people acting in disobedience of the provisions of law. They buy these interests with their eyes wide open. Yet it seems that they are to have the opportunity, for six months, to continue to control a particular television or radio organisation.

Reference has already been made to what the Minister describes as the transitional provisions. One must readily say that these provisions would be retrospective if they were brought into force by Parliament. If this legislation were passed people, including Mr Rupert Murdoch, would be able to discontinue their existing proceedings and start afresh under new laws which would obviously be highly favourable to them. The proposed legislation would effect various changes. It is a rule, not only of law but also of proper practice, that Parliament ought not to interfere with and take away rights of citizens. Certainly it ought not, where there are continuing legal or appeal proceedings, take steps to change the law and take away rights. The Minister stated that 'no person or company with an unresolved application will be inconvenienced or unfairly penalised by the amendments'. I cannot see how that is so. People have assessed their legal rights and have challenged Mr Murdoch in his takeover of Channel 10 and they are entitled to go on with their appeal. The suggestion that in the meantime we should change the law and change the rights of parties is anathema to me as a lawyer and as a Liberal. I could not support it.

I regard these provisions as essentially retrospective. It may be that the reason is valid. I am not necessarily taking up the conclusions that Senator Button takes up about the purpose. The fact that assistance may be given to any one individual is seen quite widely by the community as a possible reason. It cannot do the Government any

good to have that type of argument thrown against it in regard to these very curious transitional provisions.

Senator Button—But the Minister is on record as saying that that is what it is about.

Senator MISSEN—Well, the Minister is also on record as saying that that is not what it is about. I turn now to the fact that the statement contains references to networking. I do not propose to go into any detail about that. I have a document which Senator Jessop has already sent to the Minister for Communications and which includes, with it, a very interesting account of what television networking may mean. It may mean something quite simple. It may be something that is quite desirable and something that retains the local interest and local power of television companies. At the same time it is clear that, in the United States, it means a lot more than that, that is, it means a domination by three networks over all the local stations. We as a Parliament therefore must surely be very concerned with what networking may be. If this is desired by the Government, then it is something that this Parliament has got to consider at considerable length and probably hear some evidence on before it takes that word 'network' in itself as something that it has just justified because it may mean that we will finish up with a television system which is even far more centralised than it is today.

The objections which I have made are well summarised in a letter from Professor Julius Stone which was published in the *Age* on 22 April. In the concluding paragraphs he said:

It is no comfort to be told that matters of concentration of media control will henceforth be left to Ministerial guidelines, or even to the Parliament. The threat to democracy comes from concentration in few hands, whether these hands be 'private' or 'public'.

The manipulation of citizen opinion through the media to support political power is as repugnant to our political institutions as is its manipulation by private monopoly or oligopoly.

Both are forbidden by 'the public interest'. Whatever the scope of this slippery notion, it must include the best adjustment available when all competing demands are brought to conscientious judgment by impartial community authority. If, as many believe, there are deficiencies in the Australian Broadcasting Tribunal, the remedies lie rather in strengthening than in emasculating its authority and its capacities.

I say, amen to that. I support it. I do not like the statement of the Minister and I hope the ideas in it do not become legislation in this country.

Debate (on motion by Senator Peter Baume) adjourned.

STANDING COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

Australian Wheat Board—Corrigenda to Annual Report 1979

Senator RAE (Tasmania)—by leave—I move:

That the corrigenda to the annual report of the Australian Wheat Board for 1979 be referred to the Senate Standing Committee on Finance and Government Operations for investigation and report along with the report which has already been referred.

I have moved this motion on the basis that the annual report for 1979 has already been referred to the Committee, so the corrigenda ought to be referred also.

Senator McLAREN (South Australia) (9.3)—I have much pleasure in supporting the motion moved by Senator Rae. I just want to note the fact that on 26 February 1981 Senator Rae made a brief statement to the Senate about the annual report of the Australian Wheat Board. As it has taken ten weeks for these corrigenda to be presented it seems to me that there is quite a lack of expertise on the Wheat Board into which no doubt Senator Rae's Committee, the Senate Standing Committee on Finance and Government Operations, will be looking and particularly the reference to the amount of \$171m which had been omitted from the report which was tabled in the Parliament. I, as is my wont, usually move a motion that the Senate take note of reports dealing with primary industry matters but on this occasion I knew that Senator Rae's Committee had an interest so I did not say anything when the annual report was tabled. I ceded to Senator Rae. I note that on 26 February Senator Rae said in part:

On 23 February 1981 I was informed that the Board's financial statements for 1979 had been provided to the Minister for Primary Industry (Mr Nixon). The statements have been tabled in both Houses. The Committee will now examine these statements. I informed the Senate on 5 December 1980 that we proposed to meet again with representatives of the Board to obtain information about the changes which have now been made to their accounting systems and management structure and those which are planned to be implemented later. The Committee will be better informed to do this after a perusal of the 1979 statements and discussions with the Board's representatives. I will continue to keep the Senate informed of developments.

It is ten weeks since Senator Rae made that statement. No doubt he has run into some problems which have prevented his bringing down a statement since then. I just make the comment that I hope that before the Senate rises for the winter recess Senator Rae, on behalf of his Committee, can bring down a further statement as to what findings his Committee has been able to come up with and particularly as to why the Wheat Board was so lax in leaving out of its annual report and

financial statement to the end of November 1979 the reference to an amount of \$171m.

I do not think the other matters are of very much consequence. The Board omitted to place in the report the heading 'Schedule of Transfers to and from Provisions for Long Service Leave' and the Board now seeks to replace on page 43 the words 'Commonwealth Superannuation Scheme' with the words 'Commonwealth Superannuation Pensions Scheme'. I have pleasure in supporting Senator Rae's motion. We look forward to having a further report from his Committee before the winter recess.

Question resolved in the affirmative.

ABORIGINAL LOANS COMMISSION

Annual Report 1979-80

Senator ROBERTSON (Northern Territory)—by leave—I move:

That the Senate take note of the paper.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

JOINT COMMITTEE ON THE AUSTRALIAN CAPITAL TERRITORY

Report

Senator NEAL (Victoria)—On behalf of the Joint Committee on the Australian Capital Territory, I present a report on the proposals for variation to the plan of lay-out of the city of Canberra and its environs, 73rd and 74th series, together with extracts from the minutes of proceedings of the Committee.

Ordered that the report be printed.

Senator NEAL—I seek leave to make a statement relating to the report and to have the statement incorporated in *Hansard*.

Leave granted.

The statement read as follows—

This report covers seventeen variations to the city plan and recommends the approval of works valued at over \$4.5m. The Committee, in considering these proposed variations, noted the 21st report of the Australian Capital Territory House of Assembly Standing Committee on Finance. The Committee has deferred consideration on one of the variations, and made comments regarding another. It has approved the remaining 15. The Committee has commented on the variation dealing with developments around the Belconnen Town Centre and Lake Ginninderra. Whilst allowing the construction of two service access roads from Emu Bank to provide for future commercial and residential sites, the Committee feels

that the five metre limitation on development along the foreshores of Lake Ginninderra does not provide sufficient protection of the lake environment. Therefore, it is recommended that no development be allowed closer than 10 metres from the lake foreshore.

The Committee is concerned about the lack of control over air, noise and water pollution in the Territory and has been informed by the Department of the Capital Territory that pollution control legislation will be introduced in the Australian Capital Territory by the end of 1981. However, there are still matters which the Committee wishes to consider, particularly the period of grace allowed to existing operators to conform with the proposed pollution legislation. The variation concerned is that which will provide for a road to the proposed Koppers timber processing plant. The Committee hopes to be able to submit a report on this variation next week.

STANDING COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

Auditor-General's Report, March 1981

Senator RAE (Tasmania)—by leave—As honourable senators will be aware, this report was tabled in the Senate on 31 March 1981. The report contained various comments on the audits of the financial statements and accounts and records of Commonwealth statutory authorities. The Committee examines the Auditor-General's comments on Commonwealth statutory authorities with great interest in the light of the responsibility which we have been given by the Senate for the continuing oversight of authorities. His report for March 1981 is currently under consideration by the Committee.

We have noted with interest the points he has raised in relation to the authorities which we are currently investigating. In addition, we intend to use these comments as one of the factors in determining the authorities which will be the subject of future investigation. In other words, if an authority is subject to adverse comment on its financial practices by the Auditor-General, the authority's affairs are liable to be the subject of an inquiry by our Committee. I thank the Senate for the opportunity to make the statement.

JOINT AUSTRALIAN-UNITED STATES DEFENCE FACILITIES

Ministerial Statement

Senator PETER BAUME (New South Wales—Minister for Aboriginal Affairs)—by leave—This statement is made on behalf of my colleague, the Minister for Defence (Mr Killen) in another place. It contains the actual words he used when

the statement was made in another place today. Honourable senators will become aware of the reason for my making this explanation when they read through the statement in due course. Having said that, I seek leave to have the statement incorporated in *Hansard*.

Leave granted.

The document read as follows—

Honourable members will know that recently the Leader of the Opposition (Mr Hayden) spoke to the National Press Club about joint Australian-United States defence-related facilities in Australia and associated questions. For those members on either side of the House who have not seen the full text of the honourable member's statement, I have ascertained that a copy is available in the Parliamentary Library. The statement followed an invitation that I had issued to the Leader of the Opposition and his deputy to refresh their briefings on these facilities. In accepting this invitation the honourable gentleman asked that they might also visit the facilities themselves, and I readily agreed to this. Discussions about the facilities were held in my Department both before the visits and after. As a consequence, the honourable member's statement to the National Press Club was one of substance and importance. For this reason and because of the significance of the Statement, particularly some parts, for our nation's alliance with the United States of America, I believe it proper that I offer some comment to the Parliament.

A good deal of the statement accords not only with my own views but with views of Ministers over many years in governments from both sides of the House. I welcome and value this continuing bipartisanship in regard to these important matters. I welcome particularly the honourable member's statements about the facilities at Pine Gap and Nurrungar and that the requirements of his party's policy are met at both facilities. The honourable member said: "In certain conditions, industrial centres and military installations in Australia could—I repeat, could—become nuclear targets. Pine Gap and Nurrungar would be unlikely targets and, in our view, Smithfield not at all". I agree with this assessment. The honourable member very properly reminded his listeners that he, and his deputy, were bound by the restrictions on public disclosure about the facilities at Pine Gap and Nurrungar. He went on, however, to say that much of those restrictions was part of 'obsessive secrecy' surrounding these establishments.

With respect, I do not believe that the secrecy attaching to these facilities is obsessive. Why would this government, or any other government,

wish to maintain secrecy about the facilities when their position would be much easier if there were no secrecy? Let the House not be under any misapprehension that the degree of secrecy observed by this Government is more or less than that observed, and required, by the Labor Party in its years of office. Given the basic accord between us regarding the facilities at Pine Gap, Nurrungar and Smithfield, I am more amazed that it is the facility at North West Cape—a naval relay station—that apparently causes my honourable friends difficulties. I wish to spend some time examining these difficulties, which I believe to be lacking real substance. First, however, I wish to deal with a particular subject regarding the North West Cape station that has been raised in the Press. A newspaper recently, under the sensational headline 'China, South Africa could use base to send war orders' stated:

A secret treaty between Australia and the United States allows the North West Cape signals station in Western Australia to be used by any of Washington's allies without the Federal Government's knowledge or consent.

This means Australia could become a naval command post in a Middle East war, a conflict between North and South Korea or even hostilities between China and the Soviet Union.

If the Americans wished, the North West Cape station could be used by South Africa to send orders to its Navy.

I should not bother the House with this sort of Press sensationalism had not my honourable friends in their public comment indicated some concern about the matter. There is no secret treaty as stated in the Press. That is a fabrication. There is a document entitled 'Agreed Minutes of Interpretation'. It is dated 9 May 1963 and was signed by the then Australian Minister for External Affairs, Sir Garfield Barwick, and the then United States Ambassador, Mr William Battle. The minutes are not 'secret'. They are unclassified. The fact of their existence has been public knowledge since 21 May 1963, when the then Minister for External Affairs affirmed their existence to the then Leader of the Opposition. Why the minutes were not tabled in the first place I do not know. It is clear enough that the reason they have not been tabled since is that their significance is purely formal. So that honourable members may judge for themselves, I table the minutes. Let me deal with the first minute, which refers to Article 4 of the main agreement. The minute says:

Any use of the station by third countries would be a matter for agreement between the two governments. However, communications originated by a third government and accepted into United States channels elsewhere than in Australia would be United States Defence Communications in the context of this agreement'.

The minute deals with the use of the station by third countries. There was and is nothing new in this.

Before the Second World War Australia's Defence Communications System was linked with the systems of the then British Commonwealth countries. During the war Australia became associated also with the United States communications network. It has remained so since. Through its association with the United States and United Kingdom communications systems, the Australian communications system has been associated with the communications systems of North Atlantic Treaty Organisation countries, to which the United States and United Kingdom are allied. There is nothing secret about this. It has been general public knowledge for decades. I am afraid that it was taken for granted that this background was known to my honourable friends when they visited the station and discussed its operations with my officers.

Honourable members will appreciate that these arrangements are not only of benefit to the third countries concerned. Australia has received, as it continues to receive, the reciprocal advantage of world-wide access to other parties' communication facilities. When the North West Cape station was established, there was certainly no suggestion that this co-operation between allies should cease. Already in May 1962 the then Prime Minister told this House that the purpose of the station would be to provide radio communication for United States and allied ships over a wide area of the Indian Ocean and the western Pacific. In March the following year, he stated that such use was intended for allied submarines as well as for allied surface ships.

The object of the minute of interpretation that I am dealing with was to ensure that this practice not be ruled out by the text of the main agreement, which referred only to US and Australian communications. It was, as I say, essentially a formality. The interpretation having been duly established, for ongoing practical purposes it could be forgotten. For the sake of completeness, perhaps I should add that the North West Cape station will also assist merchant ships in putting their messages into the civil network if they cannot themselves gain access to that network, or if they are in distress. That a NATO or New Zealand message might occasionally be transmitted through North West Cape does not seem to me objectionable.

Except in the broadest sense that members of the communications network are countries that share certain attitudes regarding global strategic

issues, use of facilities in a member country does not involve that country's endorsement of the traffic through those facilities and related activities. Concern in that respect fails completely to comprehend how modern communications work. Once a message has been accepted into the system—and access is automatic for countries such as Australia which participate in the standing arrangements—it is normally handled by computers rather than individuals, and sent to its destination with little or no human intervention. The actual route taken by a particular message could only be traced afterwards—not predicted before or detected at the time. In large, sophisticated, highly automated high-frequency networks like the US defence communications system and those of its allies, messages are not necessarily transmitted by the shortest route but by the speediest and most reliable. Deliberately created redundancies in the system mean that there are a substantial number of alternative routes available. So even the originators of the message, let alone other countries, do not know how it might be relayed.

There was another statement in one of the papers, that North West Cape was probably used by the South Africans to transmit intelligence messages to America about Indian Ocean shipping. This was attributed to a defence spokesman, but any such spokesman was not a member of the Defence Force or my department. The statement is purely speculative and in fact untrue, South Africa has no common user access to the United States military network. I want to say a few words about very low frequency communications to submarines. Third countries' use of North West Cape's very low frequency transmission without Australian knowledge or consent would be possible only if the third country had suitable reception equipment and also access to U.S. cryptographic key material. It would not otherwise be possible for third countries to have access to the VLF channels without Australian knowledge because they would have to use the Australian channel. I leave it to the House to consider to what countries the United States might pass its cryptographic key material, given that this would enable the other country to read all U.S. traffic on that channel. The statement that, in the circumstances I have described, the North West Cape station could become a naval command post in some conflict between third countries is another absurd fabrication. It also ignores the elementary fact that the North West Cape station is simply a relay station. It does not originate messages and could not act as a command post. With all sincerity I ask the Leader of the Opposition and his deputy to accept that the lack of attention to

these matters during his recent intensive discussions in my department and at the North West Cape station itself had no sinister motivation. It was not a deliberate withholding of information. It was not dishonesty towards our guests by my officers or myself. The explanation is quite simple. The focus of the discussion was entirely on other, more substantial and significant matters regarding the station. The minutes of interpretation are not matters of such substance. The arrangements for third party use are, as I have said, well established and well known. They do not attract the sort of attention that, quite understandably, was being paid to other aspects of the subject. Nothing arose in the discussions that might have triggered off a reference to these arrangements.

