AUSTRALIA

TWENTY-EIGHTH PARLIAMENT
(First Session: Second Period)

Governor-General

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

Second Whitlam Ministry
(From 5 March to 8 October 1973)

Prime Minister and Minister for Foreign Affairs
Deputy Prime Minister, Minister for Defence, Minister for the Navy, Minister for the Army, Minister for Air and Minister for Supply
Minister for Overseas Trade and Minister for Secondary Industry
Minister for Social Security
Treasurer
Leader of the Government in the Senate, Attorney-General and Minister for Customs and Excise
Special Minister of State, Vice-President of the Executive Council, Minister assisting the Prime Minister and Minister assisting the Minister for Foreign Affairs
Minister for the Media
Minister for Northern Development
Minister for Repatriation and Minister assisting the Minister for Defence
Minister for Defence
Minister for Services and Property and Leader of the House
Minister for Labour
Minister for Urban and Regional Development
Minister for Transport and Minister for Civil Aviation
Minister for Education
Minister for Tourism and Recreation and Minister assisting the Treasurer
Minister for Works
Minister for Primary Industry
Minister for Aboriginal Affairs
Minister for Minerals and Energy
Minister for Immigration
Minister for Housing
Minister for the Capital Territory and Minister for the Northern Territory
Postmaster-General
Minister for Health
Minister for the Environment and Conservation
Minister for Science and Minister for External Territories

The Honourable Edward Gough Whitlam, Q.C.
The Honourable Lance Herbert Barnard
The Honourable James Ford Cairns
The Honourable William George Hayden
The Honourable Frank Crean
Senator the Honourable Lionel Keith Murphy, Q.C.
Senator the Honourable Donald Robert Willessee
Senator the Honourable Douglas McCallum
The Honourable Rex Alan Patterson
Senator the Honourable Reginald Bishop
The Honourable Frederick Michael Daly
The Honourable Clyde Robert Cameron
The Honourable Thomas Uren
The Honourable Charles Keith Jones
The Honourable Kim Edward Beazley
The Honourable Francis Eugene Stewart
Senator the Honourable James Luke Cavanagh
Senator the Honourable Kenneth Shaw Wriedt
The Honourable Gordon Munro Bryant, E.D.
The Honourable Reginald Francis Xavier Connor
The Honourable Albert Jaime Grassby
The Honourable Leslie Royston Johnson
The Honourable Keppel Earl Enderby
The Honourable Lionel Frost Bowen
The Honourable Douglas Nixon Everingham
The Honourable Moses Henry Cass
The Honourable William Lawrence Morrison

Second Whitlam Ministry
(From 9 October to 18 October 1973)

Prime Minister and Minister for Foreign Affairs
Deputy Prime Minister, Minister for Defence, Minister for the Navy, Minister for the Army and Minister for Air
Minister for Overseas Trade
Minister for Social Security
Treasurer
Leader of the Government in the Senate, Attorney-General and Minister for Customs and Excise
Special Minister of State, Vice-President of the Executive Council, Minister assisting the Prime Minister and Minister assisting the Minister for Foreign Affairs

The Honourable Edward Gough Whitlam, Q.C.
The Honourable Lance Herbert Barnard
The Honourable James Ford Cairns
The Honourable William George Hayden
The Honourable Frank Crean
Senator the Honourable Lionel Keith Murphy, Q.C.
Senator the Honourable Donald Robert Willessee
Parliament of the Commonwealth

Minister for the Media .................................. Senator the Honourable Douglas McClelland
Minister for Northern Development ......................... The Honourable Rex Alan Patterson
Minister for Repatriation and Minister assisting the Minister for Defence ................................. Senator the Honourable Reginald Bishop
Minister for Services and Property and Leader of the House
Minister for Labour .................................. The Honourable Frederick Michael Daly
Minister for Urban and Regional Development ........... The Honourable Clyde Robert Cameron
Minister for Transport and Minister for Civil Aviation
Minister for Education .................................. The Honourable Thomas Uren
Minister for Tourism and Recreation and Minister assisting the Treasurer
Minister for Aboriginal Affairs .......................... The Honourable Charles Keith Jones
Minister for Primary Industry ........................... The Honourable Kim Edward Beazley
Minister for the Capital Territory ....................... The Honourable Francis Eugene Stewart
Minister for Minerals and Energy ........................ Senator the Honourable James Luke Cavanagh
Minister for Immigration ................................ Senator the Honourable Kenneth Shaw Wriedt
Minister for Housing and Minister for Works ........... The Honourable Gordon Munro Bryant, E.D.
Minister for Secondary Industry, Minister for Supply and Minister for the Northern Territory
Postmaster-General ....................................... The Honourable Reginald Francis Xavier Connor
Minister for Health .................................. The Honourable Albert Jaime Grasby
Minister for the Environment and Conservation .......... The Honourable Leslie Royston Johnson
Minister for Science and Minister for External Territories

Second Whitlam Ministry

(From 19 October to 5 November 1973)

Prime Minister and Minister for Foreign Affairs .................. The Honourable Edward Gough Whitlam, Q.C.
Deputy Prime Minister, Minister for Defence, Minister for the Navy, Minister for the Army and Minister for Air ................................. The Honourable Lance Herbert Barnard
Minister for Overseas Trade ............................ The Honourable James Ford Cairns
Minister for Social Security .............................. The Honourable William George Hayden
Treasurer .................................................. The Honourable Frank Crean
Leader of the Government in the Senate, Attorney-General and Minister for Customs and Excise ............ Senator the Honourable Lionel Keith Murphy, Q.C.
Special Minister of State, Vice-President of the Executive Council, Minister assisting the Prime Minister and Minister assisting the Minister for Foreign Affairs ................................. Senator the Honourable Donald Robert Willseee
Minister for the Media .................................. Senator the Honourable Douglas McClelland
Minister for Northern Development and Minister for the Northern Territory ......................... The Honourable Rex Alan Patterson
Minister for Repatriation and Minister assisting the Minister for Defence ................................. Senator the Honourable Reginald Bishop
Minister for Services and Property and Leader of the House
Minister for Labour .................................. The Honourable Frederick Michael Daly
Minister for Urban and Regional Development ........... The Honourable Clyde Robert Cameron
Minister for Transport and Minister for Civil Aviation
Minister for Education .................................. The Honourable Thomas Uren
Minister for Tourism and Recreation and Minister assisting the Treasurer
Minister for Aboriginal Affairs .......................... The Honourable Charles Keith Jones
Minister for Primary Industry ........................... The Honourable Kim Edward Beazley
Minister for the Capital Territory ....................... The Honourable Francis Eugene Stewart
Minister for Minerals and Energy ........................ Senator the Honourable James Luke Cavanagh
Minister for Immigration ................................ Senator the Honourable Kenneth Shaw Wriedt
Minister for Housing and Minister for Works ........... The Honourable Gordon Munro Bryant, E.D.
Minister for Second Industry and Minister for Supply
Postmaster-General ....................................... The Honourable Reginald Francis Xavier Connor
Minister for Health .................................. The Honourable Albert Jaime Grasby
Minister for the Environment and Conservation .......... The Honourable Leslie Royston Johnson
Minister for Science and Minister for External Territories

The Honourable Keppel Earl Enderby
The Honourable Lionel Frost Bowen
The Honourable Douglas Nixon Everingham
The Honourable Moses Henry Cass
The Honourable William Lawrence Morrison
Parliament of the Commonwealth

Second Whitlam Ministry
(From 6 November to 29 November 1973)

Prime Minister
Deputy Prime Minister, Minister for Defence, Minister for the Navy, Minister for the Army and Minister for Air
Minister for Overseas Trade
Minister for Social Security
Treasurer
Leader of the Government in the Senate, Attorney-General and Minister for Customs and Excise
Minister for Foreign Affairs, Special Minister of State, Vice-President of the Executive Council and Minister assisting the Prime Minister
Minister for the Media
Minister for Northern Development and Minister for the Northern Territory
Minister for Repatriation and Minister assisting the Minister for Defence
Minister for Services and Property and Leader of the House
Minister for Labour
Minister for Urban and Regional Development
Minister for Transport and Minister for Civil Aviation
Minister for Education
Minister for Tourism and Recreation and Minister assisting the Treasurer
Minister for Aboriginal Affairs
Minister for Primary Industry
Minister for the Capital Territory
Minister for Minerals and Energy
Minister for Immigration
Minister for Housing and Minister for Works
Minister for Secondary Industry and Minister for Supply
Postmaster-General
Minister for Health
Minister for the Environment and Conservation
Minister for Science and Minister for External Territories

The Honourable Edward Gough Whitlam, Q.C.
The Honourable Lance Herbert Barnard
The Honourable James Ford Cairns
The Honourable William George Hayden
The Honourable Frank Creen
Senator the Honourable Lionel Keith Murphy, Q.C.
Senator the Honourable Donald Robert Willesee
Senator the Honourable Douglas McLeod
The Honourable Rex Alan Patterson
Senator the Honourable Reginald Bishop
The Honourable Frederick Michael Daly
The Honourable Clyde Robert Cameron
The Honourable Thomas Uren
The Honourable Charles Keith Jones
The Honourable Kim Edward Beazley
The Honourable Francis Eugene Stewart
Senator the Honourable James Luke Cavanagh
Senator the Honourable Kenneth Shaw Wriedt
The Honourable Gordon Munro Bryant, E.D.
The Honourable Reginald Francis Xavier Connor
The Honourable Albert James Grassby
The Honourable Leslie Royston Johnson
The Honourable Keppel Earl Enderby
The Honourable Lionel Frost Bowen
The Honourable Douglas Nixon Everingham
The Honourable Moses Henry Cass
The Honourable William Lawrence Morrison

Second Whitlam Ministry
(From 30 November 1973)

Prime Minister
Deputy Prime Minister and Minister for Defence
Minister for Overseas Trade
Minister for Social Security
Treasurer
Leader of the Government in the Senate, Attorney-General and Minister for Customs and Excise
Minister for Foreign Affairs
Minister for the Media
Minister for Northern Development and Minister for the Northern Territory
Minister for Repatriation and Minister assisting the Minister for Defence
Minister for Services and Property and Leader of the House
Minister for Labour
Minister for Urban and Regional Development
Minister for Transport
Minister for Education
Minister for Tourism and Recreation, Vice-President of the Executive Council and Minister assisting the Treasurer
Minister for Aboriginal Affairs

The Honourable Edward Gough Whitlam, Q.C.
The Honourable Lance Herbert Barnard
The Honourable James Ford Cairns
The Honourable William George Hayden
The Honourable Frank Creen
Senator the Honourable Lionel Keith Murphy, Q.C.
Senator the Honourable Donald Robert Willesee
Senator the Honourable Douglas McLeod
The Honourable Rex Alan Patterson
Senator the Honourable Reginald Bishop
The Honourable Frederick Michael Daly
The Honourable Clyde Robert Cameron
The Honourable Thomas Uren
The Honourable Charles Keith Jones
The Honourable Kim Edward Beazley
The Honourable Francis Eugene Stewart
Senator the Honourable James Luke Cavanagh
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<tr>
<th>Position</th>
<th>Name</th>
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<tr>
<td>Minister for Primary Industry</td>
<td>Senator the Honourable Kenneth Shaw Wriedt</td>
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<td>Minister for the Capital Territory</td>
<td>The Honourable Gordon Munro Bryant, E.D.</td>
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<td>Minister for Minerals and Energy</td>
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<td>Minister for Immigration</td>
<td>The Honourable Albert Jaime Grassby</td>
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<td>Minister for Housing and Construction</td>
<td>The Honourable Leslie Royston Johnson</td>
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<td>Minister for Secondary Industry and Minister for Supply</td>
<td>The Honourable Keppel Earl Enderby</td>
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<td>Postmaster-General, Special Minister of State and Minister assisting the Prime Minister</td>
<td>The Honourable Lionel Frost Bowen</td>
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<td>Minister for Health</td>
<td>The Honourable Douglas Nixon Everingham</td>
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<td>Minister for the Environment and Conservation</td>
<td>The Honourable Moses Henry Cass</td>
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<tr>
<td>Minister for Science and Minister assisting the Minister for Foreign Affairs in matters relating to Papua New Guinea</td>
<td>The Honourable William Lawrence Morrison</td>
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MEMBERS OF THE HOUSE OF REPRESENTATIVES

TWENTY-EIGHTH PARLIAMENT—FIRST SESSION: SECOND PERIOD

Speaker—The Honourable James Francis Cope
Leader of the House—The Honourable Frederick Michael Daly
Chairman of Committees—Gordon Glen Denton Scholes


Leader of the Opposition—The Right Honourable Billy Mackie Snedden, Q.C.

Deputy Leader of the Opposition—The Honourable Phillip Reginald Lynch

Leader of the Australian Country Party—The Right Honourable John Douglas Anthony

Deputy Leader of the Australian Country Party—The Honourable Ian McCalmon Sinclair

Adermann, Albert Evan ........................................ Fisher (Qld)
Anthony, Rt Hon. John Douglas ................................ Richmond (N.S.W.)
Armitage, John Lindsay ........................................ Chifley (N.S.W.)
Ashley-Brown, Alfred .......................................... Mitchell (N.S.W.)
Barnard, Hon. Lance Herbert ................................ Bass (Tas.)
Beazley, Hon. Kim Edward ................................... Fremantle (W.A.)
Bennett, Adrian Frank ......................................... Swan (W.A.)
Berinson, Joseph Max .......................................... Perth (W.A.)
Birrell, Frederick Ronald ..................................... Port Adelaide (S.A.)
Bonnett, Robert Noel .......................................... Herbert (Qld)
Bourchier, John William ...................................... Bendigo (Vic.)
Bowen, Hon. Lionel Frost ..................................... Kingsford-Smith (N.S.W.)
(1) Bowen, Hon. Nigel Herbert, Q.C. ....................... Parramatta (N.S.W.)
Bryant, Hon. Gordon Munro, E.D. ......................... Wills (Vic.)
Bury, Hon. Leslie Harry Ernest ................................ Wentworth (N.S.W.)
Cains, Hon. James Ford ....................................... Lalor (Vic.)
Caldner, Stephen Edward, D.F.C. ............................ (N.T.)
Cameron, Hon. Clyde Robert ................................ Hindmarsh (S.A.)
Cameron, Donald Milner ....................................... Griffith (Qld)
Cass, Hon. Moses Henry ........................................ Maribyrnong (Vic.)
Chipp, Hon. Donald Leslie .................................... Hotham (Vic.)
Costes, John ........................................................ Denison (Tas.)
Cohen, Barry ...................................................... Robertson (N.S.W.)
Collard, Frederick Walter ..................................... Kalgoorlie (W.A.)
Connor, Hon. Reginald Francis Xavier ........................ Cunningham (N.S.W.)
Cooke, Nelson Marshall ........................................ Petrie (Qld)
Cope, Hon. James Francis ..................................... Sydney (N.S.W.)
Corbett, James .................................................... Maranoa (Qld)
Cramer, Hon. Sir John Oscar ................................ Bennelong (N.S.W.)
Crean, Hon. Frank ............................................... Melbourne Ports (Vic.)
Cross, Manfred Douglas ........................................ Brisbane (Qld)
Daly, Hon. Frederick Michael ................................ Grayndler (N.S.W.)
Davies, Ronald .................................................... Braddon (Tas.)
Doyie, Francis Edward ......................................... Lilley (Qld)
Drummond, Peter Hertford .................................. Forrest (W.A.)
Drury, Edward Nigel, C.B.E. ................................ Ryan (Qld)
Duthie, Gilbert William Arthur .............................. Wilmot (Tas.)
Edwards, Harold Raymond .................................... Berowra (N.S.W.)
Enderby, Hon. Keppel Earl ................................... (A.C.T.)
England, John Armstrong, E.D. ............................... Calare (N.S.W.)
Erwin, Hon. George Dudley ................................... Ballarat (Vic.)
Everingham, Hon. Douglas Nixon ............................. Capricorn (Qld)
Fairbairn, Hon. David Eric, D.F.C. ......................... Farrer (N.S.W.)
Fisher, Peter Stanley .......................................... Mailee (Vic.)
FitzPatrick, John ................................................ Darling (N.S.W.)
Forbes, Dr the Hon. Alexander James, M.C. .............. Barker (S.A.)
Fox, Edmund Maxwell Cameron, C.B.E. ..................... Henty (Vic.)
Fraser, Hon. John Malcolm ................................... Wannon (Vic.)
Fulton, William John ........................................... Leichhardt (Qld)
Garland, Hon. Ransley Victor ................................ Curtin (W.A.)
Garrick, Horace James ......................................... Batman (Vic.)
Giles, Geoffrey O'Halloran ................................... Angas (S.A.)
Gorton, Rt Hon. John Grey, C.H. ............................ Higgins (Vic.)
Graham, Bruce William ......................................... North Sydney (N.S.W.)
Grassby, Hon. Albert Jaime .................................. Riverina (N.S.W.)
Gun, Richard Townsend ........................................ Kingston (S.A.)
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<th>Members of the House of Representatives</th>
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<td>Hallett, John Mead</td>
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<td>Hamer, David John, D.S.C.</td>
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<td>Hansen, Brendan Percival</td>
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<td>Hayden, Hon. William George</td>
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<td>Hewson, Henry Arthur</td>
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<td>Holten, Hon. Rendle McNeilage</td>
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<td>Hunt, Hon. Ralph James Dunnet</td>
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<td>Hurdford, Christopher John</td>
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<td>Innes, Urquhart Edward</td>
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<td>Jacobi, Ralph</td>
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<td>James, Albert William</td>
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<td>Jarman, Alan William</td>
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<td>Johnston, Hon. Leslie Royston</td>
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<td>Jones, Hon. Charles Keith</td>
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<td>Katter, Hon. Robert Cummin</td>
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<td>Keating, Paul John</td>
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<td>Kelly, Hon. Charles Robert</td>
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<td>Kerin, John Charles</td>
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<td>Killen, Hon. Denis James</td>
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<td>King, Hon. Robert Shannon</td>
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<td>Kugman, Richard Emanuel</td>
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<td>Luchetti, Anthony Sylvester</td>
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<td>MacKellar, Michael John Randal</td>
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<td>McMahon, Rt Hon. William, C.H.</td>
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<td>McVeigh, Daniel Thomas</td>
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<td>Oldmeadow, Maxwell Wilkinson</td>
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<td>(*) Ruddock, Philip Maxwell</td>
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<td>Stagg, Anthony Allan</td>
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<td>Whittorn, Raymond, Harold, C.B.E.</td>
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THE COMMITTEES OF THE SESSION

(FIRST SESSION—SECOND PERIOD)

STANDING COMMITTEES

ABORIGINAL AFFAIRS—Mr Cross (Chairman), Mr Ashley-Brown, Mr Bonnett (from 21 August), Mr Collard, Mr FitzPatrick, Mr Hunt, Mr Jarman, Mr Peacock (to 21 August), Mr Thorburn, Mr Wentworth.