There are other arrangements regarding North West Cape that were similarly not discussed during the recent briefings. There was no reference whatsoever, for example, to the arrangements for land use at North West Cape or regarding Commissaries. So that the honourable gentleman may be persuaded that none of this information was deliberately withheld from him I now seek permission to table all related documents. I hope that he will agree that my explanation to him accurately reflects the type of discussion in which he was engaged. The documents, together with an explanatory note are:

- (A) The 1967 arrangements for the use and occupation by the United States Navy of Commonwealth land and for associated matters.
- (B) The 1965 technical arrangements relating to telecommunications service.
- (C) The 1966 technical arrangement relating to commissaries at North West Cape.
- (D) The 1968 technical arrangement for the handling of Royal Australian Navy and Royal Navy submarine message traffic via North West Cape.

I turn now from these peripheral issues to the central theme of my honourable friend's statement. This was a demand for new and more extensive Australian control over the transmissions of the North West Cape station because of 'Dramatic change taking place in nuclear doctrine.' The honourable member's description of trends in United States strategic capability and doctrine contained what I would describe as some rather elementary misconceptions. In essence, he said that the United States is moving from a doctrine of mutually assured destruction to the use of nuclear weapons as a normal part of the conduct of a war. He even speaks of the United States moving

towards a first-strike capability, that is a pre-emptive strike that effectively destroys an opponent's ability to strike back.

In Soviet military doctrine, the distinction between the use of conventional and nuclear weapons in war is unclear. For decades, therefore, United States policy has been concerned to establish deterrence across the whole spectrum of possible nuclear assault. The United States cannot credibly deter limited and selective attack against United States military targets by threatening to wipe out Soviet cities—especially when the response might then be to wipe out United States cities. The Soviet Union has been making immense allocations of resources to the development of larger, more accurate and harder-hitting intercontinental ballistic missile forces—a highly important fact that my honourable friend failed even to mention, let alone assess in his statement to the National Press Club. The Union of Soviet Socialist Republics will shortly be in a position to destroy the bulk of the United States intercontinental ballistic missile force with only a part of its own. Should the United States then respond with its submarine and residual bomber force, the Union of Soviet Socialist Republics would still have capability for a further devastating strike. What United States President would press that button having regard to those circumstances?

United States strategy for deterrence must demonstrate to the Union of Soviet Socialist Republics that there is no level of attack that would not result in at least a matching loss by the Union of Soviet Socialist Republics. Also it must demonstrate that even after attack on its intercontinental ballistic missile force, the United States would still have the capacity to take out targets of value—be they military, industrial or politico-administrative. The basic concept of ensuring that a President has a wider range of response than national suicide goes back twenty years or more. Far from being a new and dramatic change, as my honourable friend believes, Presidential Directive No. 59, issued by President Carter in late 1979, was merely the latest in a long series of statements of this doctrine. Directive 59 updated basic doctrine more directly to current and prospective conditions. Four important points in the doctrine are: It does not aim at a first-strike capability; it does prepare the US to respond to a limited Soviet nuclear attack in ways other than automatic, immediate and massive retaliation; it does not, however, assume that nuclear war could be kept limited; but it does aim to avoid automatic escalation.

What I have been describing does not amount to any 'dramatic change' in US nuclear doctrine, such as the honourable member claimed was

changing the whole basis and justification for our co-operation in the North West Cape station. The basic principles of US nuclear strategy have been unchanged for decades. The technological developments the honourable member spoke of are in the future, and uncertain. It is not acceptable to read into them now a fundamental change in US nuclear doctrine. In any case, the honourable Leader of the Opposition is falling into the basic error of confusing capability with will and intent. I do not deny for one moment that Australian controls are required concerning North West Cape. We must always be able to judge whether the operation of the station risks our security or associates us with policies and operations contrary to our interests. But the whole point of our arrangements is that US strategic policy is not to be assessed simply in terms of technological capability, but more essentially in terms of intent. It is common ground, I believe, that no control measures can be effected at North West Cape. It is a relay station, not an originating station. My predecessor in this portfolio said in August 1975:

... the practical, realistic and effective mode of monitoring and control is certainly not a matter of intervention in the operations of the station. The proper focus of our effort is the United States global policy. If we know what that is about, we will have an accurate understanding of the type of message being transmitted through North West Cape.

I agree with every syllable in that statement made by my honourable friend some six years ago. The statement very accurately comprehends the essence of Australia's control over North West Cape. It comprehends the limitations on Australian control in respect of practical measures. It understands the requirement for us to judge the impact of developing US policies upon Australian interests at an earlier stage, and in a more substantial way. My honourable friend, however, wants 'Australia's consent to be mandatory for all orders to initiate military action which flows from the station'. He also wants us to be 'given firm and convincing assurances that the station will not be used to send orders for a first-strike nuclear attack nor to initiate a limited strike'.

These demands can be expected to arouse some unthinking support. Let us look at them more closely. What these demands amount to is an Australian veto over US use of the North West Cape station. Is it reasonable to expect the US to co-operate in such a veto? Would it be sensible and acceptable for Australia to seek it? My answer to both questions is no. The US carries enormous risks and responsibilities in the global relationship with its Soviet adversary. Australia, a US ally, remote from the central theatres of strategic confrontation, cannot realistically say to the US 'Now every time you want to send a signal

through North West Cape initiating military action you must first secure our permission'. The NATO countries do not have this arrangement. The formula applying to US initiation of military action from their territory is 'notification time and circumstance permitting'. Yet they are far more directly exposed and vulnerable than is Australia.

Look at the practical implications of the honourable member's demand. The US defence communications system is built on a network of redundant capacity. If one link goes out or becomes less efficient for any reason, including enemy action, other links are automatically selected by the switching equipment. There is no way, therefore, that we can select out messages coming through North West Cape. Messages, and particularly important messages such as those initiating a military action, will travel through multiple channels and facilities. The only sure way of stopping a message transiting North West Cape would be to stop all messages coming to North West Cape. In effect, we should have to close the station down. How else could we be sure, also, that our demand was being met?

Does my honourable friend understand that if the station closes down, our own communications will severely suffer, and at a time when fast and reliable communication would probably be of first importance to us? Has my honourable friend paused to reflect on how he would deal with some possible consequences of the demand he wishes to make of the US—for example, a demand from the US that we should expose our own national traffic to its monitoring and consent, or a denial of access to the allied communications network and consequent disruption of our defence communications beyond Australia. I ask the House to look at the matter from another, more fundamental point of view. When we and the Americans agreed on the establishment of the North West Cape station we acknowledged and accepted the common and enduring security interests that shaped our co-operation.

That was some two decades ago. We have seen some very large changes in the international situation and our own strategic circumstances since then. Our present perspectives and policies give far more emphasis to our independent national interests and responsibilities. Yet all parties in this House continue to acknowledge the fundamental importance to us of our alliance with the United States. We accept that the alliance still assumes a substantial community of interest and a substantial degree of mutual trust. This was the spirit of Mr Barnard's dealings with Mr Schlesinger. It is certainly the attitude of the present Government. The alliance can involve risks to our security,

although I agree with my honourable friends that the risk presently associated with the joint facilities is not significant. The alliance can risk our involvement in matters in which we should prefer not to be involved.

All these positive and negative factors have to be weighed. There is scope—quite significant scope—for us to influence our ally's policy. We cannot, however, expect that we shall always be able to influence it to the extent we believe desirable. We have to make a judgment then, and a choice, and this is really what I am saying to my honourable friend. I am saying that he cannot leave his choice to the last minutes as he seems to envisage. This is not sensible, or realistic or practicable politics. He has to make it earlier. Nor can he, even at an early stage before the pressure of a developing situation is upon us, say to the Americans: 'Give me your assurance now about no military use and limited nuclear attack and all will be well between us', because for the reasons I have explained, he will not get this assurance. So he has to ask himself the fundamental question: 'Has the time now come when the disadvantages of the alliance outweigh the advantages, when the risks of association with some policy we disapprove of outweigh the benefits of our continuing co-operation in security matters?'

I can see the logic of his reasoning about knowledge and consent. I respect it. But I do not for one moment accept that the time has arrived or is in prospect when we need to contemplate the closure of North West Cape, of which he speaks so lightly, and the effective reduction of our alliance with the United States that this would most certainly entail. I believe, and I have sought to demonstrate, that the argument that has led him now to this extreme position is ill-founded and unsound. I do not believe that it would be in this country's basic security interests to close down the station. Our protection against major threats ultimately depends upon the efficacy of the US deterrent.

The honourable member rightly demands that Australia not behave as a servile client state of the United States. Surely, however, that is what his own policy involves; for he seeks to retain United States protection while reducing United States capacity to provide that protection. He seeks to retain United States protection while freeing Australia from risk and requiring all risks to be borne by our protector. This is not the attitude of an independent ally prepared to make its contribution and to accept its share of the risks.

I ask my honourable friend most earnestly to think again. I ask him to weigh the rhetoric of his

fine sentiments—and let him claim no monopoly of nationalist sentiment—against the substantial national interests involved in the ANZUS alliance. I ask him to let the House know, to let the nation know, whether he believes that the time has now come in respect of North West Cape station for the alliance to be reduced and our practical co-operation with the Americans dismantled. There is no ambiguity about the Government's attitude. We believe the United States carries an enormous burden on behalf of the free nations. We believe that through the ANZUS alliance we can continue to help in the discharge of that burden. This is precisely what we propose to do.

Senator BUTTON (Victoria—Leader of the Opposition) (9.11)—by leave—I move:

That the Senate take note of the statement.

This statement purports to be a statement on defence by the Minister for Defence, Mr Killen. It is not really a statement on defence in any new sense. It is a response to a speech made by the Leader of the Opposition (Mr Hayden) at the National Press Club a couple of weeks ago. It is quite a lengthy statement and I do not want to take the time of the Senate, because of its content, to deal with it at length. But there are one or two points in it which I want to take up. It is a highly rhetorical statement and is characteristic of the Australian Minister for Defence who has all of the qualities, if I might borrow a line from W. B. Yeats, of being an old bellows full of angry wind. This statement is a statement of that kind. The Minister regards one or two points as important and feels he has to answer them. Firstly, he is very sensitive about the allegation that the Fraser Government has been obsessively secretive about American bases in Australia. On page 2 of the statement he says:

With respect, I do not believe that the secrecy attaching to these facilities is obsessive. Why would this Government, or any other government, wish to maintain secrecy about the facilities when their position would be much easier if there were no secrecy?

He is, of course, sensitive about this issue because of articles which have appeared in Australian newspapers such as one in the *Australian* of 5 April this year under the heading 'Defence secrecy was an act of stupidity'. In essence, that article states:

US Government officials are angry about the continuing secrecy surrounding the 'third country' agreement on the North West Cape communication station.

They are particularly annoyed that the agreement was kept secret from the Leader of the Federal Opposition, Mr Hayden. They lay the blame squarely on the Australian Department of Defence.

One US official described it as 'an act of stupidity' that Mr Hayden was not fully briefed on the North West Cape arrangements.

The Defence Department has still not made the agreement public.

The existence of the 'agreed minutes of interpretation' regarding Article Four of the North West Cape Agreement was disclosed in *The Australian* last Saturday.

That sort of allegation has been made about the American bases in Australia in a number of articles in the Press. The Minister is very concerned to deny that charge of obsessive secrecy. The statement of the Minister which has been brought down goes on to indicate how obsessively secret the Government has been because all sorts of documents were not disclosed to Mr Hayden and have never been disclosed to the Parliament. Only as a result of that sort of criticism from the United States are those documents now disclosed in attachments to the Minister's statement. The Minister goes on to reject allegations that third countries such as Africa could presently have access to the North West Cape base. At page 3 of the statement the Minister says:

A newspaper recently, under the sensational headline 'China, South Africa could use base to send war orders stated that—

The article from which the Minister quotes goes on to state that various countries could in fact use the North West Cape facility. On the following page the Minister states:

There is no secret treaty as stated in the Press. That is a fabrication. There is a document entitled 'Agreed Minutes of Interpretation'.

The Minister then goes on to deal with that document. What he is claiming, first of all, is that it would be impossible for a third country to use North West Cape facilities; and, secondly, that there has been no secrecy regarding American bases, and particularly the North West Cape base. Then he tabled a document called 'Minutes of Interpretation' saying that they are not secret. He deals with that at page 4 of his statement. The fact of the matter is that these minutes of interpretation have never before been made public. The minutes interpret, amongst other things, Article 4 of the agreement with the United States. Article 4 of the agreement states:

The communication services of the station will be available to the Australian armed forces in accordance with the technical arrangements made by the co-operative agencies of the two governments.

On the same day that agreement was entered into with the United States—that clause of the treaty was part of the agreement on a naval communications station at North West Cape signed on 9

May 1963—Foreign Minister Barwick in the Australian Government and the United States ambassador, Mr Battle, agreed that that article which I just read out would be interpreted in the following way:

Any use of the station by third countries would be a matter for agreement between the two Governments. However, communications originated by a third government and accepted into United States channels elsewhere than in Australia would be United States defence communications in the context of this Agreement.

What the interpretation means is simply this: That by agreement between the two countries, other countries can use the facilities at North West Cape. Secondly, that if signals are transmitted by another country which are intercepted by the United States, they can be passed through North West Cape. That facility can be provided in that somewhat indirect way. The interpretation is quite different from the provisions of Article 4 of the agreement between the two countries. It allows third countries such as South Africa to use the facility without Australia's knowledge.

When he introduced the Bill into the Parliament to effect the agreement on 9 May 1963, Sir Garfield Barwick, M.H.R., as he then was, gave what he called 'An explanation of the detailed provisions of the Agreement'. As is customary with second reading speeches, he proceeded to discuss the Bill clause by clause. But at no stage did the then Minister mention the interpretation of clause 4 which had been signed that very morning by him and the United States ambassador. Those minutes of interpretation, which have never been referred to until this statement of the Minister, distort the meaning of the agreement between the two countries. Whilst Mr Killen claims that it has never been secret, the Defence Department, after the matter had been raised in the *Australian* newspaper, said that the minute of interpretation was not available to the Australian news media. It was freely obtainable, I understand, in the United States.

The Minister for Defence has now belatedly tabled the minute for the first time. He might go on to explain—he has not done so in his statement—why Barwick, as the Minister for Foreign Affairs as he then was, never saw fit to mention the interpretation entered into by himself and the United States Ambassador. In this statement Mr Killen says that Mr Hayden and Mr Bowen, when they visited the bases recently and were briefed by Defence Department officials, were not told about the Barwick-Battle minute because of an 'oversight'. He goes on to say that South Africa, for example, which is said to be a country which would have access to the North West Cape facilities, has no common user access

to the United States military network. That is a matter about which the Australian Minister for Defence would have no idea. He would have no idea of who had access to the United States military network. It is quite clear that he would have no idea because of the history of secrecy about these matters.

The fact of the matter is that on the issue of third country access, the South Africans have a highly sophisticated electronic communications station at a place called Silvermine. The *Wall Street Journal*, which discusses these matters more frankly than Ministers of the Australian Government, has recently reported that the electronic communications Silvermine station in South Africa is in contact with bases in Australia. Is that a question of coincidence or is it a fabrication? I do not know the answer but on two issues, that of secrecy and that of access of third countries to the services of the North West Cape base, the statement of the Minister is far from satisfactory. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

HEALTH COMMISSION AMENDMENT ORDINANCE

Motion (by Senator Grimes for Senator Ryan) agreed to:

That Business of the Senate, Notice of Motion No. 1 standing in Senator Ryan's name, relating to the disallowance of the Health Commission (Amendment) Ordinance 1981, as contained in Australian Capital Territory Ordinance No. 6 of 1981, be postponed until Tuesday, 12 May 1981.

PARLIAMENTARY JOINT Sittings AMENDMENT BILL 1981

Assent reported.

NATIONAL HEALTH (PHARMACEUTICAL BENEFITS) AMENDMENT BILL 1981

REPATRIATION (PHARMACEUTICAL BENEFITS) AMENDMENT BILL 1981

Bills received from the House of Representatives.

Suspension of Standing Orders

Motion (by Senator Messner) agreed to:

That so much of the Standing Orders be suspended as would prevent the questions with regard to the several stages for the passage through the Senate of the Bills being put in one motion at each stage and the consideration of such Bills together in the Committee of the Whole.

Ordered that the Bills may be taken through all their stages without delay.

Bills (on motion by Senator Messner) read a first time.

Second Readings

Senator MESSNER (South Australia—Minister for Veterans' Affairs) (9.21)—I move:

That the Bills be now read a second time.

I seek leave to have the second reading speeches incorporated in *Hansard*.

Leave granted.