ENVIRONMENT AND CONSERVATION—Dr Jenkins (Chairman), Mr Bourchier, Mr Fox, Mr Kerin, Mr Lamb, Mr I. L. Robinson, Mr Sherry.

HOUSE—Mr Speaker, Mr Berinson, Mr Bourchier, Mr Cooke, Mr Hansen, Dr Jenkins, Mr Katter.

LIBRARY—Mr Speaker, Mr Cross, Mr Erwin, Dr Forbes, Dr Klugman, Mr Luchetti, Mr O’Keefe.

PRIVILEGES—Mr Enderby (Chairman), Mr D. M. Cameron, Mr Collard, Mr Crean, Mr Drury, Mr Garland, Mr Lucock, Mr Scholes, Mr Whitlam. (During consideration of matter referred to Committee on 20 September, Mr Sherry served in place of Mr Collard and Mr Viner served in place of Mr Garland; during consideration of matter referred to Committee on 15 October, Mr Keating served in place of Mr Collard and Mr Viner served in place of Mr Garland; during consideration of matter referred to Committee on 6 December, Mr Viner to serve in place of Mr Garland).

PUBLICATIONS—Mr McKenzie (Chairman), Mr Erwin, Mr Graham, Mr King, Mr Lamb, Mr Mathews, Mr Morris.

STANDING ORDERS—Mr Speaker (Chairman), the Chairman of Committees, the Leader of the House, the Deputy Leader of the Opposition, Mr Anthony, Mr Bryant, Mr Duthie, Mr Fox, Mr Garland, Mr Lucock, Mr Whitlam.

JOINT STATUTORY COMMITTEES

BROADCASTING OF PARLIAMENTARY PROCEEDINGS—Mr Speaker (Chairman), the President, Senator Hannan, Senator Poké, and Mr Donald Cameron, Mr Coates, Mr Duthie, Mr England, Mr Sherry.

PUBLIC ACCOUNTS—Senator McAuliffe (Chairman), Senator Fitzgerald, Senator Guilfoyle, and Mr Adernann, Mr Collard, Mr Hurford (to 30 August), Mr Jarman, Mr MacKellar, Mr Martin, Mr Morris (from 30 August), Mr Reynolds.

PUBLIC WORKS—Mr Fulton, Mr Hurford (Chairman), Senator Georges, Senator Jessop, Senator Poyser, and Mr Corbett, Mr Keith Johnson, Mr Kelly, Mr Keogh, Mr Whitton.

JOINT COMMITTEES

AUSTRALIAN CAPITAL TERRITORY—Senator Milliner (Chairman), Senator Sir Kenneth Anderson (from 17 October), Senator Devitt, Senator Hannan (to 17 October), Senator Marriott and Mr Cooke, Mr Hallett, Mr Kerin, Mr Olley, Mr Whan.

FOREIGN AFFAIRS AND DEFENCE—Senator Wheeldon (Chairman), Senator Carrick, Senator Drury, Senator McManus, Senator Mannsell, Senator Milliner, Senator Primmer, Senator Sim and Mr Berinson, Mr N. H. Bowen (to 21 August), Mr Coates, Mr Cross, Mr Duthie, Dr Forbes, Mr Hamer, Mr Katter, Mr Kerin, Dr Klugman, Mr Luchetti, Mr Lucock, Mr MacKellar, Mr Oldmeadow, Mr Peacock (from 21 August).

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

PRICES—Mr Hurford (Chairman), Senator Gietzelt, Senator Guilfoyle, Senator O’Byrne, Senator Prowse, and Mr Garland, Mr Gorton, Mr Nixon, Mr Riordan, Mr Whan, Mr Willis.

SELECT COMMITTEES

ROAD SAFETY—Mr Cohen (Chairman), Mr Fox, Mr Hamer, Mr Innes, Mr Katter, Dr Klugman, Mr McKenzie.
PARLIAMENTARY DEPARTMENTS

SENATE

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

HOUSE: OF REPRESENTATIVES

Clerk of the House—N. J. Parkes, O.B.E.
Deputy Clerk of the House—J. A. Pettifer
First Clerk Assistant—D. M. Blake, V.R.D.
Clerk Assistant—A. R. Browning

Senior Parliamentary Officers:
Table Office—L. M. Barlin
Bills and Papers Office—I. C. Cochran
Surjeant-at-Arms Office—D. M. Piper
Committee Office—B. M. Chapman

PARLIAMENTARY REPORTING STAFF

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

LIBRARY

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

JOINT HOUSE

Secretary—R. W. Hillyer
THE ACTS OF THE SESSION

(First Session: Second Period)

Aboriginal Affairs (Arrangements with the States) Act 1973 (Act No. 115 of 1973)—
An Act providing for Arrangements with the States with respect to Aboriginal Affairs.

Aged Persons Homes Act 1973 (Act No. 128 of 1973)—

An Act to make provision with respect to the Liability in relation to Air Accidents of certain Authorities of Territories.

Air Navigation Act 1973 (Act No. 130 of 1973)—

An Act relating to Charges in respect of certain Air Navigation Facilities and Services.

Airlines Agreements Act 1973 (No. 178 of 1973)—

Albury–Wodonga Development Act 1973 (Act No. 189 of 1973)—
An Act relating to the Development of the Albury–Wodonga Area.

An Act to provide Financial Assistance to the States of New South Wales and Victoria for purposes connected with the Development of Albury–Wodonga.

Aliens Act 1973 (Act No. 132 of 1973)—

Apple and Pear Export Charges Act 1973 (Act No. 196 of 1973)—

Apple and Pear Stabilisation Act 1973 (Act No. 195 of 1973)—

Apple and Pear Stabilisation Export Duty Collection Act 1973 (Act No. 197 of 1973)—
An Act to amend the Apple and Pear Stabilisation Export Duty Collection Act 1971 in relation to the Australian Apple and Pear Board and the Australian Apple and Pear Corporation.

 Appropriation Act (No. 1) 1973–74 (Act No. 157 of 1973)—
An Act to appropriate certain sums out of the Consolidated Revenue Fund for the service of the year ending on 30th June 1974.

 Appropriation Act (No. 2) 1973–74 (Act No. 158 of 1973)—
An Act to appropriate a sum out of the Consolidated Revenue Fund for certain expenditure in respect of the year ending on 30th June 1974.

Atomic Energy Act 1973 (Act No. 131 of 1973)—
An Act to amend the Atomic Energy Act 1953–1966 in relation to the Executive Member of the Atomic Energy Commission.

Australian Apple and Pear Corporation Act 1973 (Act No. 194 of 1973)—
An Act to establish an Australian Apple and Pear Corporation.

Australian Capital Territory Representation (House of Representatives) Act 1973 (Act No. 111 of 1973)—
An Act to provide for the Representation in the House of Representatives of the Australian Capital Territory and the Jervis Bay Territory.

Australian Citizenship Act 1973 (Act No. 99 of 1973)—

Australian National Airlines Act 1973 (Act No. 92 of 1973)—

Australian National University Act 1973 (Act No. 96 of 1973)—
An Act relating to the Regulation by the Australian National University of Traffic and the Parking of Vehicles.

Banking Act 1973 (Act No. 116 of 1973)—

Banking Act (No. 2) 1973 (Act No. 193 of 1973)—


Canning-Fruit Charge Act 1973 (Act No. 198 of 1973)—

Cellulose Acetate Flakes Bounty Act 1973 (Act No. 102 of 1973)—

Commission on Advanced Education Act 1973 (Act No. 177 of 1973)—
An Act relating to the Commission on Advanced Education.
The Acts of the Session


Continental Shelf (Living Natural Resources) Act 1973 (Act No. 219 of 1973)—An Act relating to the Living Natural Resources of the Continental Shelf.


Customs Tariff 1973 (Act No. 147 of 1973)—An Act relating to Duties of Customs.

Customs Tariff (No. 2) 1973 (Act No. 170 of 1973)—An Act relating to Duties of Customs.

Customs Tariff Validation Act (No. 2) 1973 (Act No. 200 of 1973)—An Act to Provide for the Validation of Collections of Duties of Customs under Customs Tariff Proposals.


Excise Tariff (No. 3) 1973 (Act No. 146 of 1973)—An Act relating to Duties of Excise.


Film and Television School Act 1973 (Act No. 95 of 1973)—An Act to establish a Film and Television School.


Growth Centres (Financial Assistance) Act 1973 (Act No. 191 of 1973)—An Act to provide Financial Assistance to the States for Purposes connected with Urban and Regional Development in certain areas.


The Acts of the Session

Honey Export Charge Collection Act 1973 (Act No. 184 of 1973)—
An Act to make provision for and in relation to the Collection of the Charge imposed by the Honey Export Charge Act 1973.

Honey Industry Act 1973 (Act No. 185 of 1973)—

Honey Levy Act (No. 1) 1973 (Act No. 187 of 1973)—
An Act to amend the Honey Levy Act (No. 1) 1962–1965 in relation to Metric Conversion.

Honey Levy Act (No. 2) 1973 (Act No. 188 of 1973)—
An Act to amend the Honey Levy Act (No. 2) 1962–1965 in relation to Metric Conversion.

Hospitals and Health Services Commission Act 1973 (Act No. 211 of 1973)—
An Act to make provision for and in relation to the establishment of a Hospitals and Health Services Commission.

Immigration (Education) Act 1973 (Act No. 110 of 1973)—
An Act to amend the Immigration (Education) Act 1971.

An Act to impose a Tax upon Incomes.

Income Tax Assessment Act (No. 4) 1973 (Act No. 164 of 1973)—
An Act to amend the Law relating to Income Tax.

Income Tax Assessment Act (No. 5) 1973 (Act No. 165 of 1973)—
An Act to amend the Law relating to Income Tax.

Income Tax (Non-resident Dividends and Interest) Act 1973 (Act No. 167 of 1973)—
An Act to amend the Income Tax (Non-resident Dividends and Interest) Act 1967.

Industrial Research and Development Grants Act 1973 (Act No. 201 of 1973)—

Industries Assistance Commission Act 1973 (Act No. 169 of 1973)—
An Act to establish an Industries Assistance Commission.

An Act to provide Financial Assistance to the States, in addition to that provided under the Growth Centres (Financial Assistance) Act 1973, in connexion with the Acquisition of Land in or near Urban Areas.

Lands Acquisition Act 1973 (Act No. 208 of 1973)—

Law Reform Commission Act 1973 (Act No. 221 of 1973)—
An Act to Constitute a Law Reform Commission.

Meat Export Charge Act 1973 (Act No. 125 of 1973)—
An Act to impose a Charge upon the Export of Meat.

Meat Export Charge Collection Act 1973 (Act No. 126 of 1973)—
An Act to make provision for the Collection of the Charges imposed by the Meat Export Charge Act 1973, and for other purposes.

Mental Health and Related Services Assistance Act 1973 (Act No. 154 of 1973)—
An Act to provide for Financial Assistance to States, Local Governing Bodies and Voluntary Organisations in respect of the provision of Medical or other Services or Facilities in relation to Mental Illness, Mental Disability, Alcoholism and Drug Dependence.

Meteorology Act 1973 (Act No. 123 of 1973)—
An Act to amend the Meteorology Act 1955 in relation to the Territories.

National Health Act (No. 2) 1973 (Act No. 202 of 1973)—
An Act to amend the National Health Act 1953–1972, as amended by the National Health Act 1973.


Northern Territory Supreme Court Act 1973 (Act No. 220 of 1973)—
An Act relating to the Supreme Court of the Northern Territory of Australia.

An Act relating to Acts that have effect in Papua New Guinea.

An Act to provide for the Giving of Guarantees by Australia with respect to Loans to be raised Overseas by Papua New Guinea, and for purposes connected therewith.

Papua New Guinea Act (No. 2) 1973 (Act No. 120 of 1973)—
An Act to provide for the Internal Self-Government of Papua New Guinea.


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Pay-roll Tax Assessment Act 1973 (Act No. 163 of 1973)—

Pay-roll Tax (Territories) Act 1973 (Act No. 113 of 1973)—
An Act to amend the Pay-roll Tax (Territories) Act 1971.

Post and Telegraph Act 1973 (Act No. 109 of 1973)—
An Act to amend the Post and Telegraph Act 1901–1971.

Post and Telegraph Rates Act 1973 (Act No. 107 of 1973)—
An Act to amend the Post and Telegraph Rates Act 1902–1971.

Post and Telegraph Regulations Act 1973 (Act No. 106 of 1973)—
An Act to amend certain Regulations under the Post and Telegraph Act 1901–1971.

Public Service Act (No. 4) 1973 (Act No. 209 of 1973)—
An Act to amend the Law relating to the Public Service.

Public Works Committee Act 1973 (Act No. 140 of 1973)—

Queensland Grant (Dawson River Weirs) Act 1973 (Act No. 205 of 1973)—

Queensland Grant (Kinchant Dam) Act 1973 (Act No. 207 of 1973)—
An Act to grant Financial Assistance to the State of Queensland in connection with the Construction of a Dam on Sandy Creek near Mount Kinchant in that State.

Remuneration and Allowances Act (No. 2) 1973 (Act No. 203 of 1973)—
An Act relating to the Remuneration and Allowances payable to the Holders of certain Statutory Offices.

Remuneration Tribunal Act 1973 (Act No. 215 of 1973)—
An Act to establish a Tribunal in relation to the Remuneration of certain public and other Offices.

Repatriation Act (No. 3) 1973 (Act No. 104 of 1973)—
An Act to amend the Law relating to Repatriation.

Reserve Bank Act 1973 (Act No. 118 of 1973)—

Royal Style and Titles Act 1973 (Act No. 114 of 1973)—
An Act relating to the Royal Style and Titles.

Sales Tax (Exemptions and Classifications) Act (No. 2) 1973 (Act No. 181 of 1973)—

Schools Commission Act 1973 (Act No. 213 of 1973)—
An Act to make provision for and in relation to the Establishment of a Schools Commission.

Seamen's War Pensions and Allowances Act (No. 2) 1973 (Act No. 106 of 1973)—
An Act to amend the Law relating to Seamen's War Pensions and Allowances.

Seas and Submerged Lands Act 1973 (Act No. 161 of 1973)—
An Act relating to Sovereignty in respect of certain Waters of the Sea and in respect of the Airspace over, and the Sea-bed and Subsoil beneath, those Waters and to Sovereign Rights in respect of the Continental Shelf and relating also to the Recovery of Minerals, other than petroleum, from the Sea-bed and subsoil beneath those Waters and from the Continental Shelf.

Sewerage Agreements Act 1973 (Act No. 204 of 1973)—
An Act relating to Agreements between Australia and each of the States in respect of the Provision of Financial Assistance for Sewerage Works.


Social Services Act (No. 4) 1973 (Act No. 103 of 1973)—
An Act relating to Social Services.


States Grants Act 1973 (Act No. 149 of 1973)—
An Act to grant Financial Assistance to the States.

States Grants (Aboriginal Advancement) Act (No. 2) 1973 (Act No. 168 of 1973)—
An Act to grant Financial Assistance to the States in connection with the Welfare and Advancement of the Aboriginal People of Australia.