The speeches read as follows—

National Health Amendment (Pharmaceutical Benefits) Bill 1981

The Bill seeks to give effect to a decision of the Government to establish an independent tribunal to determine the remuneration to chemists for the supply of pharmaceutical benefits. Under present legislation, the rates of remuneration payable to chemists for the supply of pharmaceutical benefits are determined by the Joint Committee on Pharmaceutical Benefits Pricing Arrangements. This Committee comprises four representatives of the Pharmacy Guild of Australia and four government representatives under an independent chairman. The framework within which the Joint Committee must operate has proven difficult in relation to the formulation of chemists' remuneration. There have been three inquiries into pharmacy earnings, costs and profits since 1964-65 and no agreement has been possible between the Government and the Pharmacy Guild of Australia on the results of any of those inquiries. The Government believes that the most appropriate mechanism to overcome the existing problem is the establishment of a tribunal sitting in a public forum.

Honourable senators will recall that during 1980 the Joint Parliamentary Committee on Public Accounts conducted a detailed inquiry into the 'Pharmaceutical Benefits Scheme—Chemists Remuneration'. In its report, tabled on 17 September 1980, the Committee recommended, amongst other matters, that a tribunal be established to replace the existing Joint Committee. The Bill now before the Senate reflects the Government's acceptance of the Joint Parliamentary Committee's recommendation on this particular matter. The Government currently has the other recommendations of that Committee under consideration.

The Government believes that there are a number of advantages to be gained by establishing a public tribunal. First, it will remove from the political arena the question of the level of fees paid to chemists for the dispensing of pharmaceutical benefits. Both the chemists and the Government will be bound by the tribunal's decisions. Secondly, it will provide a forum in which all interested parties may publicly argue their case.

whilst ensuring that the levels of chemists' remuneration are determined by an independent body. Thirdly, it will remove the need for the Government to finance cumbersome and costly inquiries of the sort that have been conducted since 1964-65.

I inform honourable senators that the results of the latest inquiry in 1977-78 were not acceptable to the Pharmacy Guild and an interim settlement was arrived at. Under that settlement there was to be a study of alternative methodologies for determining chemists' remuneration and a review of the level of remuneration to be completed by 1 July 1981. However within the existing framework it has not been possible to reach agreement on methodology. I draw honourable senators' attention to clause 10 of the Bill, which provides that the tribunal shall complete its first inquiry and hand down its findings and the reasons for them by 1 July 1981. I am aware that this will place a large work load on the tribunal but I think that it is essential that the earlier promise to pharmaceutical chemists be kept.

The Bill provides that the tribunal is to consist of a chairman, appointed by the Governor-General, and two other members appointed by the Minister for Health. The Bill also provides that the chairman is to be a Deputy President of the Conciliation and Arbitration Commission. The other two members will necessarily be persons who have business and accounting skills so that they can make a worthwhile contribution to the deliberations of the tribunal.

Proposed new section 98BB does, however, allow the tribunal to continue to perform its functions in circumstances where one or both of the members other than the chairman have not been appointed. In order to expedite the first review which, as I have said, must be completed by 1 July 1981, the Tribunal in the first instance will be constituted only by the chairman.

I can inform honourable senators that the Government will be in a position to submit a name to the Governor-General for appointment as chairman as soon as the Act receives royal assent. The function of the tribunal, as provided for in proposed new section 98B, is to determine the manner in which the Commonwealth price of all or any pharmaceutical benefits is to be ascertained for the purpose of payment by the Government to approved chemists for the supply by them of pharmaceutical benefits.

In fulfilling its function the Bill requires the tribunal to hold an inquiry at least annually. These inquiries are to be conducted in public and I see these public hearings as very important. It means

that all interested parties will be able to make submissions to the tribunal for consideration at a public hearing. I would point out that the Joint Parliamentary Committee of Public Accounts was critical of the existing system, under which only the Government's and the Pharmacy Guild of Australia's views are considered to the exclusion of other interested groups. This is because the existing Joint Committee on Pharmaceutical Benefits Pricing Arrangements operates in private and its findings are not open to public scrutiny. The Bill before the Senate removes these anomalies.

The chairman of the tribunal will, of course, bring any proposed inquiry to the attention of the public by extensive advertising in the media. Notwithstanding the requirement for public hearings, the Bill allows the tribunal the discretion to determine that, because of the confidential nature of a submission, a hearing or part of a hearing should be conducted in private. It is proposed that the tribunal will decide the criteria that it considers appropriate in determining the fees or other amounts to be included in the Commonwealth price of pharmaceutical benefits. In deciding the criteria the tribunal shall take into account any principles determined by the Australian Conciliation and Arbitration Commission as being appropriate for fixation of award wages or salaries. The tribunal will not be bound to act in a formal manner and will not be bound by any rules of evidence but may inform itself of any matter as it thinks just. In accordance with the proposed legislation, the tribunal shall act according to equity, good conscience and the merits of each case without undue emphasis on legalism.

There are two other matters which I should mention. First, the Repatriation Act is also being amended to allow the tribunal to consider the level of chemists' remuneration for pharmaceuticals dispensed under the repatriation benefits scheme. The second point is that the tribunal will be serviced by the Department of Administrative Services. This is consistent with that Department's present servicing role of the two existing independent tribunals established under the Remuneration Tribunals Act.

Finally, I draw honourable senators' attention to the provision in clause 3 of the Bill which would amend the definition of *British Pharmacopoeia*. This amendment is necessary because the publishing authority of that publication has been changed from the General Medical Council of the United Kingdom to the Medicines Commission of the United Kingdom. The *British Pharmacopoeia* is the basic reference standard for drugs and medicinal preparations that are available as

pharmaceutical benefits. This Bill is an important measure and will pave the way for more orderly administration of the pharmaceutical benefits scheme. I commend this Bill to the Senate.

Repatriation Amendment (Pharmaceutical Benefits) Bill 1981

The purpose of this Bill is to amend the Repatriation Act 1920 in relation to pharmaceutical benefits and to reduce delays to certain applications for review by the Repatriation Review Tribunal. In the first instance, the proposed amendment will enable the Pharmaceutical Benefits Remuneration Tribunal that is to be established by the National Health Amendment (Pharmaceutical Benefits) Act 1981 to determine the level of remuneration payable to pharmacists who dispense prescriptions under the pharmaceutical benefits scheme currently administered under the medical treatment provisions of the Repatriation Act 1920. To achieve this, the Bill inserts a new section in the Repatriation Act 1920, section 109, which empowers the Minister to establish formally a Repatriation Pharmaceutical Benefits Scheme to provide pharmaceutical benefits to persons eligible to receive medical treatment under the Repatriation Act and associated legislation.

The Bill empowers the Minister to request the proposed Pharmaceutical Benefits Remuneration Tribunal to extend its inquiry to include the level of remuneration payable to pharmaceutical chemists under the Repatriation Scheme. The Bill will provide for the retrospective application of the Tribunal's function to 1 May 1980. This is to honour an undertaking given by Mr Justice Ludeke, Chairman of the Joint Committee on Pharmaceutical Benefits Pricing Arrangements, that should a subsequent inquiry modify his decision to reduce dispensing fees they would be adjusted accordingly.

The other part of this Bill, provides for the amendment of the Repatriation Act 1920, to reduce delays occurring in certain cases that are the subject of an application for review by the Repatriation Review Tribunal. The current provisions of the Act governing the review by the Repatriation Commission of a decision which is the subject of an application for review by the Repatriation Review Tribunal are contained in section 107VL of the Act. These provisions require the Tribunal to refer back to the Repatriation Commission any additional evidence presented to the Tribunal that had not been considered by the Commission or a Repatriation Board, but which the Tribunal considers would have been relevant

to the making of the original decision by the Commission or Board. This requirement has led to protracted consideration of certain claims and, as the amount of additional evidence being presented has been considerable, the resulting delays have been unacceptable. The proposed amendment will assist in reducing these delays in finalising reviews by conferring on the President of the Tribunal and the Tribunal itself a discretionary power to consider further evidence in a hearing rather than the Tribunal having to refer such evidence, if relevant, back to the Commission. I commend the Bill to the Senate.

Senator GRIMES (Tasmania) (9.23)—These two pieces of legislation, the National Health (Pharmaceutical Benefits) Amendment Bill and the Repatriation (Pharmaceutical Benefits) Amendment Bill, have been introduced by the Minister for Veterans' Affairs (Senator Messner), as has been obvious by the procedure adopted, with some haste. The Opposition has agreed to that procedure being followed because it does not want to hold up the passage of this legislation. We do not wish to cause any further delay in the setting up of the tribunal which is to look at the remuneration of pharmacists in this country, but point out that the haste we are witnessing is unnecessary. The proposal embodied in the legislation is not new. Essentially, it was recommended by a joint committee of this Parliament, the Public Accounts Committee, in a report which is many months old. The need for such a change as this has been recognised by interested people for many years. Indeed, it was publicly stated as being desirable as long ago as July of last year by the then Minister for Health. Despite this, the legislation was introduced and rushed through the House of Representatives in one day last week, with little opportunity for discussion being afforded the members of the Opposition, Government backbenchers or, in view of things that have happened since, by the Pharmaceutical Guild, the representatives of the pharmacy industry in this country. That is typical of this Government's attitude to health matters and the way in which it has conducted those matters in the past. This has resulted in uncertainty and confusion to patients, doctors, paramedical people and now pharmacists. It is not the way to amend legislation which affects so many people in this country.

Without question pharmacists' remuneration is in need of review. It has not been increased since 1977, during which time the pharmacists have had to cope with an inflation rate totalling some 36 per cent. They have been subject to a committee of review of their functions and not long ago were threatened with legislative changes which they

saw as likely to threaten the whole structure of pharmacies in this country. Of course, after some pressure had been applied that legislation was withdrawn. The Opposition does not wish to delay the legislation now before it but objects to the manner in which the legislation is being rushed through and to the pressure which will be placed on the new tribunal that the legislation establishes, particularly its president. By 1 July he or she must come up with a determination. How he or she will get an administrative procedure together, take submissions, consider evidence and reach a decision in the time available is hard to see. Because of this, the first decision will be made by the President, acting alone, as the tribunal. This is a direct result of the haste involved.

However, the tribunal which is being established, has some good points. The Opposition certainly welcomes the more public manner in which the tribunal will conduct its affairs, when compared with those of the Joint Committee on Pharmaceutical Benefits Pricing Arrangements which it replaces. It is important that interested parties, including consumer groups, should have a public input in this vital area, which affects almost everyone in this country who needs pharmaceutical products. We would hope also that the tribunal membership would be such as would enable it to make objective decisions and not become the field for warfare between interested groups, as unfortunately seemed to be the situation under the Joint Committee. If, as I expect, the members of the committee are independent and disinterested people—I have no reason to suspect otherwise—such tribunals could be extended to price fixing involving other medical and non-medical groups, which in this country receive considerable remuneration from the public purse, yet the method of determination of whose prices and fees are at present subject to less careful scrutiny.

This legislation will not assist with the problems facing the pharmaceutical industry generally. The falling income of pharmacists suggests that there are too many in some areas and too few in others. Unfortunately, the pharmacists themselves are in some sort of a bind in this regard. They rely to a considerable extent on public funds for their existence. Sometimes they seek government assistance in rationalisation. They have trouble in coming to grips with the fact that although they are so dependent on the Government and upon government legislation, they have a desire at the same time—as do so many groups in this country—to be completely free agents. I suggest that until they can come to grips with that problem they will have trouble in presenting their case. That may be

the reason why the Government has been able to ignore it for so long.

Another problem that is worth mentioning in such a debate as this is that faced by pharmacies—it is brought regularly to the attention of members of both houses—in regard to the delays experienced in receiving remuneration from the Government for services rendered. This seems to apply particularly to those who deal with the Repatriation Department, in respect of which there are repeated complaints of many months delay in receiving payment. Pharmacists do not always have an easy task. They act as a secondary form of control, for instance in therapeutics, in checking drug dosages—sometimes in checking dangerous combinations of drugs prescribed by doctors. Frequently these efforts are not received in a very friendly manner by some members of the medical profession. They are expected to give, and in fact give, free advice to all sorts of people in the community. Unlike doctors, they are unable to receive remuneration for the help and care they may give to the so-called disadvantaged group of patients in the community.

With the changes to the health scheme announced last week and the other changes announced in the Government's review of functions, I expect more people in the future to seek the advice of pharmacists as primary health care contacts because they will be unable to afford, or will be doubtful about their ability to afford, primary health care costs. That will put another burden on pharmacists. We hope that this proposed tribunal will achieve regular determinations of payments to pharmacists, will be seen to be just and will overcome the present unsatisfactory squabbling in the present Committee and the inadequate frequency of increases caused by the present Government's inaction and procrastination.

Since the legislation passed through the House of Representatives and members of the Pharmacy Guild have had an opportunity to look at it, another aspect of the Bill has been brought to the notice of most members of Parliament. It concerns the difficulty which arises under proposed new section 98BE of this legislation which will preclude the proposed tribunal from making retrospective determinations; that is, determinations which can be applied before the date on which the tribunal will announce its recommendations. The Pharmacy Guild and, I must say, the Opposition see that as an unnecessary restriction on the operations of what otherwise is to be an independent tribunal. Other similar tribunals which affect members of the community, including the Remuneration Tribunal which affects the wages and salaries of every person in this place, have no such

restriction placed on them. We fail to see why such a restriction should be made in this case. I will speak more of that at the Committee stage.

I move to the Repatriation (Pharmaceutical Benefits) Amendment Bill, which will enable the proposed pharmaceutical benefits remuneration tribunal to extend its inquiries into the fees paid for pharmaceutical benefits dispensed under the Repatriation Pharmaceutical Benefits Scheme. For the same reasons and with the same qualifications, we welcome that as a sensible move in light of the previous piece of legislation. I suggest again that the Minister look further at the delays which are experienced by pharmacists under the Repatriation Act. I hope that that will be corrected in the near future. Tacked on to this legislation is an amendment to section 107VL of the Repatriation Act which will provide that delays presently experienced in appeals to the Repatriation Review Tribunal may be at least alleviated. I will seek clarification of certain sections of that part of the legislation in the Committee stage.

I point out that, as predicted by many people when the Repatriation Review Tribunal procedures were set up in their present form, the provision that additional evidence not previously considered by the Repatriation Commission or by, say, a Repatriation Board when making a decision should be referred back to the Repatriation Commission itself is likely to cause delays and difficulties. The large volume of evidence which has been going backwards and forwards from the Tribunal to the Commission has resulted in considerable delays. This Bill certainly has the intent of giving the President of the Tribunal a discretionary power to consider that evidence without referral to the Commission and to make a decision. But it is not clear to us from the wording whether it achieves that completely. I will raise that matter in the Committee stage.

However, it seems to us that the wording of the legislation with regard to a situation in which a pension assessment is necessary restricts the evidence on which the Tribunal can vary such an assessment to that previously considered by the Commission or a Repatriation Board. We hope that that is not so, but we will seek clarification. All in all, the intent of the legislation is certainly worthy and, therefore, we support it. We hope that the delays at present seen in the Repatriation Review Tribunal will be reduced by this legislation. I leave any further remarks I have to make to the Committee stage.

Senator WATSON (Tasmania) (9.35)— Tonight we are debating two Bills—the National Health (Pharmaceutical Benefits) Amendment

Bill and the Repatriation (Pharmaceutical Benefits) Amendment Bill. Basically they appear to be fairly simple pieces of legislation which set up a remuneration tribunal. The setting up of the remuneration tribunal largely follows from the recommendations of the Joint Committee of Public Accounts, of which I am a member. The Public Accounts Committee noted that not once over the past 20 years have the Commonwealth Government and the Pharmacy Guild of Australia been able to agree on a lasting basis for determining chemists' remuneration. It is significant that, despite seven separate attempts and an admitted expenditure of well over \$2m, the last two surveys—both attempts by the Joint Committee on Pharmaceutical Benefits Pricing Arrangements to establish an objective base—have ended in procrastination and, at times, bitter negotiations. It is significant that the last 20 years have been characterised by Commonwealth Government involvement in the retail pharmacy industry and the remuneration of chemists under the Pharmaceutical Benefits Scheme.

I am pleased to say that the Government has largely followed the recommendations of the Public Accounts Committee. But there are a number of unsatisfactory features of these Bills, which, as Senator Grimes said, have been rushed through the House of Representatives and are being rushed through the Senate. In view of the difficulties faced by pharmacists in securing adequate remuneration over the years, I would hate to delay this legislation any longer for fear that the setting up of this proposed tribunal, which is essentially to consist of a chairman appointed by the Governor-General and two other members appointed by the Minister, could result in a further delay in providing an adequate remuneration to the pharmacists.

One matter of concern to me is the composition of the proposed pharmaceutical benefits remuneration tribunal. The legislation provides that in addition to a Chairman two members are to be appointed by the Minister. I must warn that the Minister, in making those two other appointments, must be very careful to ensure that the interests of the pharmaceutical chemists and the consumers are taken into account because the legislation does not prescribe, as in the past, that there shall be representatives from the Commonwealth Government or from the Pharmacy Guild of Australia. I am surprised that that is not a matter to which the Pharmacy Guild has drawn our attention. We have to recognise that Australia has well over 5,000 chemists. We have been told that they oppose the legislation in its present form

although they welcome the fact that the Parliament is at last recognising the need for it. They have had no price increase since 1977. Since that time the consumer price index has risen between 30 per cent and 40 per cent.

These 5,000 pharmaceutical chemists dispense something like one hundred million prescriptions each year. If we look at report No. 182 by the Joint Committee of Public Accounts we notice that in table 10 eight strata are listed. The total number of pharmacies is 5,288. The first stratum represents 1,431 pharmacies. This stratum actually lost 17.98c for each prescription dispensed. I think that tends to indicate that not all pharmacies are as profitable as the community basically expects them to be. In our report we stated that there was no consensus on the financial operations of dispensing but we drew the conclusion that those pharmacies which had large prescription volumes found dispensing relatively profitable. So the high volume pharmacies actually made money whereas the low volume pharmacies tended to have some financial difficulties. I seek leave of the Senate to incorporate in *Hansard* table 10 which is shown at page 81 of report No. 182 of the Joint Committee of Public Accounts.

Leave granted.

The table read as follows—

TABLE 10

**Apparent Profitability of Dispensing PBS Prescriptions:
Australia: 1977-78**

Survey grouping	Total number of pharmacies	Profitability cents per prescription (cents)
Stratum 1	1,431	*—17.98
Stratum 2	916	22.42
Stratum 3	740	28.91
Stratum 4	619	39.57
Stratum 5	531	43.82
Stratum 6	450	62.98
Stratum 7	359	69.34
Stratum 8	242	84.42
Total	5,288	Average 42.65

Source: Joint Committee: Results of 1977-78 Inquiry into Pharmacy Earnings, Costs and Profits.

Senator WATSON—These pharmaceutical chemists provide a wide range of advice on health matters. Their remuneration comes only in respect of profit ability from the dispensing of scripts and in the retail sale of goods. We find that this professional group is, indeed, very highly controlled by government. It has some financial difficulties in some sectors. I believe that in the future it may be necessary, because of the large

numbers of pharmacies per head of population—compared with those in some other countries—to license certain pharmacies in the long term in order for them to participate in the national health program. The Joint Committee of Public Accounts commented on the problem of co-ordination and the fact that there needed to be an objective analysis and investigation of health matters, particularly health economics. We expressed concern that the Commonwealth Government and the Primary Guild of Australia indulged in an excessive degree of secrecy. We thought that this was not in the interests of the Pharmacy Guild and was often counter-productive.

I think it is an opportune time to draw attention also to the problem of the alleged overpayment which some people said could be as high as \$253m. The PAC discovered that the error was in three parts. The first was the allocation of labour costs of \$126m, the second was an error in the analysis of the cost of goods sold of \$62m and the third was an error in the updating of the structural index of \$47m. We believed firstly there was a need for a review of the computer arrangements. Serious inefficiencies had arisen through the too rapid introduction of new technology in the form of computers. Secondly, there was a lack of a co-ordinated objective analysis and investigation of health matters. In relation to that matter the Public Accounts Committee reported on the need for a bureau of health economics. The third area was the need for overview of the remuneration to chemists under the Pharmaceutical Benefits Scheme and the Repatriation Pharmaceutical Benefits Scheme. We recommended a change to the setting up of a tribunal. I would like to comment on the need for a health fees tribunal. At paragraph 14 of the summary of the recommendations in the report the PAC stated:

... examined the operation and functions of the Joint Committee on Pharmaceutical Benefits Pricing Arrangements, a Committee which has been responsible for setting or for advising on the appropriate levels of remuneration for pharmacists dispensing PBS and RPBS prescriptions. As a result of its investigations the PAC has recommended that the Joint Committee be abolished and replaced by a Health Fees Tribunal.

This is precisely what this legislation before us tonight is doing. The Committee was concerned—this concern has been expressed in the legislation before us tonight—that only the views of the Pharmacy Guild of Australia and the Commonwealth Government were considered to the exclusion of all other interested groups. It was evident that it operated in private and that its findings were not open to public scrutiny. I am pleased to report that, by virtue of proposed new section 98A of the Bill which is before us tonight, I

believe with the appropriate choice of personnel to this tribunal, the criticisms and recommendations of the PAC certainly will be acknowledged and taken heed of. In relation to the economic bureau, at chapter 9.29 of the report we noted:

With total health expenditure throughout Australia of about \$9000 million, the PAC considers that the Department of Health should be serviced by a specialised group of economists and other relevant disciplines, advising on economic matters associated with the health industry.

Because of the lack of economic expertise within the Department we went on to recognise in paragraph 9.35:

To meet the current deficiency of economic advice to the Department of Health, the PAC considers that a Bureau of Health Economics comprising a specialised group of economists and persons with complementary skills, should be established.

Senator Georges—Move it as an amendment and we will support it.

Senator WATSON—We certainly hope that this will be the next stage.

Senator Georges—I would forget it for about six years.

Senator WATSON—Yes. I agree with Senator Grimes that as our report was tabled on 16 September 1980 and it is now May 1981, it has taken that length of time to introduce into the Senate a relatively simple piece of legislation dealing with pharmaceutical chemists. As a result of all these inquiries and this alleged overpayment, which the PAC acknowledged, the pharmaceutical chemists found themselves in a bit of a dilemma. The chemists' remuneration was reduced by 4c per prescription. In the overall negotiations for an acceptable price the pharmaceutical chemists acknowledged that the final price was acceptable. Had this 4c been recognised as a problem seven years ago I am sure they would have entered into a stronger bargaining position to rectify a multitude of errors.

Let us take an analogy. In negotiations for minimum wage increases, say, at the national level, the ordinary wage earners and the Australian Council of Trade Unions are not really concerned as to all the inputs that go in or whether there is a mistake in a figure. That does not concern them. What they are concerned about is the total wage. In the same way, the pharmaceutical chemists were concerned about whether their total remuneration would adequately reward them rather than about the various components. A media statement by Mr Justice Ludeke, Chairman of the Joint Committee on Pharmaceutical Benefits Pricing Arrangements, is included as appendix 10 of the Public Accounts Committee report. It is stated

that there was a consensus within the Joint Committee on Pharmaceutical Benefits Pricing Arrangements on the following:

- (a) reduction of the level of professional fees by four cents from 1 May 1980;
- (b) the Joint Committee to conduct an investigation into alternative methodologies

That was of some concern. The statement continues:

- (c) future inquiries to be carried out for the Joint Committee by a mutually agreed independent organisation, at Government cost . . . ;
- (d) based on such an Inquiry the Chairman of the Joint Committee to make a determination to be effective from a mutually agreed date not later than 1 July 1981;

I am pleased to say that that date seems to have a place in the Bill which is before the Senate tonight. For that reason we are being pushed to rush this legislation through the Senate. The Joint Committee on Pharmaceutical Benefits Pricing Arrangements also agreed on an updating formula. It recognises the problems there. Here lies the rub. Paragraph (f) reads:

should the Chairman's determination in (d) above show the decrease of four cents was not justified, then a retrospective adjustment would be made by the Government to reinstate the four cents—

Proposed new section 98BA (1) states:

The Tribunal shall, as soon as practicable after the commencement of this section, and at such subsequent intervals (not being intervals of more than 12 months) as are determined by the Chairman, hold an inquiry to ascertain whether the Commonwealth price of all or any pharmaceutical benefits should be varied.

Although the time interval for the holding of inquiries is not to be more than 12 months, an inquiry can go on for quite some time. What the pharmaceutical chemists require is a more regular updating. There is no time restriction. For the remuneration to date from the commencement of the inquiry would have been reasonable. This sometimes happens in wage negotiations. The Tribunal will hold its inquiry every 12 months but the inquiry may go on for quite some time. No date is provided for the commencement of the payment of the benefit. On the other hand, proposed new section 98BE reads:

A determination of the Tribunal under sub-section (1) of section 98B shall come into operation on a date specified in the determination, not being a date earlier than the date on which a statement setting out the terms of the determination is issued by the Tribunal—

This section prevents any degree of retrospectivity whatsoever. The Pharmacy Guild is somewhat concerned about this matter. It virtually means that its members are behind the eight-ball. I have before me a submission by Mr D. M. Gibbons, the Executive Director of the Pharmacy Guild of Australia—I think it was sent to most

honourable senators—in which he indicates that the Guild is concerned about the Senate passing the legislation in its present form. He states that if we pass it in its present form we are:

... asking chemists to provide out of their own pockets, a continuing subsidy of the Government's Pharmaceutical Benefits Scheme of over \$10m per annum.

Senator Peter Baume—Do you believe that?

Senator WATSON—So we are putting a fair cost on the chemists. In response to Senator Baume's interjection, I believe that in recent years the Government has certainly been rather hard on the pharmaceutical chemists in Australia. My wife is a wage earner employed by a pharmaceutical chemist. She expresses some concern about the Government's treatment of chemists in this area. I believe that the pharmaceutical chemists need a fair and adequate remuneration to reward them for their costs. To ensure that the work of the Public Accounts Committee receives a wide acknowledgment by the community, I wish to incorporate in *Hansard*, from chapter 10 of the Public Accounts Committee report, table 6 concerning the number of pharmaceutical chemists in Australia, table 7, which gives world comparisons

of population to pharmacy ratios and table 8, which shows the number of pharmacies by volume of prescriptions in 1975-76. I seek leave to have those tables incorporated in *Hansard*.

Leave granted.

The tables read as follows—

Table 6

PHARMACEUTICAL CHEMIST NUMBERS*: AUSTRALIA AS AT 30 JUNE 1960 TO 1980

Year	No. of pharmacies	Population/pharmacy ratio
1960	4,696	2,213
1964	5,243	2,151
1966	5,501	2,128
1968	5,728	2,120
1970	5,876	2,155
1971	5,912	2,211
1972	5,891	2,255
1974	5,719	2,397
1976	5,504	2,542
1978	5,392	2,643
1980	5,417	2,650 (est.)

Source: Department of Health, Annual Reports, various issues and Year Book Australia No. 63, 1979, Australian Bureau of Statistics, Canberra, N.D.

Table 7

WORLD COMPARISONS OF POPULATION TO PHARMACY RATIOS 1974

Under 4,000	4,000-7,999	8,000-11,999	Over 12,000
Australia S	Bulgaria C	Australia C	Bahamas C
Belgium C R	Canada	Czechoslovakia C	Botswana
France C R	UK	Finland C	Denmark C
Gibraltar S	Hungary C	Israel C	Hong Kong
Greece R	Ireland C	Jordan C	Iran C
Ireland S	Italy C	Poland C	Ivory Coast C
Malta R	Japan C	S. Africa C	Kenya
Northern Ireland S	Lebanon C	Syria C	Kuwait C
Spain C R	Luxembourg C		Mauritius
	Philippines		Netherlands C
	Portugal C		Norway
	Switzerland		Rumania C
	USA		Rwanda
	West Germany		Sri Lanka
			Sweden C
			Yugoslavia C

Notes: C—Distribution of pharmacies is controlled.

R—Sale of medicines to the public is reserved entirely to pharmacies.

S—Sale of some medicines is reserved to pharmacies; other medicines can be sold from other shops, the range of which may or may not be restricted.

Source: Derived from J. C. Bloomfield; *The Global Scene in 'Pharmacy in the 1980s'*, Proceedings of the Pharmacy Institute Conference 1928-1978, the Pharmacy Guild, Canberra 1978.

Table 8
NUMBER OF PHARMACIES BY VOLUME OF PRESCRIPTIONS
1975-76

Stratum grouping	Volume of prescriptions	Prescriptions per month	Number of pharmacies
%			
1	12.5	1,896	1,431
2	12.5	897-1,151	916
3	12.5	1,152-1,390	740
4	12.5	1,391-1,641	619
5	12.5	1,642-1,905	531
6	12.5	1,906-2,309	450
7	12.5	2,310-2,971	359
8	12.5	2,972+	242
Total	100		5,288

Source: Joint Committee on Pharmaceutical Benefits Pricing Arrangements.

Senator WATSON—In conclusion, I state that I am concerned that the Government is taking an area of discretion away from the Tribunal and is placing into its own hands the manner in which payments can be determined. I am concerned about the fact that payments cannot be made retrospective to the date of commencement of investigation by the Tribunal. Because of this situation, pharmaceutical chemists will always be behind the eight-ball. They will be carrying costs for the community in an area where their returns from pharmacy are decreasing and at a time when they are faced with increasing competition from the major retail chains which are moving into areas which were previously the exclusive domain of the pharmaceutical chemists. The pharmaceutical chemists provide a paramedical sort of service free of charge. It is a profession for which I have a lot of respect. I believe that basically the pharmaceutical chemists deserve better than to have this legislation rushed through the Senate and to be treated in the way I have just outlined. In view of the need to update their remuneration, I support the legislation but with sincere misgivings.

(Quorum formed).

Senator MASON (New South Wales) (10.0)—The Australian Democrats have listened with great interest to the debate on this Bill. Senator Chipp and I have both had representations from pharmacists, and indeed from the Pharmacy Guild of Australia, for some little time over this matter. We welcome at least an effort by the Government to recognise the fact that the industry has been in a grossly diminishing state of financial returns for a long time now. Some four or five weeks ago I had a chemist, a formerly prosperous Australian businessman, in my office. He produced figures to me to show that with the erosion of his profits he had reached a stage that,

although his staff were being paid, as of February this year he had stopped getting any return whatever from his business. I suggest that that is a rather crazy way to treat small businessmen in this country. I think the Government was relying on some sort of idea in the community coming from times well in the past, possibly a decade or more ago, that chemists were in fact getting a bigger return from the community than they should have. Certainly, if those days ever existed, they do not exist now.

We support these amendments and the institution of the tribunal, as does the Pharmacy Guild. Basically there is this anomaly in the Bill to which the Pharmacy Guild has objected—this kind of delayed action in reimbursing chemists for the supply of pharmaceutical benefits. The problem is that, whilst the present system permits prompt reimbursement, the latter part of proposed section 98BE of this new Bill precludes that. As Senator Watson has said, there will be a lag period so that money reimbursed to the chemist will always fall short of the costs of issuing the scripts. The letter which I have received from the Pharmacy Guild of Australia, which I gather other honourable senators might also have received, makes the statement:

In its present form the legislation is asking chemists to provide, out of their own pockets, a continuing subsidy of the Government's Pharmaceutical Benefits Scheme of over \$10 million per annum.

I noticed that, when Senator Watson mentioned this, the Minister for Aboriginal Affairs, Senator Peter Baume, interjected. I think I quote him correctly. He said: 'Do you believe that?' I hope that at some time later in this debate Senator Peter Baume will stand up and justify his reasons for that interjection. If he has good reasons for not believing it or there are good reasons for us not to

believe it, I think he should state them here and we will all know what it is that he means.

The pharmacists have objected—the Australian Democrats believe quite properly—to this dating provision, as it will not allow them to recover those costs before the invitation of submissions and hearings by the tribunal and before the tribunal actually makes its decision. Elimination of the words proposed in the latter part of proposed section 98BE could solve this problem. I foreshadow that, in the Committee stages, I will move as an amendment to section 98BE:

That all words after and including 'not' be left out.

The Australian Democrats know that this is an urgent matter for pharmacists. We do not wish to delay this important matter for them. In an attempt to resolve it at this stage, or at least to get some indication of what is likely to happen to this legislation, I now move as an amendment to the second reading:

At end of motion, add ', but that the Senate is of the opinion that the National Health (Pharmaceutical Benefits) Amendment Bill 1981 should be amended so that the Tribunal is not precluded from adjusting determinations to match chemists' actual increases in costs'.

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

Senator Georges—I second the amendment, and take the opportunity to protest at the manner in which this Bill is being dealt with.

The ACTING DEPUTY PRESIDENT—Has Senator Mason concluded his remarks?

Senator MASON—Yes.