An Act to amend the States Grants (Advanced Education) Act (No. 3) 1972.
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States Grants (Advanced Education) Act (No. 2) 1973 (Act No. 173 of 1973)—

States Grants (Advanced Education) Act (No. 3) 1973 (Act No. 174 of 1973)—

States Grants (Advanced Education) Act (No. 4) 1973 (Act No. 175 of 1973)—

States Grants (Capital Assistance) Act 1973 (Act No. 150 of 1973)—
An Act to grant Financial Assistance to the States in connection with Expenditure of a Capital Nature and to Authorise the Borrowing of Certain Moneys by the Australian Government.

States Grants (Fruit-growing Reconstruction) Act 1973 (Act No. 212 of 1973)—
An Act relating to an Agreement between Australia and the States with respect to the Provision of further Assistance to Persons engaged in Fruit-growing.

States Grants (Home Care) Act 1973 (Act No. 127 of 1973)—
An Act to amend the States Grants (Home Care) Act 1969.

States Grants (Housing Assistance) Act (No. 2) 1973 (Act No. 152 of 1973)—
An Act to Authorise Advances to the States of Financial Assistance in connection with Housing and to Authorise the Borrowing of Certain Moneys by the Treasurer.


States Grants (Rural Reconstruction) Act 1973 (Act No. 182 of 1973)—
An Act relating to an Agreement between Australia and the States with respect to the Provision of further Assistance to Persons engaged in Rural Industry.

States Grants (Schools) Act 1973 (Act No. 214 of 1973)—
An Act to grant Financial Assistance to the States in relation to Schools.

States Grants (Special Assistance) Act 1973 (Act No. 205 of 1973)—
An Act to grant Financial Assistance to the States of Queensland, South Australia and Tasmania.

States Grants (Universities) Act 1973 (Act No. 97 of 1973)—
An Act to grant Financial Assistance to the States for the purpose of Assistance to Students in Need at Universities in the Year 1973.

States Grants (Universities) Act (No. 3) 1973 (Act No. 176 of 1973)—

Statute Law Revision Act 1973 (Act No. 216 of 1973)—
An Act for the Purposes of Statute Law Revision.

Student Assistance Act 1973 (Act No. 155 of 1973)—
An Act to provide Benefits to Students by way of Senior Secondary Scholarships, Tertiary Education Assistance and Post-graduate Awards.

Sulphuric Acid Bounty Act—
Return for year 1971-72.

Superannuation Act (No. 3) 1973 (Act No. 135 of 1973)—
An Act relating to the Provision of Superannuation Benefits for Employees of the Darwin Community College.

Supply Act (No. 3) 1973-74 (Act No. 139 of 1973)—
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 1974.

An Act relating to Moneys appropriated for the purposes of certain Authorities of the Territories.

An Act to amend the Wheat Export Charge Act 1968.

Wheat Industry Stabilisation Act 1973 (Act No. 159 of 1973)—


Wine Grapes Charges Act 1973 (Act No. 142 of 1973)—

Wine Overseas Marketing Act 1973 (Act No. 141 of 1973)—

Wireless Telegraphy Act 1973 (Act No. 122 of 1973)—
THE BILLS OF THE SESSION

(First Session—Second Period)

Australian Industry Development Corporation Bill 1973—
Passed by the House of Representatives. Not returned from the Senate.

Commonwealth Electoral Bill (No. 2) 1973—
Passed by the House of Representatives. Not returned from the Senate (Second reading negatived).

Commonwealth Electoral Bill (No. 2) [No. 2]—
Passed by the House of Representatives. Not returned from the Senate (Second reading negatived).

Compensation (Commonwealth Employees) Bill 1973—
Passed by the House of Representatives. Not returned from the Senate.

Constitution Alteration (Democratic Elections) Bill 1973—
Passed by the House of Representatives. Not returned from the Senate (Second reading negatived).

Constitution Alteration (Local Government Bodies) Bill 1973—
Passed by the House of Representatives. Not returned from the Senate (Second reading negatived).

Constitution Alteration (Simultaneous Elections) Bill 1973—
Passed by the House of Representatives. Not returned from the Senate.

Financial Corporations Bill 1973—
Initiated in the House of Representatives. Second Reading.

Health Insurance Bill 1973—
Passed by the House of Representatives. Not returned from the Senate.

Health Insurance Commission Bill 1973—
Passed by the House of Representatives. Not returned from the Senate (Second reading negatived).

Legislative Drafting Institute Bill 1973—
Passed by the Senate. Introduced in the House of Representatives. Second Reading.

National Investment Fund Bill 1973—
Passed by the House of Representatives. Not returned from the Senate.

Parliament Bill 1973—
Passed by the Senate. Introduced in the House of Representatives. First Reading.

Petroleum and Minerals Authority Bill 1973—
Passed by the House of Representatives. Not returned from the Senate.

Privy Council Appeals Abolition Bill 1973—
Initiated in the House of Representatives. Second Reading.

Privy Council (Appeals from the High Court) Bill 1973—
Initiated in the House of Representatives. Second Reading.

Representation Bill 1973 (No. 2) —
Passed by the House of Representatives. Not returned from the Senate (Second reading negatived).

Rules Publication Bill 1973—
Initiated in the House of Representatives. Second Reading.

Seas and Submerged Lands Bill 1973—
Passed by the House of Representatives. Not returned from the Senate.

Seas and Submerged Lands (Royalty on Minerals) Bill 1973 [No. 2]—
Passed by the House of Representatives. Not returned from the Senate (Second reading negatived).

Senate (Representation of Territories) Bill 1973 [No. 2]—
Passed by the House of Representatives. Not returned from the Senate (Second reading negatived).

Trade Practices Bill 1973—
Passed by the House of Representatives. Not returned from the Senate.
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Tuesday, 18 September 1973

Mr SPEAKER (Hon. J. F. Cope) took the chair at 11 a.m., and read prayers.

DEATH OF MR W. J. BRIMBLECOMBE, C.B.E.

Mr SPEAKER—I inform the House of the death on 14 September 1973 of Mr Wilfred John Brimblecombe, C.B.E., who was a member of this House for the division of Maranoa from 1951 to 1966. On behalf of the House I have forwarded a message of sympathy to the relatives of the deceased. As a mark of respect to the memory of the deceased I invite honourable members to rise in their places.

(Honourable members having stood in their places.)

Mr SPEAKER—Thank you, gentlemen.

PETITIONS

The Acting Clerk—Petitions have been lodged for presentation as follows and copies will be referred to the appropriate Ministers:

National Health Scheme

To the Honourable the Speaker and members of the House of Representatives in Parliament assembled:

The humble petition of undersigned citizens of Australia respectfully sheweth:

That the proposed 'free' national health scheme is not free at all and will cost four out of five Australians more than the present scheme.

That the proposed scheme is discriminatory and a further erosion of the civil liberties of Australian citizens, particularly working wives and single persons.

That the proposed scheme is in fact a plan for nationalised medicine which will lead to gross waste and inefficiencies in medical services and will ultimately remove an individual's right to choose his/her own doctor.

Your petitioners therefore humbly pray that the Government will take no measures to interfere with the existing health scheme which functions efficiently and economically.

And your petitioners, as is duty bound, will ever pray.

by Mr McLeay.

Petition received.

National Health Scheme

To the Honourable the Speaker and members of the House of Representatives in Parliament assembled:

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

That they oppose the Australian Health Insurance Program and any National Health Scheme.

That they wish to retain the right to choose their own medical care by selecting a General Practitioner, Specialist or any other medical classification of their own choice under the present conditions in private consulting rooms and also the right to choose an intermediate ward or private hospital of their own choice.

Your petitioners therefore humbly pray that the Government will take no measure to interfere with the existing health scheme.

And your petitioners, as is duty bound, will ever pray.

by Mr Donald Cameron.

Petition received.

Education

To the Honourable the Speaker and members of the House of Representatives in Parliament assembled:

The petition of the undersigned citizens of Australia respectfully sheweth:

1. Your petitioners believe in the principle that every Australian child, irrespective of the school he attends, is entitled to economic support for his basic educational needs from the funds placed at the disposal of the Australian Government through taxation. Further, they believe that this economic support should be in the form of per capita grants, which are directly related to the cost of educating an Australian child in a government school.

2. Your petitioners believe that in addition to this basic per capita grant additional assistance should be provided in cases of educational disadvantage.

3. The reduction of the existing per capita grants will impose great hardships on many parents who have chosen, at personal sacrifice, to send their sons and daughters to independent schools. Further, the curtailment of the said grants will create divisions in the community.
4. Parents should be encouraged to contribute to education. The proposed legislation penalises those who do contribute, and endorses the apathy of those who do not contribute. Your petitioners therefore ask that the House of Representatives in Parliament assembled should acknowledge the right of every Australian child to equal per capita grants of government money spent on education, and so instruct the proposed National Schools Commission.

And your petitioners as in duty bound will ever pray.

by Mr Gorton.

Petition received.

**Education**

To the Honourable the Speaker and members of the House of Representatives in Parliament assembled:

The petition of the undersigned respectively showeth that your petitioners oppose the proposed reduction of Commonwealth per capita grants to independent schools on the following grounds:

(a) Your petitioners support the principle that all children are entitled to a basic per capita share of government moneys spent on education but at a time of rising costs this should mean increased rather than reduced government aid to children attending independent schools.

(b) Parents have a prior right to choose the kind of education which shall be given to their children. This freedom of choice is guaranteed to parents under the Declaration of Human Rights.

(c) Curtailment of the said grants will create divisions in the community by confining independent schools to the very wealthy.

(d) Some independent schools of high educational standards will undoubtedly be forced to close if the present proposals are carried out with the result that the children involved will be forced into the already overtaxed State school system, with a resulting lowering in standards. Your petitioners therefore humbly pray that the House of Representatives in Parliament assembled should acknowledge the right to every Australian child to equal per capita grants of government money spent on education.

And your petitioners as in duty bound will ever pray:

by Mr Wilson.

Petition received.

**Lake Pedder**

To the Honourable the Speaker and members of the House of Representatives in Parliament assembled:

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

(a) That Lake Pedder, the heart of the South Esk National Park of Tasmania is now being flooded as a consequence of the Gordon River Power Scheme.

(b) That Lake Pedder is one of Australia’s foremost natural assets and part of the inheritance of all Australians.

(c) That the International Union for the Conservation of Nature and Natural Resources, Morges, Switzerland, the world’s leading conservation organization, has requested our Commonwealth Government to secure Lake Pedder in its natural state. This request is supported by numerous other international conservation organizations.

(d) That 220 independent conservation societies throughout Australia support the restoration of Lake Pedder.

Your petitioners therefore humbly pray that the members in Parliament assembled will move to make available to the Tasmanian Government a special grant for the purpose of securing Lake Pedder in its natural state.

And your petitioners as in duty bound will ever pray.

by Mr Innes.

Petition received.

**HOUSING: INTEREST RATES ON HOME MORTGAGES**

Mr COOKE—I ask the Treasurer whether he is aware that interest rates on home mortgages in the United Kingdom rose to 11 per cent last Friday? Is he aware that the United Kingdom Government tried every method known to keep a lower and special rate for home mortgages? Is he also aware that these endeavours were a dismal failure? Further, is he aware that the financial experts both here and abroad are of the opinion that it is impossible to maintain preferential rates of interest for home mortgages? In view of the overseas experience, what facts exist in Australia which would lead the Treasurer to believe that he can succeed in this task where the Chancellor of the Exchequer has failed?

Mr CREAN—At least what the honourable gentleman has asked me indicates that the problems cut across politics. We have taken, and are taking, a series of measures here to try to abate inflation. The greatest proponents I have heard in this House of the proposition that interest rates should rise consonant with inflation otherwise there will be a negative rate of interest payable come from the other side of the House. As always, one has to try to adjudicate between those who want to borrow money and those who have money to lend. My Treasury advisers put it in the rather subtle terms that there are some surplus areas and there are some deficit areas so far as having too much money and having too little money are concerned. Differential rates apply in any community. You do not get the same rate on a government bond as
you get on a debenture. Surely there is nothing wrong in endeavouring to be selective where possible. I would think that the honourable gentleman is a little categorical when he suggests that experts agree. The great difficulty I have is in trying to reconcile the opinions of experts and trying to decide overall which sort of situation serves the greatest number. I believe that at the moment, with the way that market forces have operated, some deserving people have not been able to get a house at all and some who have had superior financial claims have often been able to get a second house or a better house. I believe we are quite right in trying to be selective. If certain harsher measures have to be taken overall we are entitled to be selective to protect those who are not able to protect themselves.

SINGLE COMPANY LAW

Mr MARTIN—My question is directed to the Minister representing the Attorney-General. I preface my question by referring to the continuing public discussion in Australia concerning the need for a single Australia-wide companies law and the absence in Australia of proper securities and exchange administrative facilities. Did the report by Professor Loss, professor of law from Harvard University, who is an expert in company law and securities and exchange law, which was presented by the Minister to this House last week deal with the subject? If so, can the Minister say whether the Government agrees with the recommendations in the report? What steps does the Government propose to take to have these recommendations implemented?

Mr ENDERBY—Honourable members will be aware from the report tabled last week that it contains suggestions and comments from a very eminent American professor, skilled and knowledgeable in this branch of the law. I found the reading of that report very, very interesting. Of course, the Government is not committed to the recommendations contained in it. It deals with such diverse subjects as insider trading, short sales, breaches of fiduciary duty and all the problems that arise from the capital market and the securities industry in Australia and in the United States, drawing on the United States experience. I know that the Attorney-General in the Senate is anxious or hoping to introduce a single companies law on this subject this session, although there are difficulties about it. There is, for example, a report that has not yet been received from the Senate Select Committee on Securities and Exchange, which presumably would be a welcome contribution on the subject. The American scene, as we all know, is different from the Australian scene. The professor deals with the advantages of some of the American features, and it is interesting that he comes down wholeheartedly in favour of a single companies law for the whole of Australia dealing with this problem.

ENVIRONMENTAL IMPACT OF LAND USES

Mr WILSON—My question is directed to the Minister for the Environment. In order to obviate the need for community action groups to fight rearguard actions to reverse land use decisions which were in their view wrong, how does the Minister propose to overcome the real problem, as identified by the head of his Department, of changing the way in which such decisions are made. How many environmental impact studies have been initiated by him or his Department? How many have been completed? How many of the completed studies have changed the decisions that would have been made but for the results of the studies? Is the Minister making progress in achieving an increased governmental concern in matters of the environment, or has his only progress been to the extent suggested by Harry Miller, that is, that of a cannibal learning to use a knife and fork?

Dr CASS—As to the first part of the question, which in essence concerned land use, the honourable member knows quite well that that is not the Australian Government's responsibility. Unfortunately it is the prime responsibility of State and local government authorities. So, short of the States handing over the power to the Australian Government, there is very little we can do. We can influence only those projects that are the direct responsibility of the Government because it has commissioned them or those projects that are being undertaken by State authorities with finance provided by the Government. In the latter case we can in some ways influence whether or not a project should be undertaken.

I cannot give the honourable member specific answers to most of the other matters raised in the question he has asked. Quite frankly, I do not have the information at
my fingertips. I will obtain a reply to them. I concede the point that at this stage the progress made has not been very dramatic. Most of the impact statements which have been prepared to date have been in the nature of rearguard actions, if you like. They have been in relation to projects commissioned by the previous Government. In the main the decisions taken in regard to them were finalised before the present Government came to power. But I am not crying about that.

Mr Lynch—What about making an environmental impact statement to the House? We have not had one yet in the House.

Dr Cass—I am sorry, but I do not quite know what the Deputy Leader of the Opposition is getting at. Any environmental impact statement which is prepared is available to those who choose to read it. As far as I am aware, copies of the environmental impact statement on, for instance, the tower on Black Mountain have been available to members of the Parliament, as they have been available to members of the public. Many people have taken the opportunity to read it and to criticise it. It certainly had many defects; I am not denying that. We are learning the technique in the process of calling for these impact statements. As they are prepared and made available to the community, so they will be criticised and so we will learn from our mistakes, we will learn about the shortcomings and, we hope, we will evolve a reasonable technique.

I might add that nowhere in the world are people yet completely satisfied with the environmental impact statement technique. It is a technique that is still evolving. Whilst conceding our shortcomings here, I am not suggesting that we are necessarily a long way behind the rest of the world. It is a new concept. Developing this technique will not be up to this Government alone; it will depend largely on the community's perception of environmental needs. When the community is more stirred up and more aware of the conflict between conservation and development—the resolving of that conflict is not solely the responsibility of any government; it is the general ethos in the community that needs to be changed. When the community is aware of this, environmental impact statements will rectify more readily what many of us perceive to be errors in decision making in the country, not limited solely to the Government.