Senator GEORGES (Queensland) (10.5)—I know that I had a business paper in front of me today, but nevertheless it was not clear to me that these Bills were to be made urgent Bills. If that were the case, I consider that it should have been clearly spelt out. I do not doubt that in my absence from the chamber there must have been a suspension of Standing Orders to allow us to proceed from the first reading immediately to the second reading, without adjournment of the debate. This has happened on a couple of occasions, and I think that we are establishing a precedent that may lead to the rushing of Bills through this House. That ought not to be tolerated. I believe that in future we ought to be refusing the Government's move to pass legislation through from the first reading to the second reading unless it moves that the Bill be made an urgent one, and justifies that action.

In this case the National Health (Pharmaceutical Benefits) Amendment Bill is before us. After a delay of 12 months, it becomes a matter of haste, and the legislation is introduced. This morning I

received the letter from the Pharmacy Guild of Australia that was read out by Senator Mason. I looked at it and I thought that the pharmacists had a case. I thought at least we would go through the first reading and have the second reading speech made and the adjournment taken, in order to allow us to look further at the matter. For that reason, I set the letter aside, because I believed that the complaint which the Pharmacy Guild of Australia was making was a valid one.

I was a member of the Joint Committee of Public Accounts. During the inquiry by that Committee we received evidence, a whole sorry sequence of facts, which showed that pharmacists had been in confrontation with the Government over many years. That confrontation led to the Government taking the view that the pharmacists should be paid as little as possible. The pharmacists were striving to obtain justice, and the Government of the day determined to save money by prolonged inquiry and debate as to whether the pharmacists should be receiving a certain amount. The inquiry took so long that the pharmacists were at a disadvantage. Then an error appeared. According to the evidence brought forward, the pharmacists were supposedly overpaid some \$271m. When the Committee investigated the matter, it found that by accident for the first time the pharmacists had received some justice. The Public Accounts Committee recommended the establishment of a tribunal. It also recommended the establishment of a bureau of health economics, a recommendation which the Government has not accepted; but it has accepted the proposal for a tribunal. One would have expected that the Government would bring down the legislation in such a way that we would be able to debate it, and that the Guild would have an opportunity to put a case concerning the legislation before the House. But here we are now endeavouring to race this legislation through and perhaps to frustrate the pharmacists again. For that reason I support the amendment.

Senator Chipp—It was brought into the House of Representatives only last Thursday.

Senator GEORGES—It is a disgrace. The Public Accounts Committee made the recommendation some 12 months ago. The legislation was brought into the House of Representatives on Thursday last. It was rushed through the House of Representatives. It has been brought to the Senate and we have been asked to put it through in one night, and already we have representation from the Guild which we believe is valid.

What does the Government intend to do tonight? Does it intend to force the legislation

through? If it is to be forced through I, for one, and I think Senator Watson also, will look very seriously and closely at what the Guild is presenting; and I would support the amendment which has been moved to the motion for the second reading and the amendment which will be proposed in the Committee stages. If we do this, I think that we can recover some of the lost ground. If, however, the Government uses its numbers to defeat this amendment, it will have continuing trouble with the pharmacists because, although the figure of \$10m may be hard to take, if we measure the fact that the industry is widespread, and there are many small operators and there are many prescriptions, there is no doubt that the figure of \$10m could be a valid figure. The Guild produced evidence before the Public Accounts Committee that it knew its job and its calculations. It has lobbied for a long time to obtain justice in this matter, and I would take that figure of \$10m as acceptable.

The amendment is a reasonable one. Before I sit down, I wish to put a further case for the establishment of a bureau of health economics. If we had such a bureau carrying out an investigation in support of the work of the tribunal, that bureau would promptly come up with the fact that the whole of the pharmaceutical industry needs to be reorganised. Perhaps there are too many uneconomic chemists. Perhaps there are too many chemists in the industry and the industry ought to be rationalised in some way. That would be the work of the Bureau of Health Economics. It would be able to investigate these matters in the same way as the Bureau of Agricultural Economics investigates similar matters. Although I support the amendment, the Government should take up the second recommendation of the Joint Committee of Public Accounts and establish that bureau as soon as possible. It would then be able to investigate the areas of abuse and inefficiency in the distribution of pharmaceutical services. I have pleasure in supporting the amendment.

Senator JESSOP (South Australia) (10.11)—I rise to speak briefly to the legislation, which seeks to establish a tribunal to determine the fees payable to pharmacists for services rendered under the National Health (Pharmaceutical Benefits) Act. I believe that pharmacists have some right to be concerned about the treatment that has been meted out to them by the Government in the past. They seem to be the poor relation as far as the national health scheme is concerned. Doctors and optometrists have a capacity, from determinations of their tribunal, to effect increases in fees if they so desire, bearing in mind that the Commonwealth's obligation in regard to

those increments is unaltered. However, pharmacists do not have that capacity and that is why I believe they ought to be given far more consideration by the Government than they are being given in the context of this legislation.

The point that concerns me is that pharmacists have, as I think Senator Grimes said earlier, seen no effective increase in the reimbursement by the Commonwealth Government of their out of pocket expenses since July 1977, during which time they have had to absorb cost increases of nearly 40 per cent. I believe that honourable senators are convinced that retail pharmacy is in a deal of financial trouble in many areas. Over the last three months alone, according to information I have obtained, 25 of Australia's chemists have had to close their doors. Therefore, I think that the Commonwealth Government, having regard to the importance of small business in Australia, ought to recognise that their plight and problems are real.

I am concerned about clause 10 (1) of the National Health (Pharmaceutical Benefits) Amendment Bill, which provides:

The Pharmaceutical Benefits Remuneration Tribunal shall complete its first inquiry under section 98BA of the National Health Act 1953, and shall issue its findings arising out of that inquiry and the reasons for them, before 1 July 1981.

That Tribunal has yet to be appointed. I also understand that its Chairman has yet to be appointed and he is the person responsible for making this determination by 1 July this year. It seems to be quite a massive task for such a person to gather information concerning the whole question of pharmaceutical fees, to call public hearings and to deal with the matter in all fairness to the pharmacists concerned by that date.

Senator Georges—Why did you take so long to introduce the legislation?

Senator JESSOP—I am trying to substantiate what the honourable senator is saying. The haste in the matter has been indecent and does not have due regard to the full implications of the problem that we are dealing with. I listened to Senator Georges without interruption and I hope he will listen to me and have some regard to what I have to say. My view is that the Government must have due regard to the problems that have been brought forward by the Pharmacy Guild of Australia, which speaks on behalf of approximately 85 per cent of the pharmacists in Australia. Five thousand pharmacists seem to be opposed to the legislation in its present form. I have a telex which has been given to me for my information. It is addressed to the Minister for Health (Mr MacKellar) and is from Mr Russell, the National

President of the Pharmacy Guild of Australia. I seek leave to incorporate the telex in *Hansard*.

Leave granted.

The document read as follows—

5.5.81

To: The Hon. M. J. R. MacKellar, M.P., Minister for Health.

CC: The Rt Hon. J. M. Fraser, C.H., M.P., Prime Minister of Australia. Mr J. C. Hodges, M.P., Deputy Government Whip.

From: A. A. Russell, National President, The Pharmacy Guild of Australia.

Dear Mr MacKellar,

National Health (Pharmaceutical Benefits) Amendment Bill 1981

You are aware of our continued concern with this Bill in the form it was passed through the House of Representatives last Thursday. I understand it is listed for consideration today in the Senate.

As you know, the Guild welcomes the legislation in principle. However, Australia's 5,000 chemists remain opposed to the legislation in its present form.

In the past, the method of adjusting chemists' remuneration has been to allow them to recover the average cost of dispensing pharmaceutical benefits prescriptions. The arrangement was to establish as far as possible the increases in average actual cost of dispensing after the event and to adjust payments to chemists for the relevant period.

However, the current Bill under section 98BE specifically precludes the tribunal from making such adjustments despite the fact that vital information on cost increases will not be available at the time determinations are made.

It will enshrine in legislation a system of reimbursement to chemists where the level will always fall short of their actual costs incurred by the amount of inflation since the last determination.

I must emphasise that what we are talking about is not the payment by the Government of a wage or a salary but the recovery of costs incurred by chemists in maintaining a critical element in Australia. Australia's health care system, that is, the dispensing of 100 million prescriptions per year.

Accordingly, the Guild recommends that the Bill be amended as follows:

Delete from section 98BE all words after and including "not" in the second line of this section.

These words, if retained, will have the effect of precluding the tribunal from adjusting determinations to match chemists' actual increases in costs.

If the Bill is not so amended then the parliament will have placed unnecessary constraints on what is supposed to be an independent tribunal.

It is the tribunal, not the Government, which should determine the level of remuneration and from what date that remuneration should apply. Our members will judge the tribunal on its first determination and the Guild is concerned that because of the limited time the tribunal may not be able, in the time available, to give the complex matters before it the consideration they warrant. Several speakers in the debate in the House of Representatives last Thursday, considered that it might be desirable for the tribunal to make an interim determination. However, unless section 98BE is amended as the Guild proposes, this course of action is precluded.

In its present form the legislation is asking chemists to provide, out of their own pockets, a yearly subsidy of the Government's pharmaceutical benefits scheme of over 10 million dollars.

I urge you to acknowledge the unreasonableness of the legislation in its present form and of the critical need for it to be amended in the Senate if this essential element of Australia's health care system is not to be placed in jeopardy.

Yours sincerely,

A. A. Russell

National President

The Pharmacy Guild of Australia

Senator JESSOP—I am concerned about ensuring that the Government recognise the points I raised earlier. Senator Watson made many points with respect to the determination of the Joint Committee of Public Accounts. Honourable senators opposite have reinforced those points. I think that they are valid comments. I support what has been said. I regard it as the Government's responsibility not only to recognise the position of doctors and others in the national health scheme of Australia but also to recognise that pharmacists also have a very important role to play. Their objections to the legislation ought to be given favourable consideration by the Government and dealt with in the future. I hope that the Minister for Aboriginal Affairs (Senator Peter Baume) will have regard to what I have said.

Debate interrupted.

DISTINGUISHED VISITOR

The PRESIDENT—I draw the attention of honourable senators to the presence in the gallery to my left of a former Government Whip in the Senate, Mr George Poyer. I am pleased to see him here and bid him a very warm welcome to the chamber.

Honourable senators—Hear, hear!

NATIONAL HEALTH (PHARMACEUTICAL BENEFITS) AMENDMENT BILL 1981

REPATRIATION (PHARMACEUTICAL BENEFITS) AMENDMENT BILL 1981

Second Readings

Debate resumed.

Senator GRIMES (Tasmania) (10.19)—I rise to support briefly the second reading amendment moved by Senator Mason. Obviously this requires some explanation. The situation with this legislation is simply that, delayed as it was, it was introduced in the House of Representatives last week and rushed through that chamber in one day with the co-operation of the Opposition, recognising the urgency of the situation.

Senator Chipp—On Thursday.

Senator GRIMES—It was done last Thursday. Therefore it received as much consideration as possible from both sides of the House. Today it was brought into this chamber and Standing Orders were suspended to enable the whole of this legislation to pass through all its stages without delay—the first, second and third readings. In the meantime, the Pharmacy Guild of Australia drew the attention of members of both sides of this place to the deficiency in section 98BE of the National Health (Pharmaceutical Benefits) Act to which I, Senator Mason and others have referred.

It was my understanding, before I rose to speak in the second reading debate—I received this letter only late this afternoon—that in fact an amendment to this legislation would be moved from the Government side to cope with the objections of the Pharmacy Guild of Australia. We would have accepted that amendment. The information we then received was that the passage of the Bill, it having been pushed through this place with our co-operation and with the suspension of Standing Orders, was to be suspended after the second reading stage and therefore this amendment could not be moved. To overcome this situation and to make clear everybody's objections to this legislation, Senator Mason, who was on the speakers list, moved his amendment to the second reading of the Bill. It is a desirable amendment which needs to be moved and passed at the Committee stage. As there was some uncertainty as to whether we would have a Committee stage, despite the urgency with which the Government pushed through this legislation, we believed we would support the second reading amendment and we will still do so.

I know that this is an urgent piece of legislation, Mr President, but the passage of this legislation, amended as we would like it to be amended and as the Pharmacy Guild would like it to be amended, would involve passing it through this place tonight and through the other chamber in its amended form with the same haste as it went through the other place last Thursday. That would not affect the remuneration to pharmacies in this country. It would not in any real way delay the legislation. That can still be done. We therefore will support the second reading amendment and if we do get to the Committee stage tonight we will then support a similar amendment. That is the reason for our doing so. It is a further means of demonstrating the tardiness, the laxity of the Government and its lack of consultation with the industry, with the Opposition and with everybody

else involved in bringing this legislation into this chamber.

Senator WATSON (Tasmania) (10.23)—I have here a piece of paper which reads:

The Government is aware that between enquiries by the Pharmaceutical Benefits Remuneration Tribunal, chemists may be affected by cost increases, e.g., wages, rent etc.

The Pharmaceutical Benefits Remuneration Tribunal terms of reference in the Bill are sufficiently widely drawn to take this matter into account and no doubt the Tribunal members will be aware of this fact in arriving at their determination.

I understand that that paper came from the Minister for Health (Mr MacKellar). But in reading section 98BE, I fail to see how that reference can widen the terms as set out in section 98BE because they are quite specific and have a narrowing effect. The only way in which these laudable comments can be taken into account is by having Tribunal meetings at intervals of less than 12 months, say every three months or every six months. I believe this is a fairly impractical way of overcoming this particular problem and I seek the response of the Minister for Aboriginal Affairs (Senator Peter Baume), advising us of a way of overcoming our dilemma.

Senator CHIPP (Victoria—Leader of the Australian Democrats) (10.24)—I will be brief. It is beyond my comprehension that the Government does not accept this amendment. Several members on the Government side of the chamber have expressed both publicly and privately the equity in this amendment and the inequity of the Bill as it now reads. The Government is being pig-headed in forcing this legislation through and is creating a massive injustice to thousands of pharmacists. I would appeal even at this late stage for members of the Government, who time and time again in their speeches and in their platform champion the cause of small business, simply to vote for this amendment:

At end of motion, add ', but that the Senate is of the opinion that the National Health (Pharmaceutical Benefits) Bill 1981 should be amended so that the Tribunal is not precluded from adjusting determinations to match chemists' actual increases in costs.'

I would like someone to tell me how that is exceptional. I do not want to stir up an argument on this matter at this stage, but before I sit down I point out very briefly that there happens to be in this chamber a senator who has a vested interest in this Bill. The senator is a most honourable person and he has elected to abstain from voting on this Bill because he is caught in a huge dilemma that if he votes for the second reading of the Bill, he will be voting to increase the earnings of a profession to which he belongs.

Senator Walters—Mr President, I take a point of order. Has the amendment been circulated? I do not seem to be able to find a copy of it. I have asked for a copy.

Senator CHIPP—You have been out of the chamber all night.

The PRESIDENT—A copy has been brought to my desk.

Senator Walters—There is not a copy on my desk. I have asked for one but I have been told that there is not one.

The PRESIDENT—I call Senator Chipp.

Senator CHIPP—The honourable senator has an enormous dilemma: If he votes for the Government's second reading and for the Committee stage he is actually lending his vote to increase the earnings of a business in which he has an interest. On the other hand, if he does not vote he is perhaps dishonouring his obligations as a senator. Then again, if he votes for the amendment before the Chair he is in fact voting to increase the earnings of the business of which he is a member. I am not asking for a ruling this evening, Mr President, but it seems to me to be a classic case of how a senator can genuinely be caught in a very difficult position. The honourable thing that this honourable senator must do, I believe, is abstain from voting.

Senator Grimes—That is going to set a precedent for the National Country Party.

Senator CHIPP—But that will set a precedent and it will put other members of the Senate in a most difficult situation in the future. I believe that while the matter can be resolved reasonably equitably tonight it could raise a question in the near future whereby a massive matter of principle is involved. I would invite you, sir, to bring down a ruling or a paper on the matter so that the Senate can debate it.

Senator TOWNLEY (Tasmania) (10.27)—Just before this debate closes, I would like to point out that before Senator Chipp spoke he did mention to me the outline of what he was going to say, and I thank him for that. It is true that, if the action of the Government is as it appears to be at this moment, I will be abstaining for some of the reasons which Senator Chipp has mentioned. But primarily, it would appear that if I do vote for the amendment moved by Senator Mason, it could at some stage later on affect the income not only of myself but of 5,000 other chemists in Australia. As this is something that I might have a vested

interest in, I certainly will not be voting with regard to the amendment. If the situation were accepted by the Government my action might have to be different.

Senator RAE (Tasmania) (10.29)—I am concerned for a number of reasons. This matter has arisen very suddenly on this occasion, but it has a very lengthy history. The problem of small business in Australia led to the creation several years ago of an organisation known as COSBO—the Council of Small Business Organisations of Australia. I was at the initial meeting, at which it was arranged to set up that organisation. In fact, I played a part in drafting its structure. It was set up in recognition of the problems that small business has. The Pharmacy Guild of Australia was one organisation which joined COSBO and provided the secretariat for quite a significant period of its existence. That was an expression of the Guild's concern about this question of how small business gets a voice in government. What do we find here tonight? We find something happening which seems to me to identify so clearly the problem experienced by small business in Australia. A number of us are concerned.

I believe all members of the chamber have received representations from the Pharmacy Guild of Australia expressing its concern about a provision in this proposed legislation. I would like to have the time and the opportunity to be able to consider whether there is merit in that objection and whether there is a way in which that objection can be overcome. This legislation follows years of discontent among the chemists of Australia and years of problems between governments and their agents in administering a health scheme, and the chemists have been that. Accusations and counter-accusations have been made over the years.

Debate interrupted.

ADJOURNMENT

The PRESIDENT—Order! It being 10.30 p.m., under sessional order I put the question:

That the Senate do now adjourn.

Question resolved in the negative.

NATIONAL HEALTH (PHARMACEUTICAL BENEFITS) AMENDMENT BILL 1981

REPATRIATION (PHARMACEUTICAL BENEFITS) AMENDMENT BILL 1981

Second Readings

Debate resumed.

Senator RAE (Tasmania) (10.30)—I, as a supporter of the Government, do not understand what is happening, and I make that quite clear. I will continue my speech with a little more vigour than I would have used if what has just occurred had not taken place. Let me just say that there have been years of discontent so far as chemists and successive governments have been concerned. I believe that chemists have played a steady, important part in the operation of small business in Australia. The inquiries which have been conducted over the years and which are referred to in the second reading speech of the Minister for Veterans' Affairs (Senator Messner) have all been, in one way or another, desultory. I am not sure that any clear, automatic solutions to problems that have existed are likely. If one takes account of history, one would not feel sanguine about the expectation that any piece of rushed legislation, introduced into the House of Representatives last Thursday and being drummed through this chamber tonight, was the final answer. In the absence of an explanation from the Government as to why it expects our support in rushing this legislation through, I find it extremely difficult to think of a good reason why I should not support the amendment which has been moved.

Good reason has been given to me this afternoon to consider why I should support it. That good reason has been given to me by chemists and by the Pharmacy Guild of Australia. Individual chemists have expressed their concern—people I have known over the years and whose judgement I have faith in. I do not have any real explanation as to the reason why this legislation cannot be left over until tomorrow so that all members of this chamber can have an adequate opportunity to be able to consider the provisions which are objected to and to consider whether there are ways in which that can be overcome. I can only express my concern that after such a widespread cross-section of opinion in this chamber tonight it is the apparent intention on the part of the Government to ram this legislation through regardless. I must say through you, Mr President, that my opinion of the Minister who is in charge of the legislation has fallen very rapidly tonight. I can only add that I presume he is acting on instructions which he may make clear when he replies. I invite him to reply.

The proposal in the legislation would seem to me on the face of it to be a slight on the tribunal. The Government first gives it absolute power and then the Government restricts it. I would like to know a good reason why that is so. I would like to hear a good reason as to why the amendment which is proposed should not be carried or some alternative step taken. Why is it necessary for this

legislation to be rushed through tonight when the matter was introduced into the House of Representatives only last Thursday and is being dealt with in this chamber today? I think everybody has been caught somewhat in a situation in which they have had inadequate time to consider the provisions of the legislation. I do not know whether I would wish to support it or not. I can only indicate that, unless some very good reason is given as to why the case put forward by the Pharmacy Guild should not be given some time for consideration, I personally propose to support the amendment.

Senator PETER BAUME (New South Wales—Minister for Aboriginal Affairs) (10.34)—If there are no other speakers I will now close the second reading debate. I thank honourable senators who have taken part in this debate on the National Health (Pharmaceutical Benefits) Amendment Bill 1981 and the Repatriation (Pharmaceutical Benefits) Amendment Bill 1981. These Bills have been introduced to create the Pharmaceutical Benefits Remuneration Tribunal—a tribunal which did not previously exist—and to create a mechanism to remunerate pharmacists in a way which was not previously available to them. I am grateful to many of the honourable senators who have taken part in the debate. I am grateful to Senator Chipp for his contribution and for the references he made to one of our colleagues. He also mentioned the dilemma in which he finds himself in this debate. I am also grateful to Senator Watson for declaring in his speech that his wife has an interest as a pharmacist.

I first say that I noted the comments of my colleague, Senator Rae. If I do make a response to him on some of these matters I will do it personally and privately and not as he did, in the Senate chamber. The legislation was discussed at a meeting of the Government parties last Wednesday when all Government senators and members expressed a view and took part in the debate. A number of the members of the joint parties took part in that debate at that stage. I think Senator Watson referred at some length to the very excellent report from the Joint Parliamentary Committee of Public Accounts. It carried out a public inquiry. I would not call it desultory. I would say a very excellent inquiry has been carried out. I notice particularly table 10, which sets out quite clearly the very uneven nature of profitability of pharmacy in Australia. I notice Senator Townley is looking at the report. At page 81, table 10 shows very markedly that about 33 per cent of pharmacists are doing very well. They are earning something more than 43c per prescription, whereas

about 40 per cent of pharmacists are earning at a very low level. This is one of the difficulties which the pharmacy industry faces. It is an industry with some very great structural problems. Before I get on to discuss the matters which concern the Senate, I just remark that no matter what we do on the way of fixing remuneration there still remains the problem of a structural difficulty within the industry which has to be faced sooner or later and I just draw that to the attention of honourable senators.

I would like to refer to something raised by Senator Grimes—a very reasonable matter—concerning delays in the processing of claims. He referred particularly to some of the delays in New South Wales. The Department of Health processes payments for both the National Health Scheme and repatriation benefits dispensing. It does the latter on behalf of the Department of Veterans' Affairs. The current processing objective is to pay chemists' claims submitted under both schemes within 30 calendar days—that is generally 20 working days—of the receipt of the claims by the Department of Health. The honourable senator is quite correct in saying that in recent months processing delays were being experienced in some States, particularly New South Wales. I am led to believe that as recently as three months ago there was something like a 120-day delay but the Department has been able by varying the procedures to bring this down to approximately 40 days. As I said, the aim is a 30-calendar day delay, picking up the point Senator Grimes made, and the desire of the Department to achieve payments within a reasonable time.

Referring again to what Senator Watson said, this legislation reflects many of the thrusts of the report of the Joint Committee of Public Accounts. If Senator Watson reads the second reading speech he will see that quite generous acknowledgement is given there to the work of the Committee, to the recommendations which it has made and to the proposals which it has tried to make to overcome some of the problems. He asked about the importance of the qualifications of the Tribunal members. I think that is something which has been taken on board. I understand that the Tribunal is to be constituted first by a deputy president of the Conciliation and Arbitration Commission. It is desired, because the pharmacists are very concerned to obtain their money, that the first determination should be made by 1 July. It is this desire to have an early determination which has led to the decision of the Government to have the Tribunal in place at the earliest possible time. It is this desire which has led to the Bill being introduced the day after it was

considered by the joint Government parties, and it was this desire which led to the arrangement between the Whips—the usual kind of notification between the Whips and the parties—that after the Bills were introduced here today, provided there was no objection, it was intended—

Senator Robertson—That was the first arrangement. There were some variations.

Senator PETER BAUME—The arrangements I know of are that it was agreed that we should proceed to debate the Bill today. The Tribunal, once established, will be permitted to hold inquiries at least each 12 months. Twelve months is the longest period it can allow to elapse between inquiries. To answer another of Senator Watson's queries, I understand that the opinion of the crown law officers is that the words of the Bill mean that the Tribunal has to bring down a determination in the 12 months. I pick up the point that the honourable senator made, that, as he read the words, they meant only that the inquiry needed to be under way. Our understanding is that the words mean that a determination needs to be made at least each 12 months. Determinations can be made by the Tribunal more frequently if reason exists and it can set its own criteria. It can have regard to cost movements. The amendment which has been moved to the second reading motion states:

But that the Senate is of the opinion that the Act should be amended so that the Tribunal is not precluded from adjusting determinations to match chemists' actual increases in costs.

The Tribunal is not precluded from so doing. As the Bill is presently drawn, it is not precluded from doing precisely what is contained in this amendment. The amendment is entirely unnecessary. The Tribunal can take these cost movements into account. That is something which I think the honourable senator, when he reads the words of the Bill, would want to acknowledge. The Tribunal, when it sits and makes its determinations, will give reasons for its decisions so that chemists will know the bases for determinations. Our concern on behalf of pharmacists is to get a Tribunal into place where no tribunal has previously existed. Once the Tribunal is in place and is required to report each 12 months, pharmacists will have available to them a mechanism which they have lacked to this stage. It is what has been sought. Further, as the Bill is to operate on the first determination, because of an outstanding commitment, the Tribunal would have a capacity to refer back to 1 May 1980 when there was that reduction of 4c. The Tribunal has the capacity to look back to that date in case it thinks pharmacists were treated in any way unjustly.

This Bill grants to the pharmacy profession and to pharmacists a security and a benefit which they previously did not enjoy. It is a Bill which they want to see in place. The Tribunal is something which they want to see operating. It is something which the Government wants to set up. Mr President, I assure honourable senators that the amendment is unnecessary as the Bill already provides for those actions to be taken by the Tribunal. I invite the Senate to reject the amendment and to agree to giving the Bill a second reading.

The PRESIDENT—Before I put the question, I wish to respond to Senator Chipp's references a little while ago in relation to the position of certain honourable senators in this chamber in regard to pecuniary interests. There is no Standing Order which prevents any honourable senator exercising a vote. It is up to the honourable senator's personal wish as to whether he or she casts a vote in situations such as this. The question is 'that the words proposed to be added by Senator Mason's amendment be added'.

Senator Harradine—Mr President, I raise a point of order. Could we please have the exact words of the amendment read?

The PRESIDENT—The question is that the following words be added to the motion that the Bill be now read a second time:

'but that the Senate is of the opinion that the National Health (Pharmaceutical Benefits) Bill 1981 should be amended so that the Tribunal is not precluded from adjusting determinations to match chemists' actual increases in costs'.

Question put.

The Senate divided.

(The President—Senator the Hon.
Sir Condor Laucke)

Ayes	28
Noes	31

Majority	3
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AYES

Bishop, R.	McClelland, Douglas
Button, J. N.	McIntosh, G. D.
Cavanagh, J. L.	McLaren, G. T.
Chipp, D. L.	Mason, C. V. J.
Coleman, R. N.	Melzer, J. I.
Colston, M. A.	Mulvihill, J. A.
Elstob, R. C.	O'Byrne, J.
Evans, G. J.	Primmer, C. G.
Georges, G.	Robertson, E. A. (Teller)
Gietzelt, A. T.	Ryan, S. M.
Grimes, D. J.	Sibra, K. W.
Harradine, B.	Tate, M. C.
Hearn, J.	Walsh, P. A.
Keeffe, J. B.	Wheeldon, J. M.

NOES

Archer, B. R.	Martyr, J. R.
Baume, Peter	Maunsell, C. R.
Bjelke-Petersen, F. I.	Messner, A. J.

NOES

Bonner, N. T.	Missen, A. J.
Carrick, J. L.	Neal, L. W.
Chaney, F. M.	Puplick, C. J. G.
Collard, S. J.	Reid, M. E.
Davidson, G. S.	Scott, D. B.
Durack, P. D.	Sim, J. P.
Guilfoyle, Dame Margaret	Teague, B. C.
Hamer, D. J.	Thomas, A. M.
Kilgariff, B. F. (Teller)	Walters, M. S.
Lajovic, M. E.	Watson, J. O. W.
Laucke, Sir Condor	Withers, R. G.
Lewis, A. W. R.	Young, H. W.
MacGibbon, D. J.	

PAIR

McAuliffe, R. E.	Martin, K. J.
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Question so resolved in the negative.

Original question resolved in the affirmative.

Bills read a second time.

In Committee

The TEMPORARY CHAIRMAN (Senator Melzer)—We will consider first the National Health (Pharmaceutical Benefits) Amendment Bill.

Clauses 1 to 3—by leave—taken together, and agreed to.

Clause 4.

Senator MASON (New South Wales) (10.55)—For reasons that I have discussed at the second reading stage, I move:

Page 6, clause 4, proposed new section 98BE, lines 12 to 14, leave out all words after 'determination'.

Senator WATSON (Tasmania) (10.56)—Proposed new section 98BA (1) reads:

98BA. (1) The Tribunal shall, as soon as practicable after the commencement of this section, and at such subsequent intervals (not being intervals of more than 12 months) as are determined by the Chairman, hold an inquiry to ascertain whether the Commonwealth price of all or any pharmaceutical benefits should be varied.

I have had the opportunity of discussing this matter with the adviser to the Minister. The vote I have just recorded was made on the basis that 'inquiry' meant 'completed inquiry'. My initial reading of the provision was that the inquiry might have to be held within 12 months but that the determination might take 18 months or two years. I will take it on notice that the interpretation, as given to at least one member of this Senate and as I am enunciating it now, means that there will be a completed inquiry. I would expect that understanding to be fulfilled, certainly by the Chairman.

Although the Chairman appears to be given fairly wide terms of reference under proposed new section 98BA, I am still concerned about the restrictions that are to be imposed on him in, as it

were, narrowing his scope. The only way to overcome the problem, and it is a pretty messy way, is to have inquiries at intervals of less than 12 months. In other words, if the pharmaceutical chemists find that the rate of inflation is unacceptable, it may be necessary to hold two, three or even four inquiries within 12 months. That is a rather impractical way of going about the matter but it would overcome some of the problems that I have concerning it.

Senator Georges—Not really.

Senator WATSON—I admit that it is impractical, but at least it would appear to afford a degree of justice. I repeat that it would be a very messy way of going about it. I would have hoped that there would have been time for this provision to be redrawn. I believe that that could have been done. At the same time, I was rather concerned that it may eventuate six months later and the poor old pharmaceutical chemist may miss out on a much-needed rise simply because we had failed to pass the necessary legislation in the prescribed time. I assure honourable senators that the pharmacists need this rise.

Senator Georges—You are trying to duck out of it now.

Senator WATSON—I am not. I believe that we can overcome the problem by having more frequent inquiries. It is an impractical way of resolving it, but it is one way of doing so.

Senator GRIMES (Tasmania) (10.58)—I support the amendment which has been moved by Senator Mason. As is now obvious, this is not a party matter. The deficiency that we see in the legislation was drawn to our attention today, and to my attention only late this afternoon, by the Pharmacy Guild of Australia. Senator Mason has moved the amendment because we had been led to believe that such an amendment would come from the Government side. I fail to see why the Government is taking the attitude that it is. We have not had an explanation. I believe that Senator Watson is right. If the only way to overcome the problem that the Pharmacy Guild sees in the legislation is to have inquiries more frequently than every 12 months, we will have the distinguished President and members of this tribunal sitting every three months—or even more often in the case of some pharmaceuticals which rise in price rapidly. Senator Peter Baume tells us that the terms of reference of the tribunal are so wide that it can take such matters in consideration—I assume even if it only meets every 12 months. That is certainly not my reading of the legislation, but if that were the case it would be a terribly messy way to go about things by

building into a future payment a retrospective element because of increases which may have occurred three, four or six months earlier. The proposed amendment is surely a simple one. I cannot see why the Government will not accept it. I cannot see how it will affect adversely the operations of the tribunal. We have set up an independent tribunal, as was requested by the Pharmacy Guild and the Public Accounts Committee, but a restriction has been placed in the legislation as to when and how it can report. Such a restriction is not imposed upon similar tribunals, such as the Remuneration Tribunal, which makes recommendations concerning our salaries.

Senator Rae—Nor on conciliation and arbitration decisions.

Senator GRIMES—Nor on the Conciliation and Arbitration Commission. We have not been given an explanation as to why that half sentence is in this proposed new section. We have certainly not been given an explanation as to why it cannot be simply removed without affecting the legislation and the work of the proposed tribunal. The argument that we must not accept this amendment because to do so will delay the legislation does not hold water. I repeat: This legislation went through the House of Representatives last Thursday in one day with the co-operation of the Opposition. It has gone through all its stages today in this place with the co-operation of the Opposition because we recognise its urgency. It can just as easily go through the House of Representatives tomorrow in amended form, again with the co-operation of the Opposition. We have had no explanation as to why the proposed new section has been put in this legislation. We have heard no reasonable argument, except the valiant efforts, I suggest, of Senator Watson who suggested how the proposed tribunal could overcome the problem. Who wants such a tribunal sitting every two, three or four months? Who wants such a tribunal trying to build into payments for pharmacists retrospective elements which no other tribunal would have to build in.