PENSIONER MEDICAL SERVICE

Mr Davies—My question is directed to the Minister for Social Security. He will be aware that some doctors in Tasmania have advised pensioners with a pensioner medical service entitlement that they will not treat them under the present system as from the end of next month and that some doctors have advised their pensioner patients to join a medical benefits fund at 50c a week. I ask: Can those pensioners who are dependent solely on the pension be enrolled in the subsidised medical scheme because they cannot afford the 50c a week fee? If that is not possible, will the Minister consider some alternative method that will enable pensioners to continue to be entitled to the free hospital and medical treatment which they have received up to date under the pensioner medical service?

Mr Hayden—I am aware—indeed, all honourable members will be aware—that a number of doctors have withdrawn from the pensioner medical service. Generally they have claimed that they will provide free medical treatment for pensioner patients. However assertions are made from time to time that free treatment is not available. All complaints of that nature which have been made to my office and which have been investigated—as far as I am aware, anyway—have not in fact been verified; that is, the doctors have been providing free treatment or in many cases in fact have not withdrawn from the pensioner medical service. Nonetheless, it is a disturbing trend and, I would suggest to the medical profession, one that is not reflecting creditably on it. Therefore, it is reflecting quite unfairly on the vast majority of the doctors who are working within the scheme. I point out quickly that under the scheme we will be bringing in next year the sorts of anomalies that are irritating doctors and which are an inheritance of 23 years of Liberal-Country Party administration will be overcome. We have already written to State health ministers alerting them to the withdrawal of doctors from the pensioner medical service, indicating areas where there are no other doctors participating in the service and seeking assistance from the State health ministers to ensure that adequate health and medical services are provided for these pensioners. As far as I am aware, we have received no replies at this stage. But I am sure that the maximum cooperation will be forthcoming.
Finally, there are difficulties if one were to extend the subsidised health insurance program to pensioners. The Department of Social Security has advised me that because of the income cut off point and because of the way in which the subsidised health insurance benefits are described to benefit families as distinct from individuals, a great number of pensioners would be excluded from subsidised health insurance benefits. There will be over 650,000 single pensioners and more than 65,000 married pensioners who will be involved. So really, the subsidised health insurance benefit plan is not the answer to the problem. I hope that in the interim period, after which we will bring in our program, the State health ministers will be able to co-operate with us in the way in which I have indicated.

CONTROL OF PRICES
Mr SINCLAIR—Does the Prime Minister persist in his undertaking given to the Premiers at the Constitutional Review Convention that he would seek a referendum of power from them with respect to price control? Were the Premiers of the States to refer a limited power on prices and incomes to the Commonwealth on the condition that both prices and incomes should be controlled and that the power should be given only for a limited period, would he still continue with his referendum proposal? Is it not true that the Prime Minister, in fact, would persist with his referendum because he sees the referendum on power over prices as fundamental to his implementation of his policy of socialisation and not towards the control of inflation?

Mr WHITLAM—I can quote precisely from the proceedings of the Constitutional Convention of a fortnight ago. I broached this matter on the Monday afternoon at the Convention and the last occasion when I mentioned it was during the summing up on the Tuesday afternoon. The principal reference to it was made in these terms on the Tuesday morning a fortnight ago:

I have heard my friend the Leader of the Opposition in the Australian Parliament refer to talks he has had with parliamentary leaders of his party in the States in a way which suggests that a reference of powers on prices and incomes might not be unacceptable. I have already said that a reference from New South Wales and Victoria at least would be essential. I should like to know precisely what these two Liberal Premiers agreed with the leaders of their party. If the States were to see fit to refer powers on prices and incomes rather than powers on prices only the Australian Government would clearly accept such a wider reference.

I can certainly assure honourable members and the public that if the States, particularly the 2 larger States—the great manufacturing States—refer powers over prices or over prices and incomes then there will be no need to have a referendum. Quite clearly, I did, in fact, suggest the reference of powers 15 days ago. It is only because both in public and in private it became clear that the Premiers of the 2 major States would not refer such powers that the Referendum Bill has been introduced. If, for instance, the honourable gentleman or any of his colleagues were today to seek leave to introduce a companion Bill on incomes to match the Bill which is to be debated today on prices, its introduction would be facilitated. It will go through the House without opposition. But if a reference—

Mr Sinclair—Of a limited character.

Mr WHITLAM—Does the honourable member mean as to time?

Mr Sinclair—As to time.

Mr WHITLAM—Yes, I would accept that, because one of the important things in this is to act promptly. There is a disadvantage in having to wait a minimum of 2 months before putting a referendum to the people because there will be many who will make pre-emptive rises in their prices, as happened during the period before the Prices Justification Tribunal was appointed and in operation. It would be very much to the advantage of the whole country if the States, particularly the 2 major States, were now to refer this power over prices or these powers over prices and incomes. It is clear that in New South Wales and Victoria in particular there are no difficulties in referring such powers because in each case the Liberal Premier has a majority not only in the Legislative Assembly but also in the Legislative Council. I thank the honourable gentleman for giving me this opportunity—

Mr Lynch—Would you withdraw the Bill in that situation?

Mr WHITLAM—Yes.

Mr Lynch—You would?

Mr WHITLAM—I thought I had made that plain.
'FAT CATS'

Mr JAMES—My question is directed to the Minister for Labour. Can he tell the House and me: What is a fat cat?

Mr SPEAKER—Order! And while the Minister is on the job, how do you feed them?

Mr CLYDE CAMERON—It is not a term that lends itself to easy definition, but having observed the avoirdupois of honourable members in this chamber I think some of them would qualify.

CONTROL OF PRICES AND INCOMES

Mr SNEEDEN—Will the Prime Minister give an unqualified and unchangeable guarantee that he would have an incomes policy as a companion to any prices policy and that the incomes policy would be enforced with the same sanctions as the prices policy and would cover as broad a range of incomes as the prices policy would cover a range of commodities and services? Will he give an unqualified undertaking that there would be an acceptance by the Commonwealth of any powers for a strictly limited period agreed with the Premiers?

Mr WHITLAM—I will certainly accept on behalf of the Government any reference of powers by the States. To be precise, I would accept a reference of powers over prices and incomes or prices alone. As I made plain at the Constitutional Review Convention—and the right honourable gentleman turned up at it from time to time—references by any State or States to the Australian Parliament can be in my view either permanent or for a limited term. The right honourable gentleman should also remember that the heads of five of the State delegations there and I, the head of the Australian delegation, agreed that at the next general poll the Australian Government should put to the people a referendum to make it clear that there can be references by the State Parliaments or any of them to the Australian Parliament of any matter upon which the States can legislate and that that reference can be revocable. It can be for a certain length of time or it can be subject to terms and conditions. I also undertook that at the same time we would be putting a referendum to enable the Australian Parliament to refer to the States any of its exclusive powers on the same conditions—duration, revocation and so on. To reiterate, certainly the Australian Government will accept any reference, even if it is a temporary one, by the States as long as there is, of course, a reference by the 2 major States of power to legislate with respect to prices and incomes.

MIGRANT RECRUITING PROGRAMS

Mr KEOGH—Has the attention of the Minister for Immigration been drawn to the statement made at the annual meeting of the Broken Hill Pty Co. Ltd on 11 September by the company's chairman, Sir Ian McLennan, in which he said that the Federal Government had decided to allow BHP to resume its overseas recruiting campaign? I refer the Minister to a statement which he made on 22 May in which he said that the needs that had been put forward by such companies as BHP had been referred for consideration as part of the recommendations being formulated by the Immigration Planning Council on the level of intake for next year. I refer also to the following statement which the Minister made on 12 August:

'It is important to realise that the nation's migration program is not just a means of adding to the work force.

In that statement he also said:

Migrants are not available to be ordered around like shock troops to man the front lines of industry.

Mr SPEAKER—Order! I ask the honourable gentleman to ask his question.

Mr KEOGH—I am coming to the question, Sir. Will the Minister outline any specific arrangements entered into by BHP prior to the Government agreeing to the company's migrant recruiting program? Will he also indicate whether any other Australian companies have similar arrangements with the Australian Government?

Mr GRASSBY—Mr Speaker, it is true that we suspended for some months what were known as employer nominations because we wanted to review the precise conditions under which people would be invited to come to Australia to work for specific firms. In recent months a number of firms have come forward with specific requests for numbers of workers in their industries. At the Immigration Planning Council I took the view that it would be desirable for these major corporations to put together their views, to indicate the sort of people that they wanted, where they thought these people would be available, where they thought these people should come from or should be available and the sorts of conditions that they were offering not only in terms
of wages but also in terms of their accommodation. I am still awaiting from the Immigration Planning Council the details of the general picture from the spread of corporations.

In the meantime, in close consultation with my colleague the Minister for Labour, we had a specific look at the proposal put forward by the Broken Hill Pty Co. Ltd. It has done two or three things which qualify it for the exploration of this kind of facility. The first thing that it has agreed to ensure is that there is accommodation available and that people are not just brought in or invited in on speculation. More than that, the company has also indicated that it will continue to stress workshop classes in English and citizenship, which I regard as being of paramount importance if we do not intend to tie migrant workers to their benches in an inexcusable and unacceptable way. So it has met criteria of this sort. Because it did so and because it was willing to co-operate—in fact, it enthusiastically offered to co-operate in this way—the facility has been extended. Whether the company will be successful in this form of attraction remains to be seen. But certainly my department will give them all the help and assistance that it can, bearing in mind that the basic criteria that we want to see adopted by all corporations have been met in this instance by BHP.

AUSTRALIAN COUNCIL OF TRADE UNIONS: RESTRAINTS ON WAGES AND INCOMES

Mr McLEAY—My question is addressed to the Prime Minister. Yesterday the Prime Minister told the House that the President of the Australian Council of Trade Unions had promised him full trade union co-operation in restraining wages and incomes. In view of Mr Hawke's statement that he cannot promise the ACTU any more than the Prime Minister can promise the parliamentary Caucus, will he now tell the House who is telling the truth?

Mr WHITLAM—I have nothing to add to the answer I gave yesterday to the Leader of the Opposition.

INFLATION: PRICES POLICY

Mr LAMB—Has the attention of the Treasurer been drawn to a statement attributed to the visiting former British Chancellor of the Exchequer, Mr Roy Jenkins, that inflation could be attacked effectively through a prices policy without necessarily having statutory control over wages? Can the Treasurer indicate whether Australia could expect a far lower rate of inflation such as that achieved by the Stafford Cripps policy in 1949 through statutory powers over prices and voluntary controls on wages?

Mr CREAN—I have not seen the statement attributed to Mr Jenkins but it raises some interesting possibilities and shows that this question of grappling with inflation is not any simple problem with any one solution. I am prepared to look at the suggestions.

LAND PRICE CONTROL

Mr HUNT—My question is directed to the Prime Minister. Since the Prime Minister has now stated that his primary objective, if he achieves price control powers, will be to control land prices in the States, how does he reconcile this statement with the dismal failure of his Minister for the Australian Capital Territory who has failed to stabilise prices and who in panic has cancelled all land sales for homes? Is the Prime Minister aware that building costs in the Australian Capital Territory are now the highest in Australia? Is he aware that land in unrestricted residential auctions was averaging $15,000 a block before the cancellation? If the Federal Government controls land prices in the States what guarantee is there that the Government will make a better fist of it in the States than it is making in the Australian Capital Territory?

Mr WHITLAM—The worst rise in land prices anywhere near Canberra is just over the border in New South Wales. I would ask the Minister for the Capital Territory to answer the rest of the question.

Mr ENDERBY—May I thank the Prime Minister for the opportunity to answer the question. It is well known that decisions taken about the middle of 1970 by the then Government restricted the expenditure on the servicing of land in Canberra and it is also well known that it takes 2½ to 3 years to produce a serviced block of land to the quality required in Canberra. What was done back in 1970 and in 1971 by stopping the input of money for the production of serviced land in Canberra produced the mess that we inherited when we took over from the honourable member who asked the question. It is also well known that all during last year land prices escalated continuously under his administration. When we took over—
Mr Sinclair—They have gone up at such a rate—

Mr ENDERBY—No. When we took over the pattern continued.

Mr Sinclair—Accelerated.

Mr ENDERBY—No, it continued. I made a special trip to Western Australia to study the system over there. I have also discussed the problem with everybody who is knowledgeable in this field. The decision to stop land auctions was made deliberately and after a lot of thought and we are curtailing the escalation of land prices in Canberra. I have no hesitation in saying that the solution to the mess that we inherited from the previous Government is in sight. I invite honourable members to look at advertisements for land and houses in the 'Canberra Times' over the last month and I challenge them to deny this.

Mr Anthony—Look at the houses, too.

Mr ENDERBY—No, look at the advertisements. I challenge honourable members to deny this.

Mr Hunt—Prices have gone up.

Mr ENDERBY—They have not.

Mr SPEAKER—Order! There are far too many interjections. I ask the Minister to ignore interjections and to address the chair.

Mr ENDERBY—The imposition of a flexible system of rent control on residential land in the Australian Capital Territory has produced this very result. The mess that I described produced a situation in which young girls and young boys in Canberra were borrowing money and buying their third, fourth and fifth houses because of the escalating land values and land prices on completed houses produced by the government of the day. This situation arose from the lack of policies of the government of the day. I know of solicitors in Canberra who have bought their twelfth house and in one case his fifteenth house, for investment purposes. That practice has stopped. If one speaks to any of the people involved in finance operations in Canberra one will find that those people will say the practice has stopped because of measures taken in the last month or so. There is in the course of preparation a Cabinet submission—I hope it will be a joint submission by the Minister for Urban and Regional Development and myself—to put into play in Canberra in the very near future a land distribution system that will be a model for the whole of Australia.

LAND PRICES

Dr GUN—My question to the Prime Minister is supplementary to the question asked by the honourable member for Gwydir. Is the Prime Minister aware that the South Australian Government has foreshadowed legislation to control land prices to an increase of 7 per cent per annum? Is he aware that since this policy was announced earlier this year the rapid rise in land prices in parts of Adelaide has ceased and that in certain areas, such as Salisbury and Tea Tree Gully, the price increase has gone down from a 30 per cent increase in 3 months to a 4 per cent increase in the 6 months since? What action has been taken on these lines by State Liberal governments? What action, for instance, has the New South Wales Government taken in suburbs west of Sydney? Will the carriage of a prices referendum or reference of powers from the States to the Commonwealth on this matter give the Commonwealth power to restrain increases in land prices along the lines of the action of the South Australian Government?

Mr WHITLAM—The Government of Victoria has introduced land stabilisation legislation which will apply to Wodonga. The New South Wales Government has undertaken to introduce such legislation which will apply to Albury. So far no legislation has been introduced in New South Wales which would apply to the growing suburbs of Sydney, Newcastle or Wollongong. I do not know off hand whether the legislation in Victoria would apply to the outer suburbs of Melbourne or to Geelong. This is a very clear field in which the States have always been able to stabilise prices. Land is a clear instance of a commodity which cannot be covered by section 92 of the Constitution since a block of land cannot be taken across a State border. The New South Wales and Victorian governments have a majority in both their Houses so there is no constitutional, legislative or political barrier to the introduction of land stabilisation legislation in the 2 major States of Australia and, in particular, with respect to the 2 major cities of Australia. I regret to say that many State governments take the cynical attitude that inflation swells their coffers because they profit from the commission on land sales as land prices increase. Here again the South Australian Government has given a lead in respect of good economic and urban management.
INTEREST RATES

Mr McMAHON—I ask the Prime Minister a question relating to answers he gave in the House last week about official and bank interest rates, that is of banks which are covered by section 51 of the Constitution. Will the honourable gentleman tell me when he consulted with State Premiers, or Treasurers if that were necessary, in order to obtain their approval for open market operations by the Reserve Bank of Australia with the approval of the Government by which the price of bonds was forced down and the yields on those bonds was forced up, remembering as he will—and as the House will remember too—that he said that interest rates were fixed by the Australian Loan Council. Secondly, can the Prime Minister tell me whether in the case of open market operations by the Reserve Bank there is any precedent whatsoever for consultation with the States before the Reserve Bank engages in these operations? Thirdly, can he also tell me whether he has ever known of any precedent by which interest rates in the trading bank system of the Commonwealth were fixed by other than the Commonwealth Government itself in fact or by a committee of the Government, and not notionally with the approval of the Treasurer?

Mr WHITLAM—I did not discuss with the State Premiers the relations between the Australian Government and the Reserve Bank of Australia. I have had 3 discussions with the Reserve Bank, on the last 2 Thursdays and on the intervening Sunday. The first discussion took place in Sydney and the second and third took place in Canberra. I had several discussions with all the Premiers except one who were at the Australian Constitutional Convention. They readily accepted that items of economic management such as currency, tariffs and interest rates, which were mentioned by the right honourable member, were matters within the exclusive responsibility of the Australian Government.

The second question which the right honourable gentleman asked me was whether there had been any precedent for the action of the Reserve Bank without consultation with the States. I understand that the States are not consulted on these occasions. They were not this time as I have said and they have not been consulted on previous occasions. The right honourable gentleman then asked me, thirdly, whether there had been any instances of a government or, to use his phrase, a committee of the government in effect determining matters of interest rates. I shall quote an instance to which he was not a party but which occurred in March 1970. I will read from the report and financial statements of the Reserve Bank of Australia for 1969-70.