Senator Townley—What happens if you sell a pharmacy?

Senator GRIMES—If a pharmacy is sold before the tribunal's decision comes down, who gets the money? This provision is unnecessarily complicated. It is an unnecessary imposition on an independent tribunal. For that reason we support the amendment.

Senator CAVANAGH (South Australia) (11.1)—I express surprise that every speaker so far has been surprised at something. We are surprised that the Government cannot accept the

proposal and the Minister for Aboriginal Affairs (Senator Peter Baume) is surprised that we insist on it. It is no surprise to me. As I will explain, there are legitimate reasons. The Minister has agreed that if a rise in the costs of production occurs, there is justification for the increase. He said that it will be built into the determination. His words were that an inquiry can be held at least every 12 months. There can be any number of inquiries but no longer than 12 months between inquiries. He is saying in effect that if an increase in costs occurs an inquiry can be held immediately and the increase can then be passed on. The chemists admit that in their letter.

But an increase in the costs of prescriptions could occur the day after a determination by the tribunal. The tribunal could not hold an inquiry in the next week. Of course, because of the tribunal's inability to pre-date the determination the chemists will be forced to prescribe at a loss until such time as the tribunal can hold another inquiry. They will have to produce prescriptions at their own cost until such time as the body can meet again and issue another determination. No one would accept that that is fair. The Minister does not say that it is fair. So the question is: Why does he not accept this amendment? As one who has been operating under governments of this political colour for some 16 years, I know that a Minister cannot accept an amendment to something that he has approved in Cabinet. It has never been done. One possible exception may be Senator Peter Baume, who may agree on this occasion. It can never be accepted that draftsmen were wrong. A Minister, having approved and accepted the work of the draftsmen, cannot say that they were wrong and, therefore, legislation must be forced through. The Minister must get his legislation through, whether or not it is pointed out to him that the legislation is incorrect or can be improved during the proceedings of the Senate. That operation makes the work of the Senate useless.

The Senate has no power, other than to approve Bills that the Minister brings down. No matter what logic justifies an alteration, the Bills have to be passed as they were originally presented to the party meeting and Cabinet. That is what we are faced with and that is the reason that the Minister cannot agree to alterations. I realise that the Minister for Aboriginal Affairs, representing the Minister for Health, has only recently been appointed and he does not have the capabilities to accept the amendment. Because of his timidity he will not say: 'We will adjourn the matter and I will consult the other Ministers on the situation'. Therefore, because of his fear of

dealing with this matter, we have to put up with and accept something that every senator in this chamber knows is incorrect. Government senators have simply to follow the party line faithfully today with the knowledge that the legislation is incorrect. The Government will have to stand the wrath of the small pharmaceutical organisations when they find that pharmacists are dispensing items under the scheme for their clients without payment from the Government.

Senator JESSOP (South Australia) (11.6)—I am a little uncertain about proposed new section 98BA(1). As I understand it, the medical profession has an arrangement whereby each 12 months a determination is made with respect to fees payable to members of that profession under the National Health Act. This new section states:

The Tribunal shall, as soon as practicable after the commencement of this section, and at such subsequent intervals (not being intervals of more than 12 months) as are determined by the Chairman, hold an inquiry to ascertain whether the Commonwealth price of all or any pharmaceutical benefits should be varied.

That seems to me to be fairly vague. Does that mean that in not more than 12 months a determination must be made by the Pharmaceutical Benefits Remuneration Tribunal with respect to those fees? Another question I have relates to proposed new section 98BE. This, of course, is the objection that I expressed during the second reading debate. This new section does not really cover the problems of the pharmacists because they are unable to take any action with respect to cost increases during the 12 months, unlike—as I said before—the medical profession, which has a capacity to increase its fees and require a patient to pay that increase to offset the cost increases for providing its services. Can the Minister give me an answer to that problem of why, if it is fair enough for one profession to have a capacity under the National Health Act to determine its own fees, is it not fair for another, having regard to the point I made earlier that the Commonwealth obligation is not increased by that capacity? In my view it is a matter of principle that I think ought to apply to pharmacists as well as to doctors.

Senator PETER BAUME (New South Wales—Minister for Aboriginal Affairs) (11.9)—I want to refer briefly to the proposed new section 98BA as I think Senator Watson and Senator Jessop have asked the same question about what the words 'the Chairman shall hold an inquiry' mean. My advisers tell me that this matter was raised during the drafting of the Bill and the advice given to them was that the reference was to a completed inquiry. I will listen with interest to other honourable senators, but that is

the advice that we have received from the draftsmen as to the meaning of those words. We are told that the holding of an inquiry means the holding and the completing of an inquiry.

Senator TATE (Tasmania) (11.10)—I would like very briefly to make a few remarks. The first is that under proposed new section 98BA there is no doubt that a number of inquiries can be held in the course of any 12 months and can be held as often as the Chairman determines necessary. No doubt one of the factors he would take into account would be some evidence offered to him, perhaps in a preliminary or informal way, that the cost of dispensing of prescriptions has increased in some marked way. So there is no need for concern that pharmacists will be always 12 months behind or something like that. That is by the way. My real concern is with the wording of proposed new section 98BE. It seems to me that we need a clear answer from the Minister for Aboriginal Affairs (Senator Baume) on this proposition. That proposed new section reads:

A determination of the Tribunal . . . shall come into operation on a date specified in the determination, not being a date earlier than the date on which a statement setting out the terms of the determination is issued by the Tribunal in accordance with section 98BD.

The real question is that whilst it may be the case that the determination cannot come into effect until a written statement of reasons is gazetted, as required by proposed new section 98BD, may it not be that within the determination remuneration of a retrospective character is permitted? In other words, the determination may not come into effect. In other words, no government moneys can be paid out of Federal Treasury to pharmacists until the written statement of reasons is published. But may it not be that within the determination itself a retrospective element can be brought in? If that is the case, what is the difficulty? It is the determination and the payment of Government moneys to pharmacists that is delayed until written reasons are published. But why should not the determination allow for the traditional reimbursement to chemists of costs incurred in a preceding period?

Senator GEORGES (Queensland) (11.13)—That is exactly the question. Is there provision for retrospective payment?

Senator Tate—Within the determination.

Senator GEORGES—Yes. Although someone suggested that we could have four inquiries a year I doubt very much whether, in practice, that will occur. Even if were three months when the determination comes down and there had been some heavy cost increases at the beginning of that three-month period, will the pharmacists receive

payment retrospectively to catch that increased cost at the beginning of the three-month period? If that is the case there is no argument. It seems to me the chemists' fear is that they will be three months behind, six months behind or nine months behind, but very possibly, 12 months behind. Although the amendment to the motion for the second reading may have been vague and in general terms—it may even have been unnecessary, as the Senate decided—this amendment takes out of doubt the question of whether the pharmacists will receive a just return for increased cost.

Three members of the Joint Committee of Public Accounts are in the Senate. They are Senator Watson, Senator Lajovic and me. We went through a very lengthy inquiry in order to bring to an end the confrontation between the pharmacists and the Government. Tonight we are in a crazy situation in which we are endeavouring to continue that confrontation. That is all. I am getting to the point where I think we ought to let the Government go it alone and fight the pharmacists for the next couple of years. We might get closer to the 51 per cent support that they are getting close to losing. In fact from a practical, political point of view we should just go ahead and make it unclear. We should go ahead and reject this amendment which would make it clear. Perhaps the answer to Senator Tate's question will solve the problem for us.

Senator WATSON (Tasmania) (11.15)—I would like one clarification. I refer to proposed new section 98BE. Was it basically the Government's intention that the section be worded in this way or did the situation arise out of a drafting problem?

Senator Peter Baume—Which section is this?

Senator WATSON—I am referring to proposed new section 98BE relating to the date of operation of determination of the Tribunal. If we are to overcome the situation by having very frequent reviews within the 12-month period was the meaning of proposed new section 98BE that will now be construed intended? Would not the better way out of it be to adjourn the debate and for the parliamentary draftsmen to come up with more appropriate wording next year? What is the intention of the Government? We can overcome the problem by having very frequent reviews. Was the problem caused by a drafting difficulty that has now come to light?

Senator HARRADINE (Tasmania) (11.16)—I would like to question the Minister in respect of this matter and add a further matter to those that have been raised by other senators. Can

the Minister advise why the Tribunal is so hamstrung by the words which are sought to be deleted? Of course, that question will apply only if the Minister answers Senator Tate in the negative. If he says that the words 'operation of determination' mean that the determination itself and every clause in it operate from a date not earlier than the date on which a statement setting out the terms of the determination is issued, why is the Government limiting the powers of the Tribunal in this way? For example, the Conciliation and Arbitration Act does not so limit the Conciliation and Arbitration Commission.

It should be known to honourable senators—no doubt it is—that a very erudite lawyer in the person of Mr Justice Terry Ludeke, a presidential member of the Conciliation and Arbitration Commission, has been dealing with these matters. He would, of course, be used to the arguments advanced both by employers and unions in the conciliation and arbitration sphere on questions of retrospectivity. Let me give just one reason that is sometimes applied in the industrial arena in support of retrospectivity. That reason is delays occasioned by the Commission itself or by either of the parties. Let us suppose that some members of the Pharmaceutical Benefits Remuneration Tribunal were ill. That would be a valid reason for the Tribunal to apply some sort of retrospectivity. Perhaps the Minister could, first of all, answer the question raised by Senator Tate. If the answer is in the negative could he say why the Government persists in hamstringing the Tribunal in such a way?

Senator PETER BAUME (New South Wales—Minister for Aboriginal Affairs) (11.20)—I understand that what we are arguing about now is that part of proposed new section 98BE which determines the date at which the determinations of the Tribunal shall come into operation. Senator Watson asked me whether that proposed new section was intended to be written in this way. A deliberate decision was made to write it in this way. It has been quite deliberately constructed this way by counsel. The date of the hearing to hand down the determination, referred to by Senator Tate, as provided in proposed new section 98BD, is the date on which the determination will come into effect. That was the Government's intention in constructing this Bill. The Government is quite aware—

Senator Chipp—That was not Senator Tate's question.

Senator PETER BAUME—That was part of Senator Tate's question. As we are in Committee, Senator Tate can ask me again if he so wishes. I

will be perfectly happy for him to do that. I am trying to assist the Committee. Senator Jessop and I think a number of other honourable senators have made clear some concerns about the heavy cost load which pharmacists have to carry. I think many honourable senators who have received representations have been concerned about the fact that pharmacists may not be able to predict some of the cost increases. The Government is aware that between inquiries by the Pharmaceutical Benefits Remuneration Tribunal, particularly if they are held a long way apart, chemists may be affected by increases in wages, rents and other costs which they may not be able to control. Senator Jessop, Senator Watson and a number of other honourable senators have made this point. The terms of reference contained in the Bill for the Pharmaceutical Benefits Remuneration Tribunal are sufficiently widely drawn to allow the Tribunal to take this matter into account when making its determination. No one has said what amount of money it may award from a certain date, but it is not to make any determination to apply before that date. That is the only thing. No doubt the Tribunal members will be aware of this fact in arriving at their determination.

The previous structure of the Joint Committee on Pharmaceutical Benefits Pricing Arrangements provided for retrospectivity only because of the nature of the inquiries undertaken. These inquiries tended to take two to three years. My colleagues pointed this out to me this afternoon. It was regarded as reasonable in those circumstances, with infrequent and certainly unpredictable inquiries, for chemists to be given benefit updatings to cover inflation and other day-to-day charges from time to time and sometimes these were made retrospective. The Government has decided that in establishing the Tribunal and determining the frequency with which it shall hold its hearings and make its determinations, the determinations shall not come into effect, as I have said, other than as laid down in proposed new section 98BE. That has been a deliberate decision in the context of the drafting of this Bill. The Bill provides that the new Tribunal must require a review at least each 12 months; so there is no danger of an inquiry dragging out and the chemists being disadvantaged by not getting a determination. It is required that a determination be brought down within each 12-month period at the worst.

Senator Rae—Could you identify where that is required?

Senator PETER BAUME—I believe that we have already gone over that. The existing provisions of the Bill are in line with the Government's approach to fee adjustments in other areas—for example, medical fees, optometrists' fees and the like. The Government does not intend to preserve the retrospective aspect apart from in the initial determination. We set that to one side. We will allow for some retrospectivity in the initial determination because of the special circumstances which have faced pharmacies in the last 15 months, but we do not believe it appropriate to preserve retrospectivity from then on. We do not believe that that would encourage either the search for other methods to assist the pharmacy industry or other methods to get a rapid result from the determinations. We want to encourage this. We are aware that the Pharmacy Guild of Australia is quite unhappy about the way the former Joint Committee operated and the length of time its inquiries took. We are determined that these inquiries should be more expeditious. It is emphasised again that no other group of this kind in the community, certainly in the professional community, has the privilege of its fees being adjusted retrospectively for inflation when determinations are made on an annual basis. No other tribunal affecting professional groups makes its determinations retrospectively, as it is being suggested should be the case here.

One final point I make is that there are two components to pharmacists' remuneration. One is the 25 per cent mark up which they can charge; the second is the fees which they receive and which we are talking about tonight. The 25 per cent mark up will move with any inflationary change during a given period. It may be only a portion of their income; it may be only a portion of their turnover. But there is, at least, that component which is able to move between the determinations by the Tribunal. The Bill has been constructed in accordance with the decision of the Government that this is the way to proceed. We think it is a very equitable Bill. I understand people's concern about the wording, but I think, on balance, it does not disadvantage the pharmacists or the pharmacy industry.

Senator GRIMES (Tasmania) (11.27)—I am afraid that Senator Baume's explanations do not satisfy me. I will take his last point first. It is not relevant to apply the argument about medical fees or optometrists' fees to this legislation because doctors and optometrists are not obliged to stick to those fees and doctors do not. Pharmacists will be stuck with the recommendations of the proposed Pharmaceutical Benefits Remuneration Tribunal. They will not be in a situation of being

able unilaterally to alter their fees despite the recommendations in the way the medical profession does, and regularly. In fact, some doctors ignore recommendations completely.

Secondly, Senator Baume told us that the wording and the construction of this clause represent a deliberate decision of the Government. He has not told us why the Government has made this deliberate decision. Senator Tate clarified one point when there was a suggestion that, in fact, the Tribunal could make retrospective determinations despite the date its determination came down. Senator Watson and Senator Baume have said that the Tribunal can, in fact, take into consideration retrospective increases and build them into future payments. But that, surely, is a very messy and, in many ways, an unfair method of doing it. Surely the simplest way to do it, if this independent Tribunal composed of independent, honourable men and/or women is set up, would be to give it the right, which the Australian Conciliation and Arbitration Commission and other remuneration tribunals have, to make a retrospective payment to take account of considerable increases that have occurred before the date of its determination. I have not heard an explanation as to why the Government has made what Senator Baume says is a deliberate decision. Until we can get a reason for that deliberate decision I believe that we should persist in supporting the amendment.

Senator CHIPP (Victoria—Leader of the Australian Democrats) (11.29)—I believe that an unanswerable case has been put, not just from this side of the chamber, not just by the Australian Labor Party or by the Australian Democrats but by those honourable senators on the Government side who have said that this amendment should be carried. The Government parties say they represent small businesses. If they deny the passing of this amendment they will penalise thousands of small business people throughout the community for no good reason that has been advanced by the Minister for Aboriginal Affairs (Senator Peter Baume). It is my intention at some stage—and, in conformity with Standing Order 279, it may be appropriate now—to move that the Chairman do report progress and ask leave to sit again on this matter. I am not formally moving that motion yet because I do not want to prevent any senator on either side from speaking if he or she wants to speak, but I do intend to move that motion at an early opportunity. I ask your indulgence, Madam Chair, to ask the Minister for Aboriginal Affairs whether, since this debate began in this chamber over two hours ago, when he knew the force of the feeling on both sides of the chamber, he has consulted the Minister for Health (Mr MacKellar) or

whether any officer advising him in the course of this debate has consulted the Minister for Health and obtained his reaction as to whether the Government might—I will desist with this speech until Senator Walters has finished her advice to the Minister.

The TEMPORARY CHAIRMAN—I call Senator Chipp to continue.

Senator CHIPP—Madam Chair, with your indulgence I ask for a reaction by interjection from the Minister to the question: Has the Minister for Health been consulted since this debate began as to his attitude?