Mr McMAHON—It is always the Government itself—that is the Cabinet or a sub-committee of the Cabinet—which fixes bank interest rates and, for that matter, deposit rates.

Mr WHITLAM—I was just giving a good precedent from the time the right honourable gentleman was in high office. The report, having referred to March 1970, states:

... the Prime Minister, the Deputy Prime Minister and the Treasurer—
I think that was the right honourable member for Higgins, the former right honourable member for Murray and the honourable member for Wentworth—

had consulted the Governor of the Bank about the impact of the higher interest rates on rural producers. The Ministers had stated the Government’s view that having regard to the special difficulties suffered by a number of rural industries at present, and the financial problems facing many rural producers, it would not be appropriate that there should be a general increase in trading bank lending rates on loans to rural producers.

The report of the Reserve Bank went on to say what the Bank did. I believe that this was a precedent for the action taken in this respect last Thursday morning after question time. I hope that right honourable and honourable gentlemen will understand that when I was asked questions about this last Thursday I was not able to reveal that the Governor and Deputy Governor of the Reserve Bank were waiting to consult with me after question time about this very matter of interest rates.

COMMONWEALTH MOTOR CARS

Mr KENIN—Has the attention of the Minister for the Capital Territory been drawn to any complaints received concerning the availability of cars belonging to the Commonwealth car pool in Canberra? Is there any cause for concern about the condition in which the cars are received from the manufacturers and the system whereby the cars are serviced by agents of the manufacturers during the initial period after their receipt by the Australian Government? In the interest of consumers generally, will the Minister compile a list of defects, on delivery and in the
first 6 months, of all vehicles, by makes, purchased for the pool?

Mr ENDERBY—I was made aware of one complaint this morning. It concerns a Commonwealth car, No. 31, which became part of the Commonwealth fleet only about four or five months ago. This was a brand new Galaxy LTD. For most of that period of four or five months it has been off the road because of one defect or another and because of other difficulties that have flowed through from the manufacturers and their agents in the servicing of the fleet. At times this vehicle has had to be cannibalised to provide spare parts for other Commonwealth vehicles. Surely this is a scandalous situation. My attention was drawn to it by a particular driver. When he took delivery of the car he made his usual inspection and found that a windscreen wiper was missing. What sort of quality control is this? It is consistent with the remarks I heard attributed to the Minister for Transport this morning and it is linked up with some of the questions on consumer protection with which the Minister for Science is concerned.

Notwithstanding that a windscreen wiper was missing from a brand new car for which retail for more than $8,000, the car has been virtually—largely—off the road for four or five months and has been used as a source of spare parts for other vehicles because spare parts cannot be obtained pursuant to the agreement. This was a contract entered into under the previous Administration. I do not know what selection process was followed or what guarantees were accepted from the manufacturer, but this matter is going to be the subject of further investigation. If that is the sort of quality control that we are to get on brand new vehicles which retail for more than $8,000 on the Australian market, when the time comes for renewing that fleet, if I have anything to say about it the competitors of the Ford Motor Company will be considered.

INTERNATIONAL LABOUR CONFERENCE

Mr CLYDE CAMERON (Hindmarsh—Minister for Labour)—For the information of honourable members I present the report of the Australian delegation to the Fifty-fifth (Maritime) Session of the International Labour Conference 1970.

PROPOSED SECOND SYDNEY AIRPORT

Mr BARNARD (Bass—Minister for Defence, Minister for the Navy, Minister for the Army, Minister for Air and Minister for Supply)—by leave—Yesterday during question time the Deputy Leader of the Opposition, the honourable member for Flinders (Mr Lynch), asked me a question relating to the Richmond Air Base and the proposed new second Sydney airport at Galston. At that time I indicated to the honourable member that I had received no information from my Department. After question time I initiated inquiries into the matter. I want to explain to the honourable member and to the House that before the decision was made about Galston I had received no information on this site from the Department of Defence. However, subsequent to the Government taking its decision I did receive a short statement through the Department of Defence and a submission from the Chief of the Air Staff. They indicated that in all the circumstances there could be some difficulties or some difficulties might be created at the Richmond air base due to air traffic in that area. However, as a detailed study is now being undertaken of the proposal to establish the second Sydney airport in the Galston area, the full implications for the Department of Defence will be considered at that time. A further and more detailed in-depth study will be undertaken at the same time by the Department of Defence. I just want to indicate to the honourable member that I regret that to this extent I did mislead him but I assure him that it was quite inadvertent.

Mr LYNCH (Flinders)—Mr Speaker, I seek leave to make a short statement.

Mr SPEAKER—Is leave granted? There being no objection, leave is granted.

Mr LYNCH—I accept in toto what the Deputy Prime Minister (Mr Barnard) has mentioned concerning the statements which were not available to him earlier when responding to my question in regard to the Galston airport. But I ask the Minister to say specifically whether this means that at the time the Government took its decision on Galston there had not been an automatic reference by him to his departments in relation to that concept. In other words, was the decision to site Sydney’s new airport at Galston taken by the Cabinet in complete ignorance as to the impact that decision might have on the Richmond Air Base and operations there? I am
certain that the point will not be lost on the honourable gentleman because he, having a concern for the fighting services of this country and in particular the major significance of the air base at Richmond, will well understand the difficulties which may now be caused to that base. I remind the Minister of the context in which he made the statement concerning the Galston decision, and I ask him to elaborate on his reference to the difficulties which reports reaching him indicate will be caused at Richmond. The Minister has been fair in saying that this is now a matter for a detailed feasibility study. But is he saying to this House that Cabinet’s decision on the site for the new airport at Galston was taken without any knowledge of the effect it would have on the Richmond Air Base? Is he also saying that even at this stage he is unaware of what impact that decision will have and in particular—

Mr Keogh—I rise on a point of order.

Mr LYNCH—Leave has been granted to me to make a statement.

Mr Keogh—The Deputy Leader of the Opposition asked for leave to make a statement but all he has done is ask a series of questions.

Mr SPEAKER—Order! There is no point of order involved. The honourable gentleman sought and obtained leave to make a statement. I call the Deputy Leader of the Opposition.

Mr LYNCH—Obviously the Government party is extremely sensitive about this matter—because it is a further reflection of the sloppy, indecisive manner in which this decision was reached. It was taken on a political basis by a Government which has been in office long enough to know better. What I am saying to the Deputy Prime Minister, by leave—leave granted by the Government—is this: Are this country’s defence forces to be so disregarded by the Minister and his Department that this Government can take a major decision concerning the siting of Sydney’s second airport without an automatic reference to the Defence departments for comment, for advice and for a submission? If that is what the honourable gentleman puts to this House, then he and his advisers stand indicted for not having sought that information and for not having it available now. And the Cabinet stands indicted for taking a political decision on a matter of fundamental importance not just to the people of New South Wales, the residents of Sydney and those persons who live in areas adjacent to Galston but to Australians everywhere. Because what is now at stake is the viability of the Royal Australian Air Force base at Richmond.

I interpret from what the honourable gentleman has said that even now he is imprecise as to what the impact of that decision will be. I, and any member of the Opposition parties, could be excused for believing that, that his imprecision is a dereliction of duty so far as the Service personnel of this country are concerned. The honourable gentleman knows full well, because he is an avid newspaper reader, the concern and apprehension which many responsible groups and persons throughout this country feel about decisions which he and his Department have taken to reduce markedly Australia’s Defence Forces.

I do not want to make a political point about a situation in which the Deputy Prime Minister and the Minister for Defence in this country comes into this House and apologises with candour and frankness. I accept that and I apologise to him for the inference which is in part behind the statement I am making, but if I apologise to him personally it is because I have the highest respect for him. I make this statement out of a very real sense of concern. Surely it is incomprehensible for the honourable gentleman to tell this Parliament that the Galston decision—a political decision which has caused controversy throughout Australia—was one decision in which his own Department was not directly involved. How long must Parliament now wait for the recommendations which will be before the honourable gentleman? He has been fair in referring to the fact that the decision will cause—and I use his words—some difficulties concerning the viability of the Richmond Air Base. I remind the honourable gentleman of the terms of the question that I posed to him some days ago. There are circulating reports that the Galston decision will not simply cause some difficulties but it will be so serious in its impact and application as to cause the possibility or probability—the honourable gentleman can answer the question whether it is one or the other—of that air base being forced to close down because of its proximity to Galston. The fact that honourable members on the Government benches at the present time sit mute without interjecting indicates that the point is not lost on them. I say again and again—
Mr Hurford—It is out of order to interject.

Mr LYNCH—It might be out of order, but the honourable member has not been noted for those courtesies before.

Mr Hurford—You are inviting me to interject.

Mr LYNCH—I am sorry that the honourable gentleman makes light of this point because the honourable gentlemen who are sitting behind the Minister for Defence recognise that this is another classic and salient example of the sloppy decision making by a Government and a Minister who ought to know far better.

Mr Edwards—An opportunistic approach.

Mr LYNCH—My colleague the honourable member for Berowra, who has a greater concern about this issue than any honourable member opposite, says that it was an opportunistic approach. If there is a stunned silence on this part of Government members in this House at the present time—

Mr Hurford—It is incredulity.

Mr LYNCH—Of course, and I understand your incredulity at a Minister coming into this House and making so frank and candid a statement which casts grave doubt about the whole decision making processes to which this country is being subjected by this Cabinet in the present circumstances. I say to the Minister for Defence: If you are prepared to be candid and frank, come clean with the facts. The honourable gentleman should disclose the facts because the people of Galston, the people of Sydney, the people of New South Wales and the members of this Parliament are entitled to receive a full and frank explanation. The Opposition will not be satisfied with a few candid comments by a Minister who still is unable to put the facts as they ought to be put.

Mr Keating—Eat your heart out.

Mr LYNCH—Of course, we know that the honourable gentleman who interjects is striving desperately for that seat in the Cabinet machine which has been denied to him up till now. I call on the Minister to answer these questions: When was the first occasion on which the defence departments—in particular, the Department of Air—were called on by the Minister to make a submission concerning the feasibility and viability of the RAAF base at Richmond against the background of Cabinet's decision concerning Galston? On which date did the Minister call for that information? Did the Department, recognising the public controversy on this matter, take its own initiative and bring forward a report to the Minister? Did the Department provide the information or did the Minister call for that information? If he called for that information, when in fact did he call for it? Why did the Minister not call for that information when he first knew from the Cabinet agenda list that the question of Galston was coming up as a matter for serious debate?

Mr Edwards—It probably was not on the list.

Mr LYNCH—It might not even have been on the list. Was this matter on the list? Will the Minister tell the House whether the Cabinet decision on this matter was taken in total ignorance of any suggestion that the RAAF base and its viability were involved, with the result that that factor was ignored, as was the case in relation to the question of the environment? You will know, Mr Speaker, with your vast knowledge of Sydney, how powerful a factor the environment is in relation to Galston, and you will be aware that the Minister for the Environment and Conservation (Dr Cass) was so busy with his own affairs that he was caught in some rain forest with his bear skin on and he missed the Cabinet meeting.

Perhaps the first chapter of this rather sorry episode concerning the environmental considerations was the fact that the Minister was not even at the Cabinet meeting. Today, the 2IC of this discredited Government comes into this House and makes a statement. He was probably there; I expect he was. But it never occurred to him at that stage—

Mr Whan—You do not know. That is the trouble.

Mr LYNCH—If the honourable member is telling me that the Minister would not know, I accept that interjection. Is the Minister telling us that although he was at the Cabinet meeting it never occurred to him, as a matter of automatic conditioned response, to ask the salutary question: Does this decision have any reference to the Defence Services and to the viability of the base at Richmond? The honourable gentleman no doubt has now read the news sheet which I think is called 'Inside Canberra', and he will know that very serious allegations and statements are made in that document. I would not be in a position, on this
side of the House, personally to sustain those allegations and it is for that reason that the question is posed. The Minister knows that the news sheet in question posed the fundamental question whether, firstly, the base would have to close down altogether and, secondly, it would have its operations seriously curtailed. Whether the answer was the former or the latter, it would involve a very considerable or heavy cost to the RAAP and therefore to the taxpayers of Australia.

We are grateful to the Minister for the candour and frankness with which he has made his response. We would be more grateful if he would tell the House what the facts are. Will the Minister indicate just how long it will be before that report is available? Will the Minister tell the House what difference the report, when it is available, will make to the decision which has been taken by Cabinet? Is the Minister telling the House at this stage, by virtue of his foreshadowing of the report, that when it is available to him it will impact directly on the decision which has been taken? Or is he saying that the decision having been taken, regardless of what is in the report, concerning the financial cost involved and of the impact upon the viability of Richmond, those factors will have no impact upon the Galston decision because the water is now under the bridge? I put it to this House that we have been treated to an extraordinary but unfortunate display of candour by a Minister who ought to have known better and who should have—

Mr Keating—I raise a point of order, Mr Speaker.

Mr Lynch—Well, the honourable gentleman is on his feet for the final time.

Mr Keating—My point of order is this: The Deputy Leader of the Opposition has canvassed this point on a dozen occasions. If he wants to abuse the privilege he will not be given leave again by me or by anyone else on this side of the House.

Mr Speaker—Order! There is no point of order involved. As I said, the Deputy Leader of the Opposition sought and obtained leave to make a statement.

Mr Keating—Let him not abuse it.

Mr Speaker—Order! There is no point of order involved.

Mr Lynch—I thank you, Mr Speaker, for your inimitable courtesy, because I am speaking at the moment by the leave and by the grace of the Government which has given me the opportunity to make this response to the Deputy Prime Minister. I believe the point has been well made that the Minister must come clean with the facts. He has not done so. In particular he must elaborate and be more precise on the question which he referred to as the difficulties which the decision will cause. Can I ask the Minister, through the Chair, what he means by ‘difficulties’? Does he tell the House that these difficulties in his mind, and in the early reports which must now be on his table, are serious difficulties? Are they significant?

Will the Minister tell the House—because he has the responsibility for the defence forces of this country—whether he believes, as a result of reports which may be forthcoming in the House, that the decision which has been taken will have a retrogressive impact on the Royal Australian Air Force base at Richmond? Will he say if he is prepared to go back to the Cabinet, raise this matter again and ask the Cabinet, for the first time on this significant issue, to take into account the defence implications; to take into account the many representations which the Government has received; to take into account for the first time the views of the international consulting group which I understand was commissioned at a fee of some $500,000; and to take into account the views of the interdepartmental committee which has been sitting at both Commonwealth and State levels? In other words is the Minister prepared for the first time in the history of this issue to tell the House that all of the facts will be put before the Cabinet and that the Cabinet will review this decision, or is he saying that the decision has been made and that, as Minister for Defence, he has to live with the results? And is he therefore saying, against the background of what he has already said about the cutback in our defence forces, that the men and women at Richmond are to be sacrificed to a sloppy piece of decision making by a Government which has been in operation long enough to have done better?

Postmaster-General: Meeting with Deputation from the Australian Provincial Press Association

Mr Giles (Angas)—I seek leave to make a brief personal explanation.
Mr SPEAKER—the honourable gentleman cannot seek leave to make a personal explanation. He can seek leave to make a statement.

Mr GILES—I seek leave to make a statement.

Mr SPEAKER—is leave granted? There being no objection, leave is granted.

Mr GILES—Yesterday I was informed that the Postmaster-General (Mr Lionel Bowen) had not accepted a request to receive a deputation from the Australian Provincial Press Association. I said so in a speech that I made last night. I have now been informed by the President of the APPA that this is incorrect and that the Postmaster-General has reacted to their request. I have already apologised to the Postmaster-General and I would like to put the record straight by making this statement to the House.

MINERALS AND ENERGY POLICY

Discussion of Matter of Public Importance

Mr SPEAKER—I have received a letter from the honourable member for Farrer (Mr Fairbairn) proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The high cost to the nation of the actions and policies of the Minister for Minerals and Energy.

I call upon those members who support the proposed discussion to rise in their places.

(More than the number of members required by the Standing Orders having risen in their places)

Mr FAIRBAIRN (Farrer) (12.4)—When we went out of office 9 months ago we left behind us a minerals industry which was efficient, looked forward to the future with confidence and was the envy of the world. But what a tragic change has come about in the last 9 months during which the industry has been in the hands of the Minister for Minerals and Energy (Mr Connor). Today uncertainty, chaos and confusion reign supreme in the industry. Almost every form of assistance to the industry either has been abolished or is being phased out rapidly. I am not one who says that a Minister in charge of a particular industry should fight for that industry irrespective of whether it can be economically justified—far from it—but the Minister for Minerals and Energy (Mr Connor) does have a duty to see that the mining industry remains financially healthy. I think I can say that even at this early stage there are danger signs that it is going into an unhealthy state of decline.

Take exploration for example. Figures available from the industry lead it to believe that in 1973-74 exploration expenditure, excluding petroleum, will fall to about $60m. This compares with an all time high in 1970-71 of $161.1m. The industry regards at least $100m as the desirable level necessary to sustain growth. In oil, only 2 rigs out of 21 on land are operating and only 6 off-shore. This number will probably decline further as a result of the withdrawal of subsidies. A decline in the rate of exploration expenditure had been apparent before our Government went out of office. It has been exacerbated since by a number of actions of the present Government. First, there is a requirement that 25 per cent of the funds brought into Australia from overseas must be deposited interest free with the Reserve Bank. This effectively increases the interest rate by 331 per cent and makes it virtually impossible to borrow money from overseas to carry out exploration. In order to reduce the possibility of Australian companies borrowing money in Australia the Minister has persuaded the Treasurer (Mr Crean) to abolish section 77b of the Income Tax Act, which gave a taxation deduction for certain moneys that were subscribed to and used by mining companies. The net effect of these 2 actions has been to reduce drastically the amount of money going into exploration in Australia. As a result Australian companies have had to sack many geologists. Fewer prospects and projects will be coming forward in future years to keep the mining industry expanding.

The Minister shows a callous and heartless contempt for and a disregard of those in dire straits in the industry. He said that no farm-out will be agreed to by the Government if it leads to a dilution of the Australian equity. Let me cite the case of a mining company, Base Minerals Ltd, which had a series of losses caused by technical problems in its tin mine at Emmaville in New South Wales. It is a company having some 900 Australian shareholders, employing 60 men directly, with a fortnightly wage bill of $10,500, and being the largest consumer of electricity in the North West County Council District of New South Wales. The company finally managed to negotiate a satisfactory farm-in with an overseas mining company, Australian Anglo-American Ltd, and on 30 January 1973 an application was submitted for approval to the committee on foreign take-overs. After 3 letters, several telephone calls,
2 meetings and a delay of 6 months the Minister told the company that the Australian Anglo American farm-in had been blocked under the foreign takeovers machinery. A further appeal has been made to the Minister to agree to this farm-in, but in the meantime the mine has been placed on a care and maintenance basis and all employees retrenched with the exception of those necessary to maintain the plant. So 60 employees have been sacked and 900 Australians have lost their money entirely because of the Minister, and the Minister could not care less. What a way to govern the country. I can see nothing wrong with a farm-in with overseas interests where Australians are unable or unprepared to accept the financial risks involved. The Prime Minister (Mr Whitlam) cannot even get his figures right in this matter. He claims that 62 per cent of the Australian mining industry is overseas owned, while the Bureau of Census and Statistics, operating under the Treasurer, says that it is 44 per cent overseas owned.

Having virtually ensured the liquidation of this small Australian company, the Minister then turned his destructive talents onto the gold mining industry. For some 50 years the gold mining industry had enjoyed a tax-free concession on its profits. In recent years it went through some extremely lean times and was able to remain in operation only because of the bounty paid for gold. A sudden rise in the price of gold in the last 12 months has led to a rejuvenation of the industry and to plans to replace obsolete equipment and to bring back into operation some of the old gold mines, particularly those at Norseman, Menzies, Day Dawn and Big Bell. But the industry made its plans without taking into consideration possible actions of the Government. The companies concerned were aghast to find the tax free concession on gold mining profits withdrawn in the last Budget. As a result they have said that projects worth $6m will be shelved unless the Budget measures are reconsidered. The Labor Premier of Western Australia, Mr Tonkin, was so appalled by the actions of his federal colleagues that he offered money from his Government to help pay for the preparation of a submission protesting against the Federal Government's action, which he personally will come to Canberra to present.

An even more despicable action by the Minister has been the abolition of the concession on the sale of mining rights allowed to those prospectors who, once in a lifetime, discover an economic mining project. Prospects have been responsible for the discovery of 3 nickel mines in Western Australia as well as for the discovery of large deposits of uranium, manganese, copper, bauxite and probably a number of other minerals. The cost to revenue of this concession has been estimated at only $200,000 per annum, but it is to be abolished. The extraordinary fact is that in the same Budget provision has been made for $107m to build a gas pipeline which private enterprise wants to finance and build and which the Government will not be able to build in the necessary time scale.

There have been many other impost on the mining industry during 9 months of hard labour. Firstly, there was the discontinuance of the investment allowance for manufacturing industry. We believe that industry should be encouraged to process as much as possible of our minerals into metals in Australia. The investment allowance encouraged it to do so. Its withdrawal will encourage it to process overseas. Secondly, there was the discontinuance of the exemption of dividends paid from petroleum profits. This must reduce the search for oil at a time when it is very necessary to step up the search. Thirdly, there was the discontinuance of the exemption of 20 per cent of profits from mining certain prescribed minerals. Fourthly, there were the 3 revaluations of the Australian dollar against the United States dollar while virtually all of our competitors in the mining field moved with the United States dollar. Fifthly, there was the refusal to grant farm-ins and farm-outs and the refusal to renew exploration leases in the Northern Territory. Sixthly, there has been the inaccessibility of Ministers and their quite inexcusable rudeness in dealing with both local and overseas miners. I will say more about that later. Seventhly, there was the introduction of the national pipelines legislation with its threat of socialisation or nationalisation to the oil and gas industries. Eightly, there was the proliferation of ministries and public servants with whom the miners have to deal.

Miners not only have to deal with those and other problems but also have to grapple with inflation and the increased costs caused by direct Government action. Is it any wonder the mining industry is asking why it was singled out to have the bucket tipped over it and why it has had to experience the disaster
of having the honourable member for Cunningham appointed Minister for Minerals and Energy. The public is asking how much longer the Whitlam Government can afford to carry this albatross around its neck. Shares in Australian mining companies are dropping disastrously. Despite booming metal prices overseas they are down to two-thirds of the price they were 9 months ago—at least they were at the time of the Budget and I have no doubt that they have dropped even further. Post Budget assessments by some United Kingdom analysts have resulted in sweeping pessimism in the United Kingdom of the prospects of Australian mining shares. 'Sell Australian Miners' are the headlines. Other headlines say: 'Japanese pull out of $150m ore plant'. An article in the 'Australian' stated that reliable sources in Japan had claimed that the industry had been very upset by the Australian Government's handling of demands for iron ore price increases earlier this year and was uncertain about future Australian investment policies this year. Everyone in the industry knows that the Minister was so rude to the Japanese during discussions with them that they are looking elsewhere for the placing of their large long term orders for iron ore.

I see that the Minister is to be one of the 3 Ministers, including the Prime Minister, going to Japan and the People's Republic of China for discussions in October. I appeal to the Prime Minister, for the good of our country, to leave the Minister for Minerals and Energy behind. Not that we want him here any more, but at least he might do less damage here. I hope that the Prime Minister will not be gulled into believing some of the weird suggestions and beliefs of this Minister. It was most unfortunate that the Prime Minister floated the idea during his recent trip overseas that mineral producing nations should form a cartel to restrict supplies and jack up prices of mineral sales to the have-nots. If a mining company suggested similar action it would be prosecuted immediately under the Sherman anti-trust laws or under the Restrictive Trade Practices Act.

The Prime Minister seems to have swallowed hook, line and sinker the Minister's oft repeated statement about the impending energy crisis. This tale is so far from the truth that the Treasury had to put out a special booklet refuting these theories in what, for the Public Service, are very strong words. This booklet gives the lie completely to the Minister. For example, it points out that whilst known world deposits of oil are sufficient for only 31 years' usage at current rates, or 20 years' usage assuming the past rate of exponential growth is maintained, undoubtedly, much more oil will be discovered. It points out also that oil can be produced from shales and rich oil shales now known have reserves about 700 times as great as those known for crude oil reserves. Of course, oil is also being produced from coal. The booklet points out that it is estimated that only 2 per cent of the world's known coal reserves will have been used by the year 2000. Oil can also be produced from tar sands. If there is a problem, it is a political and a price problem.

Finally, this article points out ironically that the reserves annual consumption ratio for most key minerals in Australia has increased. In other words, we have less ground for concern than we had 20 years ago in regard to most minerals. This complete refutation of what the Minister for Minerals and Energy has been saying about impending doom was authorised by his colleague, the Treasurer (Mr Crean). So I say that the time has come for the House to censure the Minister. Perhaps we in the Liberal Party should be happy to have a person who is so willing and able to lose votes for the Government. But no Opposition can stand by idly and see the destruction that is being wrought upon a once great industry.

Mr CONNOR (Cunningham—Minister for Minerals and Energy) (12.22)—The honourable member for Farrer (Mr Fairbairn), with his best patrician accent, has chosen to attempt to heap coals of fire upon the head of the Government. Abuse is no argument. Of course, hell hath no fury like a minister who has lost his portfolio, particularly a minister who has to his eternal discredit the give-away of the offshore oil reserves of Australia. That was the biggest, wealthiest and most important sellout of minerals in Australia's history. Let him inspect the bottom of his own tub and see the mess that is in it. So much for the honourable member; I would not waste further words on him.

This, today, is the position: Instead of talking in terms of the loss to Australia we might very well talk of the gain. For example, there is record production in minerals both in volume and in value. There is a record export of minerals in volume and value. There is record production of iron ore and coal. Paraburdo
is out of wraps. There is record production of bauxite and alumina.

Mr Viner—No thanks to the present Government.

Mr CONNOR—Shut up, you young pup.

Mr DEPUTY SPEAKER (Mr Martin)—Order!

Mr McLay—Mr Deputy Speaker, I object to that. That is disgraceful language. Are you going to allow that?

Mr DEPUTY SPEAKER—To which part of the language does the honourable member object? Does he object to the words ‘young pup’ or to the words ‘shut up’?

Mr McLay—Mr Deputy Speaker, I object to your partisan attitude towards us. Do not tell me that the words ‘shut up you young pup’ are parliamentary language. If I used those words you would have me out neck and crop.

Mr CONNOR—I do not want my time wasted. Let us examine—

Mr DEPUTY SPEAKER (Mr Martin) Order! The honourable member for Boothby is well aware that all interjections are out of order.

Mr Viner—I rise to order. I do not mind the Minister making statements like that. Abuse, of course, is no argument, as he said. If he wants to go on in that way then the Australian public will know the kind of Minister that Japanese industry leaders and others have to deal with. They will know from the kind of statements he makes how this Minister is wrecking a great industry in Australia.

Mr DEPUTY SPEAKER—Order! There is no point of order.

Mr CONNOR—Let us examine today the profits that are being made by Conzinc Rio-tinto of Australia Ltd, Mt Isa Mines Ltd and Utah Mining Australia Ltd who are all crying on their way to the bank with record profits. The Opposition would have us believe that there is chaos, that there are troubles and that there are perils in the minerals industry. For the first time there is a Government in office which has even thought fit to create a special ministry to deal with what is the third best source of exports for Australia and will become even greater. So much for the realities. We have heard a jeremiad from the honourable member for Farrer about the appalling condition of the industry. These are the facts and I have the figures here. In the official publication of the Bureau of Census and Statistics, in an article dealing with new capital and expenditure by selected industry groups, the expectation of percentage change from July to December is stated. Here minerals industry leads the expectations of all Australian industries with a 35 per cent total increase anticipated for the next half-year. With respect to expenditure on new capital equipment in the mining industry the increase is 47 per cent and with respect to new buildings and structures it is 22 per cent. This is the alleged crisis of the industry.

Now let us look at the achievements of this Government. For the first time the overseas racketeers cannot write their own tickets. For the first time there is a Government which can play them at their own game; the former Minister never could. He would not know where to start. They put it over him right along the line. He is a man with a cargo cult mentality. As for statistics, the honourable members for Farrer chose to quote ownership only. The official statistics—which when we came to office were 4 years old and are worse now—on ownership and control by foreign interests show that the figure is 62 per cent of the Australian minerals industry. For the first time we are getting world parity prices. For the first time we are ensuring that Australian minerals exports and the contracts for them are denominated in Australian dollars and we have made the Australian dollar a good hard currency. For the first time we are controlling exports. We are ensuring continued progress in the industry and we are doing it efficiently. If there had been any complaints the honourable member for Farrer would have been the first to voice them. We are processing applications as they come in and for the first time we know exactly what is happening in the industry. We have the statistics and will use them in a proper way. The honourable member for Farrer conveniently chose to ignore the fact that the Japanese came to heel in a sensible way in respect of an adjustment in iron ore prices. Of course that would be beneath him and others of his kidney.

Mr Fairbairn—That was before the last revaluation. What will happen now?

Mr CONNOR—This is a unilateral one, as the honourable member well knows. As for insulting the Japanese, I have a personal invitation from Mr Saito, the former Ambassador to Australia, who said that I would be warmly welcomed and courteously received.
My relations with him have always been excellent. We have revived the Australian Coal Association. For the first time we are following the example of the Japanese with their Ministry of International Trade and Industry. For the first time we are getting organisation within the ranks of the different mineral producers—something that the honourable member for Farrer has never heard of and would not know how to effect if he had. We will honour the uranium contracts that were entered into by the former Government. Australia's uranium resources are world ranking. In future we will use them properly. We will not be trying to build second rate obsolete energy plants at places such as Jervis Bay. We will use the latest technology and build a gas centrifuge. When we export uranium it will be enriched, and we will be getting the proper price for it, not the give away prices which some of the uranium companies want to flog it for on the world market at present.

I deal now with the rackets—and rackets they were and rackets they would still be if the honourable member for Farrer had his way. Under section 77 of the Income Tax Assessment Act we were forking out something like $48m a year. A report will come in from a Senate committee in the near future, and it will be a shocker. With all the wails about exploration, no one has yet contradicted the figures—they cannot—in respect of petroleum exploration. Since the subsidy Act came into operation a total of $850m has been expended and $419 will be refunded to exploration firms.

Mr Fairbairn—That is not correct.

Mr Connor—You give the figures. You could not. You have had your chance. Do it. I challenge you. You cannot. As to our energy policy, the hard truth is—and thanks in no small measure are going to the honourable gentleman—that we have precisely 8 years reserves of crude oil and motor spirit from it, and 8 years only. The future in relation to natural gas is that if those who have inherited the largest mineral and oil province in the world, thanks again to the former Minister's foolishness, had their way they would rip and rape it, export it overseas, and to hell with the people of Australia and their interests. There is a world energy crisis, and it is well known.

Mr Fairbairn—Why did the Treasury say that there was not?

Mr Connor—You might have friends in the Treasury. I could not care less. The hard facts are obvious. What is the attitude of the President of the United States of America on an energy crisis? What is the position in other parts of the world? What is the position with OPEC—the Organisation of Petroleum Exporting Countries, a combination of Arab petroleum exporting countries, which is holding the world to ransom? Today who is more concerned than Japan about the future availability of energy reserves? We are going there to reassure the Japanese that, as good customers and as good trading partners, we will do our best to help them through in their needs.

Mr Vilmer—Do you intend to allow some exports? That is the only way that you can help them. Do you intend to allow that $400m project off the north-west coast?

Mr Connor—We will deal with that in a proper way. I will be dealing with the butcher, not the butcher's block, on Tuesday of next week when representatives of Burma Oil Co. from the United Kingdom will be in Canberra to confer with me.

Mr Fairbairn—Do you intend to export natural gas?

Mr Connor—Your friends would have. That is the whole trouble. That is the reason for the squawks in the Liberal Party at present. That gas will not be exported until Australia's needs have been met and properly assured. It is the end of an era. It is the end of Liberal's writing their own tickets for their cobbers. It is the end of open invitations to overseas interests to come and rip and rape the best of Australia's mineral resources. For the first time we will be dealing with Japan on a basis of equality. The Liberal Government was so stupid that it was prepared to allow the old tactics of divide and conquer to be used by the Japanese. Instead we will go there on a proper basis, as willing sellers dealing with willing buyers. The Japanese have their problems. The conventional wisdom as to the true position of Japan has been completely incorrect. The Japanese have major problems. They are heavily dependent on our substantial reserves of both minerals and energy. We will help them, after making due provision for our own needs. The future of minerals does not lie with the jibes and diatribe of the honourable member for Farrer; it will be determined in Japan. It will be determined in due course by treaty, a proper treaty that will be in the best interests of Australia. It will redound to the disgrace of a government that it left to be cleaned up the mess that we
are in the process of cleaning up. We have been firm, we have been fair and we have been pretty forthright. At times there has been a very real need to speak in frank and forthright terms and, where it is necessary to do so, I will continue to do so. We will have the respect of our trading customers and not worry too much about the diatribes of the Opposition.

Mr KATTER (Kennedy) (12.37)—Because we have seen on the Government side of the House, particularly in the case of Ministers, an appalling lack of ability, capacity or experience, I think it might be well for just a moment to compare the opposing sides in this debate. I make no reflection on the honourable member for Hawker (Mr Jacobi). He is a great fellow. I know him personally. I cannot say the same for the Minister for Minerals and Energy (Mr Connor) because he is not the type of man who bounces gaily down the corridor, gives you a hit on the back and says: 'How are you chum?' I do not know him personally.