Senator Peter Baume—He has been consulted, but I do not think I can give you a complete answer. We have certainly been in touch with him, but I cannot say that I have talked to him.

Senator CHIPP—Therefore that strengthens my resolve that we should report progress. I come back to the very valid point that Senator Cavanagh made three-quarters of an hour ago. This is a House of review, or it is supposed to be a House of review. We know that it has degenerated and has for a long time been a party House. If ever there was a time when this House should be a House of review it is in this matter. All parties represented in this Parliament co-operated with the Government only last Thursday to have this legislation rushed through the House of Representatives. The Australian Labor Party, to my knowledge, did not have an opportunity of looking at the legislation in its party room as did the two Government parties. That is not a criticism. That was because of force of time. The Australian Democrats did not have the opportunity of looking at the legislation, and I will guarantee that Senator Harradine did not have an opportunity of looking at the legislation. I believe that this chamber tonight has presented a case with unanswerable logic to show that there is a flaw in this legislation. If this chamber means anything, if it is not just a rubber stamp, when the division

bells ring, and ring they will, if those members of the other side who have spoken tonight against this particular section of the Bill do not cross the floor but vote with the Government on this matter, they will make an absolute farce of this chamber. To prevent those members of the Government being embarrassed, I believe that surely it would be common sense for the Committee now to report progress and to ask leave to sit again. If nobody has any furious objection, and I do not want to pre-empt the rights of any honourable senator, I now formally move in conformity with Standing Order 279:

That progress be reported.

Question resolved in the affirmative.

Progress reported.

Senate adjourned at 11.35 p.m.

PAPERS

The following papers were presented, pursuant to statute:

Air Navigation Act—Regulations—Statutory Rules 1981 No. 77.

Australian National University Act—Statutes—

No. 146—Enrolment, Courses and Degrees Amendment
No. 13.

No. 147—Academic and Ceremonial Dress Amendment
No. 9.

Australian Wine and Brandy Corporation Act—
Regulations—Statutory Rules 1981 No. 78.

Lands Acquisition Act—

Land, etc., acquired for—

Development of Canberra, Tuggeranong, Australian
Capital Territory.

Overseas telecommunications purposes, Norfolk Island.

Telecommunications purposes, North Star, New South
Wales.

Statements (2) by the Minister for Administrative Services,
describing land acquired by agreement under sub-section
7 (1) of the Act, for specified public purposes.

Public Service Act—Regulations—Statutory Rules 1981
No. 79.

Seat of Government (Administration) Act—Regulations
1981—No. 9—(Motor Traffic Ordinance).

ANSWERS TO QUESTIONS

The following answers to questions were circulated:

Overseas Aid

(Question No. 168)

Senator Keeffe asked the Minister representing the Minister for Foreign Affairs, upon notice, on 27 November 1980:

What assistance in terms of cash, food or other help is being given to: (a) Vietnam; (b) Nepal; and (c) countries in the Caribbean region, by the Australian Government to alleviate the social problems in these countries caused by recent and continuing disasters.

Senator Dame Margaret Guilfoyle—The Foreign Minister has provided the following answer to the honourable senator's question:

The question of Australian aid to Vietnam has been under review but it has been concluded that it would not be appropriate for Australia to resume aid at this time. The Government believes that the reasons for the suspension of aid continue to be valid and we are not prepared to consider a resumption of aid while Vietnam's policies on Kampuchea remain unchanged.

With regard to assistance to Nepal and countries in the Caribbean region, there have been no further developments since the reply of 26 August 1980 to his question without notice on this subject. The reply appears at page 321 of the Senate daily *Hansard* of 26 August 1980.

Diplomatic Service

(Question No. 304)

Senator Mulvihill asked the Minister representing the Minister for Foreign Affairs, upon notice, on 25 February 1981:

Are all Australian embassies, consulates and attended overseas residences fully supplied with crockery bearing the Australian coat-of-arms or does some of this crockery bear the British Crown emblem which would give the impression that Australia is still a crown colony; if so what has been done to remove this relic of British imperialism.

Senator Dame Margaret Guilfoyle—The Foreign Minister has provided the following answer to the honourable senator's question:

A number of posts continue to use the still serviceable crockery identified by the St Edward's Crown. New and replacement crockery being provided to Australian embassies, consulates and residences bears the Australian coat-of-arms.

Airports

(Question No. 457)

Senator Archer asked the Minister representing the Minister for Transport, upon notice, on 5 March 1981:

Which airports, if any, taken over by local ownership during the last three years have subsequently ceased to operate.

Senator Messner—The Minister for Transport has provided the following answer to the honourable senator's question:

No Commonwealth owned aerodromes which have been transferred to local ownership under the provision of the aerodrome local ownership plan in the last three years have subsequently been delicensed and ceased to operate.

Invalid Pensioners

(Question No. 471)

Senator Colston asked the Minister for Social Security, upon notice, on 10 March 1981:

(1) Is a wife of an invalid pensioner who cares full time for her husband entitled to any pension or benefit; if so, what are they.

(2) Is the husband of an invalid pensioner who cares full time for his wife entitled to any pension or benefit; if so, what are they.

(3) Is the pension or benefit different in (1) and (2); if so, (a) why is this the case; (b) what would be the cost to the Government of making the benefits the same; and (c) on what basis was the estimate in answer to (3) (b) made.

Senator Chaney—The answer to the honourable senator's question is as follows:

(1) A wife's pension may be paid to the wife of an invalid pensioner if she is not eligible for a pension in her own right.

(2) A special benefit may be paid to the husband of an invalid pensioner if he is required to provide his wife with constant care and attention.

(3) Yes:

(a) There is specific provision in the Social Services Act for the payment of a wife's pension but there is no similar provision for payment of a pension to a man who is the husband of an aged or invalid pensioner where he is not eligible for a pension in his own right. Special benefit is paid under discretionary provisions contained in Section 124 of the Social Services Act.

(b) It is estimated that the maximum cost to the Government of paying all husbands of female invalid pensioners, who do not qualify for a pension in their own right, a pension equivalent to wife's pension could be in the order of \$5m in a full year.

There would also be some additional cost in respect of fringe benefit payments.

(c) It is not possible to estimate with accuracy the cost to the Government of paying husbands of female invalid pensioners who care full time for their wives a pension equivalent to wife's pension, as it is not known how many of the husbands, who do not qualify for pension in their own right, care full time for their wives, or how many are in the work force. In addition, it is not possible to estimate the number of husbands, whose invalid wives do not at present qualify for invalid pension because of husband's earnings, who would cease work if they could receive pension and who would care full time for their wives.

The cost shown was thus based on the estimated 7,000 female invalid pensioners whose husbands are not in receipt of a pension or benefit. These female invalid pensioners would have their pension entitlement reduced from standard rate to half the combined married rate, and their husbands would

qualify for half the combined married rate, based on the income of the couple.

National Children's Foundation

(Question No. 479)

Senator Mason asked the Minister for Social Security, upon notice, on 11 March 1981:

Did the Prime Minister in his policy speech promise to set up a National Children's Foundation with the function of providing a centre for the co-ordination of action between the States and voluntary agencies in matters involving children; if so, what action has been taken to bring about the formation of this policy.

Senator Chaney—The answer to the honourable senator's question is as follows:

The Government has a commitment to establish in conjunction with the States and voluntary organisations, a National Children's Foundation to create greater public awareness of child abuse and to encourage support from voluntary organisations in this field.

All State and Territory Social Welfare Ministers have been approached and their co-operation sought in developing a national approach to the question of child life protection through the National Children's Foundation.

Establishment of the National Children's Foundation was discussed at the meeting of Commonwealth, State and Territory Social Welfare Ministers held in Hobart on 27 March 1981 and a detailed proposal is now being developed.

Other necessary consultations will take place to ensure that the Foundation is established as quickly as possible.

Navy Establishment: Watson's Bay

(Question No. 480)

Senator Mason asked the Minister representing the Minister for Defence, upon notice, on 12 March 1981:

(1) What is the total area of land used by the Navy at its establishment in Watson's Bay, Sydney.

(2) What is the number of personnel attached to this base.

(3) What are the role and functions of the base.

(4) What is the length of the foreshores.

(5) What public access is allowed to the public for enjoyment on this property.

(6) Has the Minister for Defence in his Department had discussions with State Government of New South Wales and with the local council of area regarding the continued use by the Navy of this land.

(7) Have such discussions revolved around allowing more public use of the land for recreational purposes.

Senator Durack—The Minister for Defence has provided the following answer to the honourable senator's question:

(1) The Department of Defence controls 23.9 hectares at South Head.

(2) Four hundred and thirty-three comprising 54 officers, 299 sailors and 80 civilians. In addition an average of 70 midshipmen undergoing university training are accommodated there and approximately 3,000 personnel a year undergo training courses.

(3) Facilities and technical support for the conduct of Naval tactical warfare training. Headquarters for Naval Reserve Cadet Units in New South Wales and Australian Capital Territory. Some base facilities for research and development projects.

(4) Eastern cliff edge of 915 metres.

(5) To the chapel.

(6) and (7) Following discussions between Commonwealth and State Governments, it was agreed to transfer to the State portion of the Commonwealth property for incorporation in the Sydney Harbour National Park. Thus far a total of 4.9 hectares has been transferred to State control while a further 9.3 hectares has been agreed for transfer. Once the second transfer is made, the area remaining under Navy control will be reduced to 14.6 hectares with a 760 metre long foreshore.

Special Benefits

(Question No. 515)

Senator Grimes asked the Minister for Social Security, upon notice, on 24 March 1981:

Is there a limit of arrears which can be paid to a special benefit claimant; if so, what is the limit and what is the reason for the limit.

Senator Chaney—The answer to the honourable senator's question is as follows:

No. Under the provisions of the Social Services Act, special benefit is payable at the discretion of the Director-General of Social Services from such date and for such period as he determines.

**Department of Social Security:
Investigations in Greece**

(Question No. 571)

Senator Grimes asked the Minister for Social Security, upon notice, on 31 March 1981:

Are officers of the Department of Social Security currently undertaking investigations in Greece; if so, what is the size and purpose of the team.

Senator Chaney—The answer to the honourable senator's question is as follows:

Pensions and benefits are subject to periodic review and this applies in respect of pensions and benefits payable to people living overseas as well as to those living in Australia.

Reviews of pensions payable in Greece are undertaken by the two departmental officers stationed in Geneva.

There are no social security officers currently undertaking any investigations in Greece.

Unemployment Benefit

(Question No. 606)

Senator Grimes asked the Minister for Social Security, upon notice, on 2 April 1981:

(1) Under what circumstances can the spouse of an unemployed person on benefit have half the unemployment benefit paid to him or her.

(2) Does the arrangement to halve the benefit between two spouses have to have the agreement of both.

(3) Do all regional offices have the authority to grant such requests or are they at the discretion only of the State Director or the Director-General.

(4) In what way is this information made available to unemployment beneficiaries and their spouses.

Senator Chaney—The answer to the honourable senator's question is as follows:

(1) Section 123 (1) of the Social Services Act provides for an unemployment (or sickness) benefit to be paid in such a manner as the Director-General determines to the beneficiary or to such person, institution or authority, on behalf of the beneficiary, as is approved by the Director-General (or his delegate). Consideration is given to paying additional benefit in respect of a dependent spouse direct to the spouse where a request for such action is made, or the circumstances warrant it; for example, where it is shown that the benefit is not being applied to the maintenance of the beneficiary's dependants.

(2) It is desirable but not essential to have the written authorisation of the claimant or beneficiary.

(3) Regional offices of the Department in all States and Territories have authority to grant such requests.

(4) Claimants and beneficiaries and spouses as appropriate would be made aware of these provisions by officers of the Department where the circumstances of a particular case suggest that such payment arrangements would be of assistance.

Senior Citizens Centre: Rockingham

(Question No. 635)

Senator Walsh asked the Minister for Social Security, upon notice, on 7 April 1981:

(1) Has the Department of Social Security received an application for funding for a senior citizens centre at Rockingham, Western Australia.

(2) What amount of funding was requested and on what date was the application submitted.

(3) When can a decision be expected on this application.

Senator Chaney—The answer to the honourable senator's question is as follows:

(1) Yes.

(2) and (3) Assistance amounting to \$216,533 for the Rockingham project was sought.

On 29 January 1980 the former Minister for Social Security received from the Western Australian Minister for Health, the Honourable R. L. Young, MLA, a list of proposals, including the Rockingham project, for funding in the Government's three-year \$12m funding program for senior citizens centres.

The application for the Rockingham senior citizens centre was carefully assessed but was not selected for funding as other projects were considered to have a higher priority. Eight Western Australian projects have been approved for funding in the 1980-83 program and all of the funds allocated to Western Australia for that period have been committed.

Government Committees of Inquiry

Senator Messner—On 11 March 1981, (*Hansard*, page 494), Senator McIntosh asked me, as Minister representing the Minister for Transport, a question concerning the Holcroft inquiry.

The Minister for Transport has provided me with the following answer to the honourable senator's question:

Following the tabling of the Holcroft inquiry's report in the House on 25 February 1981, the substance of this report, its

recommendations and the general conduct of the inquiry have been the subject of considerable debate.

On 1 April 1981, the Government's initial decisions concerning the Holcroft inquiry recommendations were announced. The Government acknowledges that the inquiry's report contributes a great deal of valuable work towards expanding the knowledge of airline costs and revenues and has accepted the broad principles expressed in the report. Work is proceeding on the detailed review of the cost allocation methodology which is a necessary step that also involves the updating of costs to current levels.

The Government considers that by its acceptance of the broad principles contained in the Holcroft inquiry recommendations it has effectively countered comments brought against it on this matter.

Vanuatu

Senator Dame Margaret Guilfoyle—On 10 March 1981 (*Hansard*, page 417), Senator Haradraine asked me, as Minister representing the Minister for Foreign Affairs, the following question without notice:

(a) Is the Minister representing the Minister for Foreign Affairs aware of reports of widespread indiscriminate arrests and detention by sections of the Vanuatu police of citizens of that new nation?

(b) Has the Minister seen reports that the French Government may be considering scaling down its aid to Vanuatu?

(c) What is the nature of Australian aid to that nation?

(d) During discussions on continuing aid programs, has the Australian Government sought and obtained guarantees from the Vanuatu Government that the due process of law will be observed in the traditions of the British and French law when it was under condominium control?

The Minister for Foreign Affairs has supplied me with the following answer to the honourable senator's questions:

(a) I am aware of reports alleging indiscriminate arrests and detention by sections of the Vanuatu police of citizens of that nation. However, I am advised that the reports are largely lacking in substance and have exaggerated a few incidents of maltreatment of prisoners following suppression of an attempted secession on Santo last year. After the restoration of civil authority in Santo, some 2,274 people were detained and questioned by the Vanuatu police. Subsequently 583 were charged with criminal activities associated with the secession period. The others were released. Evidence gained from subsequent trials and further investigations resulted in further summonses, and in some cases, arrests, on criminal charges of persons on other islands of the Vanuatu archipelago, such as Tanna, Malekula and Ambrym. Court hearings of all charges have proceeded before expatriate British judges under prescribed laws inherited from the Condominium Administration.

(b) The Government is aware that the French Government stated in February 1981 its intention to discontinue its aid for Vanuatu. However, the two countries subsequently signed an accord on 10 March under which the French Government will continue this year to fund and largely staff the French language education system in Vanuatu.

(c) Australia has committed \$12.5m development assistance for Vanuatu over the triennium 1980-81 to 1982-83. Australia will also spend about \$1m in 1980-81 in Vanuatu under the Defence Cooperation Program, largely to assist in training and equipping the Police Force, which is being

expanded. Further defence cooperation projects with Vanuatu will be undertaken in subsequent years.

(d) The Government considers that the Vanuatu Government has been observing due legal process on the basis of laws inherited from the former Condominium Administration.

On 9 April, the Deputy Prime Minister of Vanuatu announced that no further charges would be laid for offences committed during the rebellion last year. This marked the official closing of the Santo affair.

Alleged Social Security Conspiracy Case

Senator Durack—On 1 April 1981 (*Hansard*, page 968), Senator Grimes asked me a question,

without notice, concerning the investigations into alleged frauds under the Australian Social Services Act. I referred the question to the Minister for Administrative Services.

The Minister for Administrative Services has supplied the following answer to the honourable senator's question:

I am advised by the Commissioner of the Australian Federal Police that Mr Thomas has not been engaged in any way on investigations for or on behalf of the Australian Federal Police since his retirement on invalidity grounds in January 1981.