I propose to deal now with some of the points which will develop the title of this matter. I refer to the high cost to the nation of the actions and policies of the Minister for Minerals and Energy. May I first of all take just a brief glance at some of the comments he made in reply to my colleague the honourable member for Farrer (Mr Fairbairn). I was going to talk about the 2 opposing teams in this debate. I think it is frankly admitted internationally that the honourable member for Farrer did an impeccable job as Minister for National Development, particularly during the phase of mineral development, because one particular attribute of his is complete integrity. He has the attribute of a love of the historic and fundamental qualities of this nation of free enterprise. What is more, he has attracted to this nation some of the greatest mining companies in the world and has produced for this nation a huge capacity to employ thousands and thousands of people, many of whom are in my electorate.

Let me deal with this business of the sell out. The Minister talked about the volume and production of minerals. Is this Government going to take credit for the fact that mineral prices are at a high level at the present time? Is it going to take credit for the fact that the stability and integrity of the previous Government attracted to this country these huge enterprises which are now able to produce large quantities of minerals, a productivity of which this nation was so proud? I must not forget to mention my place in this. I have had a lifetime of close contact with mining—not so much with management but with the small gouger and producer, the miner himself. I have lived in an environment of mining. I have seen the Mount Isa mines district, with its small group of shanty houses with hessian partitions, develop into a proud provincial city. It is perhaps the most important complex of its kind in the world. I see an excellent association between the Trades and Labour Council and the mines management. Do honourable members think that the Trades and Labour Council would give one inch on any industrial issue? It would not give one iota. The Council would fight an issue to the last stand. At Mount Isa the company management and employees work on an excellent basis. But then we have the likes of this Government coming in and trying to create a cleavage and suspicion on all sides.

I shall deal with just one other comment which the Minister made. He said that they are waiting for him with open arms over in Japan, that everything is stopped and the whole radio network is held up because Mr Connor is coming to Japan. Let me tell honourable members one thing. I was chairman of directors of a non-profit organisation known as the Cloncurry Copper Co-operative. Its purpose was to attract development into the Mount Isa and Cloncurry area. I had the opportunity of discussing, long before I became a member of the Parliament, various matters with the chairman of directors of one of Japan's major mining companies. I asked him: 'Why is it that you have chosen Australia as the centre of your particular interests with regard to mining?' He said: 'It is based on 3 things. No. 1 is your geographic proximity to Japan. No. 2 is that you have limitless resources of low grade ore. No. 3 is that you do not have a socialist government'. Honourable members opposite should not have the impression that the Japanese are in any way deceived by what is the ultimate objective of the Australian Government, namely, to infiltrate into the mining industry and inject the serum which eventually will produce the cancer of mini-nationalisation. What the Government would do is break the industry down as happened with the industry in Chile where a superb and magnificent copper operation was proceeding but which collapsed to such an extent that 750,000
workers finally demanded the end of the Allende regime. I do not condone the recent revolution one bit, but long before the revolution 750,000 workers in Chile demanded the end of the Allende regime. Yet the Government seeks to control the Australian mining industry.

I should like to point to one or two of the more specific reactions to this particular operation. I call it 'operation' because it is a move to complete destruction. One must remember at all times that in Australia we are seeing an attempt to nationalise, socialise and regiment every facet of our lives. It is a tragic situation when this can be seen on a national scale. In every mining centre in Australia there is a complete sense of insecurity.

I would suggest that the Minister for Minerals and Energy not go to one particular area because the message has gone out there and they have a long rope and a deep shaft waiting for him. He should avoid that area.

Mr Calder—Tennant Creek?

Mr KATTER—I will not tell the Minister because I hope that he does go there. If the Minister has any doubts about the reaction to his own particular attitudes and statements I would suggest to him, that he get out and go to mining areas not mix with the management, as he usually does, but with the workers, in the canteens, as I do. I suggest that he not tell them who he is but simply seek their reactions. The Minister knows what is happening. Most workers are planning to get out of the industry, just as men are planning to leave the Army, Navy and Air Force. The Government has undermined confidence and everybody is wanting to get out of their own particular calling. This is happening in the mining industry. I might say to the honourable member for Blaxland (Mr Keating), who is trying to interject, that I have served on the executive of 3 unions. I have been on strike more times than he has been on strike, so let us compare our industrial records.

Risk and uncertainty are the 2 characteristics of mining exploration costs and risk market fluctuations. Additional uncertainty gradually discourages exploration upon which the whole industry depends. Since December 1972 numerous changes have taken place. These changes have hampered this great industry. There have been 2 revaluations against the United States dollar which have reduced returns to mineral exporters more than to any other industry—and this is saying something.

Open antipathy of the Minister to the industry—'hillbillies and mugs' is his expression—has produced a barrier between him and normal avenues of consultation with the industry. Joint ventures between overseas companies and Australian tenement holders have all been frozen. None has been approved, although there is no legislation on the subject. The Government has frozen new tenement renewals in the top end of the Northern Territory, despite commitments by previous Governments and signed sales contracts. Is this integrity? Does this give us an international reputation? It certainly does, that we completely lack integrity.

There has been a proliferation of ministries affecting mining. Let us look at them. Even the departments do not know the dividing lines. There are the Departments for Minerals and Energy, Northern Development, the Northern Territory, Aboriginal Affairs and Environment and Conservation. All these departments have a finger in the Northern Territory uranium province. I cannot get a clear cut definition of what shape the Government's policy is taking. I do not think that it knows because it orientates everything according to the political climate. I only wish to God that the Government would go to the people; it would know in a flash the political climate. But the people of Australia are waking up to the fact that this crowd of people in Government have such an intense admiration for foreign ideologies that they are acting, as I said before, like a lot of jack-booted, swastika carrying dictators. I make the final point that the Government stated its intention of going into the exploration and mining business. This has further undermined confidence. In no country which is buoyant and prosperous and where a high standard of living exists has such a venture done other than bring disastrous results. We will move heaven and earth to prevent this happening to our great country and our great mining industry.

Mr KEATING (Blaxland) (12.46)—This motion deserves contempt and the 2 honourable members who have just spoken on behalf of the Opposition deserve contempt. The honourable member for Farrer (Mr Fairbairn) who proposed the motion would be the last person able to stand in this House and talk about the state of the Australian mining industry. He was the architect of the chaos which we inherited. If we were removed from
office tomorrow our stay would have been worthwhile because the Minister for Minerals and Energy (Mr Connor) has re-established and asserted our role as providers of resources to the rest of the world, and he has put our mining industry into reasonable order with a national policy. Let us look at the 2 honourable members who have just spoken. The honourable member for Farrer, who is spoken of by his former Prime Minister as a pedestrian, destroyed his former Prime Minister over the issue of off-shore sovereignty. Because of the background of the honourable member for Kennedy (Mr Katter) who has just spoken we do not know whether he is here representing OPEC or Colonel Kadhafi— but it is one or the other. He is a man also beneath contempt. As a Minister of the Crown he was the laughing stock of the Parliament. It ill behoves this nation to be so badly served in this Parliament by people in the Opposition such as the 2 honourable members who have just spoken.

Wherever we look in relation to the honourable member for Farrer we see that he has held this Parliament to scorn. He destroyed the gratificator system whereby four-ninths of an area which was to be explored by a private company for oil and gas was to be returned to the Commonwealth. He gave that away for a miserable 1½ per cent increase in royalties. He opposed the Submerged Lands Bill which would give this Parliament power over our resources from the low water mark to the edge of the continental shelf. He destroyed his own former Prime Minister in the process. Now he has the hide and temerity to come here and say that we are destroying the extractive industries. Let us look at the record of this man and of the former Government. Let us look at the Bureau of Mineral Resources. The Bureau was created by the Labor Party 20 years ago. The previous Government used it as a whipping horse for private industry. It poured a fortune into the Bureau by way of Commonwealth revenue to have it carry out the geophysical mapping of Australia. The maps were sold for $1 a throw at the Government Printing Office. In any other country such maps would not be available to the public. They would be regarded as a national resource.

That is the sort of thing which the previous Government did. All it did was make a slave of itself to private industry. We have sorted out the mining industry. We corrected the iron ore pricing bungles which the previous Government created. Every time the Australian dollar was valued upwards or the American dollar was valued downwards our miners lost a fortune. We restored the 18 per cent differential by the actions of the Minister for Minerals and Energy in his negotiations with Japan. (Quorum formed.)

I point out that the Opposition moved for this discussion to take place as a matter of urgency, yet it does not have enough of its members here to maintain a quorum. That shows how interested they are in this matter. I was referring to iron ore contracts with Japan. We have shown our producers how to negotiate. We have put some gumption back into them, because they know that the national Government is backing them. We have revived the Australian Coal Association. We have restored coal prices to world parity prices. The honourable member for Farrer was prepared to see the Japanese play our Queensland coal producers off against our New South Wales coal producers to see whether they could get a cheaper price. We have cut out all that nonsense.

We have curbed the inflow of foreign capital which was moving into a depressed stock market after the mining boom which the Opposition members allowed to develop. Foreign companies bought up our assets very cheaply, for next to nothing. This Government has instituted a 25 per cent deposit rule on foreign capital, whereby 25 per cent of capital brought into Australia has to be left interest free with the Reserve Bank of Australia. Fortunately, this has discouraged the movement of this money into our extractive industries. We have established, as the Minister said, a proper and respectable trading relationship with Japan. We go to Japan as willing sellers and the Japanese are willing buyers. As someone pointed out a few moments ago, when the Minister goes to Japan later this year he will go there with the respect of the Japanese Government, not the way members of the former Government used to slink through Tokyo airport and go about recognised as nothing but junior representatives of Australia. That is the difference between the former Government and our Government.

I want to talk about the mineral industry and the increase in production since we came to office. Overseas control in the aluminium industry is 100 per cent, but the production has moved up. In the last financial year it was
worth $131m. Figures for other industries are as follows: Coal $268m; iron ore $454m; lead $88m; and zinc $66m. All those industries have had record productions totalling $1,007m in value. Last year we exported $1,405m worth of minerals. Yet honourable members opposite talk about the state of the industry. The Minister referred to the tax concessions which the previous Government was giving to all the phonies such as Barton who set up all these little tin-pot companies in the mining boom of 1970. Because they had some sort of a lease, they were getting subscriptions for virtually worthless paper. What are those people doing now? They are not out exploring; they are sitting on a little bundle of $1.5m or $2m which they raised in the mining boom and which to them represents directors' fees for the next 20 years. That is what it is all about. The section 77 concessions were only icing for the cake given by the previous Government to these people, these crooks who were not producing anything. We have chopped that out and we will assist genuine Australian miners.

The Bureau of Mineral Resources will be looking at each particular proposal and we will genuinely support them. But at the moment there is no need for intensive search in regard to most of the extractive industries. There is record production of bauxite, coal, iron ore, lead and zinc. The honourable member for Kennedy spoke of Mount Isa. Mount Isa Mines Ltd showed a record profit and record production for this year. That company also is sitting on a world ranking deposit at the McArthur River, which it is keeping under wraps. There is no need to talk about exploration in this area. The whole case proposed by the honourable member for Farrer on behalf of the Opposition, and Opposition members, is a sham; it has no worth. The matter of public importance has no value and no merit. This Government has taken the question of minerals and energy seriously. We have established a separate portfolio to deal with it. We are fortunate in having a most competent Minister to handle that area of responsibility. The end result will be that Australia will have a better industry, a managed industry, a fuel policy and a minerals policy. We will be able to go to any part of the world and negotiate world parity prices for our materials. That is all we have been asked to do.

If honourable members opposite want to find out what the Australian mining industry thinks of this Government they should ask the directors of the Hamersley group and all the rest of them. They are laughing all the way to the bank. Paraburadoo has just been reopened. As the honourable member for Stirling (Mr Viner)—we call him the honourable member for Woodside-Burmah because we are certain he is on a retainer—said, the reopening of Paraburadoo was not the decision of the Government. Paraburadoo was reopened because of the increased prices paid for iron ore. We have re-established this major extractive industry since we have been in office. We have no case to answer. The previous Government when in office consisted of a bunch of bungling incompetents who do not deserve the support of this House. In fact, they are beneath contempt. I urge the House to disregard the motion.

Mr VINER (Stirling) (12.56)—This has been a strange debate. I have sat here and listened to the Minister for Minerals and Energy (Mr Connor) say at the beginning of his remarks that abuse is no argument and then proceed to heap more abuse on the Opposition than we have heard in the House for a long time. Then the honourable member for Blaxland (Mr Keating) bought into the debate and tried to heap further abuse. The tragedy of the honourable member for Blaxland is that a man of such obviously immense prospects in the Government can so debase himself as to allow himself to be but the lackey of the Minister for Minerals and Energy. He cannot even pronounce the name 'Paraburadoo' properly.

Let it be made clear to the public that this Government has not established one new viable proposition in the minerals industry. The great increases in production and export income of which the Minister and the honourable member for Blaxland have spoken have all resulted from development which occurred during the life of the previous Government. The Minister would not know how to embark upon the establishment of an enterprise as large as the exploration of the iron ore fields in the north-west of Western Australia. The Minister would not know how to embark upon oil and gas exploration to the extent that it has been going on in the north-west of Western Australia. He would not have the first idea of the technology needed to explore offshore. Yet this Minister attempts to take the credit for it.

The abysmal ignorance of the honourable member for Blaxland is to be seen in his
single statement that the extractive industries do not need to explore any more. What abysmal ignorance when it is said, for example, against the statement that the oil reserves of Australia will last for 8 years. That means that this country needs to carry on all the exploration that it can, whether it be done by overseas companies joining in partnership with Australian companies or by Australian companies themselves. It will not come as a result of the actions of a government such as we have and the actions of a Minister such as we have. Abuse is heaped upon overseas companies. But let it be clear that the Liberal Party recognises the value which overseas companies can introduce into Australia in terms of money, technology and experience. The national interest of Australia will be served by giving those companies incentives to come to Australia and to explore, so that we can identify the oil and gas reserves that we require. At the same time we should let those companies know the guidelines for action which Australia considers are necessary to protect the Australian national interest. (Quorum formed.)

Sitting suspended from 1.1 to 2.15 p.m.

Mr SPEAKER—The discussion on the matter of public importance is concluded.

CONSTITUTION ALTERATION (PRICES) BILL 1973

Second Reading

Debate resumed from 17 September (vide page 1057), on motion by Mr Whitlam:

That the Bill be now read a second time.

Mr SNEDDEN (Bruce—Leader of the Opposition) (2.15)—The Opposition opposes this Bill and it will oppose the referendum proposal. During 1972 the inflation rate in Australia began to fall after the high 1971 December quarter figure of 2.3 per cent. For the 4 quarters of 1972 it was respectively 1 per cent, 0.9 per cent, 1.4 per cent and 1.2 per cent. The total for the year was 4.5 per cent. The other day I heard the Treasurer (Mr Crean) and the Prime Minister (Mr Whitlam) say in this House that it was wrong to take any particular quarter and multiply by 4 to get an annual rate. I say to them: Multiply any one of the quarters of 1972 by 4 and you will still get a lesser figure than they get for this year. In the first 6 months of this year the rate is already 5½ per cent. Australia was one of the few countries in the world where the trend was downwards in 1972.

Then came the deluge—the socialist Government. In the first quarter of 1973 the consumer price index was 2.1 per cent. In the June quarter it was 3.3 per cent. Already for the first 6 months of the year the total is 5.4 per cent. The acceleration has been blatantly obvious. The Treasurer has said that he expects the September quarter figure to be at least as high as and possibly higher than the June quarter figure. There is a threat of worse to come. In the third week of October we will know the bad news. In October the Commonwealth Statistician will release his figures for the September quarter. The Treasurer has said that he expects it to be worse than the figure of 3.3 per cent for the June quarter.

Clearly, the inflation rate has jumped alarmingly. It now represents a critical problem which should be tackled directly and quickly. The Prime Minister has himself acknowledged this in a statement made only 9 days ago. He said:

Inflation must be fought on all fronts.

Who will disagree with that? He said:

There is no panacea;

Who will disagree with that? He continued:

No simple solution achievable through one line of policy.

Of course that was said before he had any intention of holding a prices referendum. He went on:

But the fact that there is no simple solution to inflation does not mean that we can just throw up our hands in the face of it. On the contrary, we have to tackle it head on.

His method of tackling it head on last Sunday week was to increase the interest rates on Commonwealth bonds to a level still not known but already 2½ per cent higher than the rate in December when the present Government came into office. It really was not head on but head down. Caucus gave him a sharp uppercut. He was rolled—abysmally, ignominiously rolled by his own Caucus. He then unfolded proposals for a bevy of constitutional amendments. He argued against a prices referendum. Again he took the count. Caucus directed him to take this action—to bring this Bill for the referendum into the Parliament. He is an unwilling advocate, which explains why he is so unconvincing. He has been rolled more
times than a piece of dough in a cooking class. Even last night, talking to the electrical manufacturers he said:

For myself, I frankly confess that I have always had reservations about the value of price control powers — reservations I have publicly acknowledged and explained.

Yet he comes into this Parliament with the pretence that a prices control referendum will cure all. His words do not add up to his actions. Inflation is a pernicious social and economic wrecker. The people most harmed by inflation are the young and the old; those on fixed incomes; those who have saved; those who have only weak industrial power. Against this massive problem the Prime Minister wants the power to control prices. Yet he says ‘Controls over prices are not a cure-all for inflation.’ Hallelujah. How true that is. This is the most uncharacteristic understatement he has ever made.

The Prime Minister said that his Labor Government inherited stagnation but he claims that it has now produced ‘this strong and basically healthy economic situation’. He is a man who can one day say that it is a basically healthy economic situation and the next day say that inflation is a serious problem which must be tackled by everybody. Let the Prime Minister claim a credit for the changed economic situation if he will. We will give him the credit if he wants it, if he claims it. But in doing so he must also accept the blame for the present critical state of inflation which he himself acknowledges. Gone are the days when every Labor spokesman insisted that to control prices would solve the inflation problem. Is there anybody in this House who has not heard the Labor Party say: ‘Control prices and it is all finished?’ Now the Prime Minister says that prices control is no panacea. ‘Panacea’ happens to be a direct translation from the Latin, meaning cure-all. He felt it necessary for us poor plebs to explain what panacea means.

He speaks favourably, even longingly, of the United States freeze which was on prices and incomes. He speaks longingly, with his red face, for the US solution on prices and incomes. Is he game to say to the trade union movement that he wants a freeze on incomes and prices? Is he game to do it? He has been invited to do it time and time again and he refuses. He does not have the courage. Since coming to office the Labor Party has postured about tackling inflation but has done nothing effective. Firstly the Prices Justification Tribunal, a new bureaucracy, was created in the days when the Prime Minister still argued that a prices policy was all that was needed — he has abandoned that line recently. He believed then that limits could be put on prices while allowing labour costs to escalate without any attempt to contain them. In some magical way, he believed, prices drop. They had not.

Then we had the trumpeting of the Parliamentary Joint Committee on Prices. It has not influenced a single price. If it ever does try to do so, the application of Government pressure or granting of privilege by tariff discrimination, as is proposed by the Government, would be improper, as we all know. We had some minor reduction in the money supply and a whisper to the banks to be less generous in their lending. This, too, has had little effect. With political pressure building up on inflation after the June quarter consumer price index of 3.3 per cent, which is an annual rate of 13.2 per cent, suddenly, without the knowledge of the Government’s economic advisers—the Reserve Bank and the Treasury which, in fact, were excluded from any consideration in the taking of advice— and with no proper consideration of its effect on industries, there was an across the board tariff cut of 2.5 per cent. The impact of that decision on prices was very marginal. It pretended to be a major assault on inflation. It scarcely touched the problem. The Government, while attempting to give an impression of concern, was fiddling about on the edges of the problem.

Then came the Budget. Responsible Australians hoped that the Budget would be used as part of an anti-inflationary attack on prices. Mr Crean, the Treasurer, said in his Budget Speech:

With resources under strain we would be foolish to overload them further.

That was a correct statement. Then, the Budget proceeded to do the very opposite. He significantly overtaxed resources by increasing Government spending by nearly 20 per cent. Then we had the incredible fiasco of the interest rate measures. The Reserve Bank, before the Budget, had said in its annual report:

There is scope for further tightening in financial conditions but the gathering strength of private demand suggests it would not be prudent and probably not sufficient to rely only on monetary policy to achieve the desired restraint.
The Government acted totally against that advice and threw an unreasonable burden onto monetary policy. This means that we are threatened with a disastrous and unnecessary credit squeeze. The Government has even bungled this proposal. It is confusing not only to the investing community, the business community and private citizens who are borrowing or lending, especially for home mortgages, but also to the Government and to the Reserve Bank themselves. Nobody knows what is going on. Certainly the Prime Minister and the Treasurer do not. The Prime Minister disclosed what everybody knew—a total incapacity to understand the most elementary economic principle—in the questions that he did not answer in this Parliament. Then we had the Treasurer hectoring us with this nodding way of his like a school master, or like a woodpecker as a colleague comments. All they want to do is to avoid strife with the unions. The Caucus wants to avoid strife with home owners.

The prices referendum is the last of the great non-measures. The Prime Minister tells us:

We share at present with every comparable country a problem of price inflation.

It is true that other countries have higher inflation than they have experienced in the past. It is equally true that there was high inflation in 1971 and 1972 throughout the world and that Australia's record during those 2 years was outstandingly good compared with that of other countries. There is no reason why it should not be so in 1973 as it was during those years. From being in the position where we were envied by other countries because of our low rate of inflation, we are now pitied by other countries because of our high rate of inflation.

The period that inflation lasts in Australia will depend on the time for which the Government continues to refuse to take comprehensive measures to control it. The Prime Minister admits that controls over prices are not a cure-all for inflation, yet by this proposal he puts overwhelming importance on this part of the treatment. He is correct when he acknowledges the limitations of a price control. He steadfastly refuses to take responsible economic action for proper demand management which is assessed by the leading economists of the world as essential. He refuses to acknowledge that if wages exceed productivity there will be cost inflation. An incomes-prices policy is a supplement to demand management, but a very important supplement. It is a circuit-breaker on inflationary psychology. It interrupts wage and price increases which are higher than they need be. In a period of high inflation they anticipate cost or price increases which may occur before the next wage or price rise. Prices are a measurement of inflation. It is certainly where people feel the pinch, but there is not a schoolboy in Australia who does not understand that prices go up because costs force them up. Excess wage increases are not the single cause of inflation and I have never alleged that. But they certainly are the major cause, as I have consistently said.

I have argued for an incomes-prices policy which is based on a 90-day freeze of both, followed by a guideline period of moderated wage and price increase. I have suggested 6 per cent for wages which I expect would result in 3 per cent price increase similar to the rises of the 1960s. It has been on these terms—that is, as a circuit-breaker—that I have argued it. I have consistently and positively said that price control cannot be a permanent feature of economic management. Nobody would expect it to be able to continue forever as an economic regulator which excused governments from economic responsibility. There must be a unanimous opinion on this point because even the Prime Minister admits that price control has limited value in limited conditions. The Prime Minister said that I argue now for an incomes-prices policy, but that I opposed it when I was Treasurer. Any other man would recognise in these words a misrepresentation—but we are accustomed to misrepresentation from the Prime Minister which no other man would use. In October 1971 in an address to the Committee for Economic Development of Australia I discussed the whole subject of incomes-prices policies. I concluded with these words:

. . . the stage may be reached where the community would accept the controls entailed in incomes-prices policies as a necessary price to pay to restore stability.

What I then said is the same as I, now say. In 1972 inflation was going down; in 1973 it is rising alarmingly. We did not take this drastic step in 1972, but the time has now come when people are wanting action—not a half-baked prices only scheme, but the full range of policies.

It is worth making the point, too, that in a departure from his published speech yesterday
the Prime Minister said that these under-Minister for Labour and National Service I argued for a prices justification scheme. The Prime Minister knows that that is false. What I said was that there should be room for a prices notification scheme and I have since said exactly the same thing in terms of a guideline policy. I said it in this House in my speech on the Budget, but we will continue to have these misrepresentations from the red-faced Prime Minister.

In speaking last week of the prices referendum the Prime Minister made it clear that he relied upon guarantees and undertakings given by Mr Hawke that there would be co-operation of the trade union movement in restraining wages, incomes and prices.

Mr Edwards—'Full trade union co-operation' was the expression.

Mr SNEDDEN—As Leader of the Labor movement he had this guarantee. Yesterday the Prime Minister said that when I was takings were a passing reference among other subjects. What an extraordinary reliance to place upon a passing reference, in the midst of other subjects, to justify a referendum. Where did the Prime Minister say it? He said it in the electorate of Parramatta, to influence the Parramatta by-election results.

In fact, Mr Hawke who was sitting in this House yesterday when I asked the question, called the Press together in the afternoon. He has revealed the Prime Minister's misrepresentation. There could be no clearer words used by any man than were used by the President of the Australian Labor Party and President of the Australian Council of Trade Unions about what were the words put in his mouth by the Prime Minister. Mr Hawke said that he cannot guarantee wage restraint from the trade unions any more than the Prime Minister can guarantee the outcome of Caucus consideration. This is no guarantee at all when one considers that only last week the Caucus a number of times took the management of the country out of the Prime Minister's hands. It converted a Cabinet of 27 into a Cabinet of 90. It will not be the first, second, third or fourth time. It will be a continual situation with the Caucus trying to run the country on the basis of political popularity instead of the Government trying to run the country in term of responsibility.

Mr Whitlam said to this House that there will be complete co-operation from employees' associations. He said: 'I speak for the whole Labor movement'. Mr Hawke, with 2 caps—President of the Australian Labor Party and President of the Australian Council of Trade Unions—said raspberries to that statement. The Prime Minister can give no such assurance. It is not true. He is cynically attempting to mislead the House and all Australians. Just as extraordinary was the Prime Minister's statement that wage restraint would not occur until after the Government's efforts to contain inflation within a reasonable limit had failed. First of all you would try to contain inflation within a reasonable limit. When that had failed, according to the Prime Minister, the Labor movement would co-operate. How far into the distant future this would be and how desperate inflation would then be can only be guessed. It is not statesmanship—it is political blather.

In the Bill there is no discussion whatsoever of the extent of the powers which the Government believes would be given to the Commonwealth by inclusion in section 51 of the simply 6-letter word 'prices'. There is no opinion from the Solicitor-General or other counsel. Clearly it was rushed in without preparation. There was not even a Cabinet submission. The only advice Ministers had was the verbal advice of the Prime Minister and the direction of Caucus. It is no wonder that there is no clarity. The Government does not even know. Does it extend to interest, which is the price of money lent; to services, which is the price of repairing a car or television set; or to wages, which is the price of labour? Does a power over prices mean that the Government can fix a price at a ridiculously low level and thereby effectively prohibit production of selected goods? If it does include a power over wages, will it empower a government to virtually direct the way in which people will conduct their work and what sort of work they will do by controlling how much they can be paid for it? Every employed person in Australia should be told the answer to these questions. But not a word about it is contained in the Prime Minister's speech—not a single word. The Prime Minister comes here to advocate a cause but tells the Parliament not a word about it.

Also there is no indication whatsoever of the intentions of the Government as to the way in which it will exercise the power if it is given to it. How big will the bureaucracy be? How many inspectors will be needed to police the price restrictions? Will it apply to all goods or only to selected goods, and if so, to
which ones? What will be the penalties for failure to comply? Will prices control be a
permanent feature of this Government's eco-
nomic management? Are we to distort the
economy forever with a system which fixes
prices at a profitable level for the most
inefficient and allows others to profit
mightily? The Prime Minister yesterday was
all in favour of profits. Is that why he is
arguing for prices control? This happened the
last time we had Commonwealth price con-
trol—in 1948 and 1949 under a Labor Gov-
ernment. Inflation under that Labor Govern-
ment with price control was 10.1 per cent in
1948 and 10 per cent in 1949. That is what
prices control does for you.

The problem of inflation is one of eco-
nomic management. With a Labor government it
will last well into the future. Present day
events do not justify the Commonwealth Gov-
ernment asking for a power of massive pro-
portions for all time when it is designed to
cure a present problem. There has been no
attempt in the Bill to limit its scope or dura-
tion. In fact the power would give the Com-
monwealth an immense capacity to order
social and economic events to suit its own
ideology and that of the unions. One needs
only to look at the platform and policy of the
Labor Party and identify certain parts of it
which will be able to be developed with this
power. Two examples will suffice to show the
intention and the capacity to completely
socialise Australia which is inherent in this
proposed power. Labor's platform states:

... with the object of achieving Labor's socialist objectives, establish or extend public enterprise,
where appropriate by nationalisation, particularly in
the fields of banking, consumer finance, insurance,
marketing, housing, stevedoring, transport and in
areas of anti-social private monopoly.

Under Labor, the Government will:
... compete actively with private enterprise in
interstate transport by sea, air or road.

How can a private organisation compete with
a government competitor which can draw
from the public purse to carry losses while
fixing prices to drive others out of business?
The Prime Minister said yesterday that
nothing in public or private responses of the
Premiers of New South Wales or Victoria
gives the slightest room for hope that they are
prepared to refer such a power to the
national Government. I quote Sir Robert
Askin at the Constitutional Convention:
... the Prime Minister has asked the States to
give something—to wit, the power to control prices.
Subject to the control of prices being linked with an
effective and agreed-upon control of incomes policy—and I regard this as indispensable—I am willing to
recommend to the New South Wales Government the
reference of power over prices provided the Com-
monwealth does a bit of giving, not just taking all
the time, and agrees to the states receiving a much
more equitable and guaranteed share of income tax,
sufficient with our other sources or income to make
us self-supporting under normal conditions.

I share the views of Sir Robert Askin in the
second part. On the following day, I said:
... I believe there would be great value in the
appointment of a working party to examine a pro-
posal that a predetermined share of the revenue
collected by the Commonwealth should go to the
States. I would welcome such a proposal.

But this is a separate question. Sir Robert
made it clear that if there were to be an
effective and agreed-upon control or incomes
policy he would recommend his Government
to refer power over prices. I am specifically
authorised by him, Sir Robert Askin, to say
that on the following night at Kirribilli House
at a dinner given by the Prime Minister, Sir
Robert said he would not press the require-
ments for a greater share of income tax for
the States if this was a bar to the achievement of
a proper comprehensive policy to tackle
inflation. The question of a greater share of
revenue he still intends to pursue in other
ways. He still stands by the rest of the state-
ment.

Mr Hamer, said at the Convention:
... We are prepared to play whatever part is
required of us in fighting inflation and taking part in
a comprehensive attack against it.
... If there is an overall pattern which involves
real control of some of the causes of inflation,
including a wages and incomes policy as well as a
prices control policy, we would consider it favoura-
ble. We would play our part. I think this is one of the
worst problems confronting Australians, rising prices.

There can be no doubt that the Premiers of
these 2 States are not only willing but anxious
in the national interest to play their part. I
have been in contact with Mr Bjelke-Petersen,
Premier of Queensland, who has assured me
that if the Commonwealth called a conference
of the Commonwealth and State Governments
to deal with the problem of inflation Queens-
land would co-operate in the conference. Dr
Eastick, the Leader of the Opposition in
South Australia—it will be recalled that the
Prime Minister said that whatever poor Don
dsaid he did not control the Upper House—
authorises me to say that his party would
support in the House any co-operative action
agreed to at a conference by Mr Hamer and
Sir Robert Askin. He would prevail on the
Upper House to follow this course. He adds
that it would be desirable to have the Leaders of the Opposition around the table as well as the Labor Premiers. I have today had conversations with Mr Ren de Garis and he confirmed it. Dr Eastick adds that it would be desirable to have the leaders of the opposition parties around the table as well as the Labor Premiers. The proper course of action is for the Commonwealth to call a conference with all the Premiers forthwith. The conference should develop a course of co-operative action which would call upon the Commonwealth and the States to use the governmental and legislative powers to tackle the problem of inflation. The government can have action within weeks, not months, on 2 conditions only. To refuse these conditions is totally unreasonable. (Extension of time granted.)

The 2 conditions are: Firstly, that an incomes control is established alongside the prices control and guarantee to do so is given in clear terms to exercise an incomes-prices policy; secondly, that the measure is not a device to achieve permanent vast powers to the Commonwealth at the expense of the States, that the co-operative action will be accepted on a temporary basis to control our current serious inflationary problem.

This morning in question time the Prime Minister said that the Commonwealth would accept a temporary reference of powers for control of prices and incomes from the States. He obstinately and deceptively refused to answer the question of whether or not the Commonwealth would use powers over incomes. What he says is: 'I want prices'. The States say: 'You cannot have prices unless you have the composite of prices and incomes'. The Prime Minister then says: 'Just give me prices and incomes. I will exercise price control and do nothing about incomes'. Nobody will be deceived by this action. It is unreal. It is not an economic solution. It is not an honest solution. This morning after the Prime Minister's answer to the question asked by my colleague the honourable member for New England (Mr Sinclair) I asked him:

Will the Prime Minister give an unqualified and unchangeable guarantee that he would have an incomes policy as a companion to any prices policy and that the incomes policy would be enforced with the same sanctions as the prices policy and that it would cover as broad a range of incomes as the range of commodities or services covered by the prices policy?

Will he give an unqualified undertaking that there would be an acceptance by the Commonwealth of any powers for a strictly limited period to be agreed upon with the Premiers?

He said in an off-handed way that he would accept a temporary reference. But what about the question I asked: Will he give an unqualified undertaking to adopt an incomes policy as a companion to a prices policy? Honourable members can search Hansard from now till doomsday and they will find that, just as he has done so often, he avoided answering that question. We have a fundamental issue before the people of Australia and he will not tell them what his attitudes are. Here in this forum of the Parliament he was asked a simple question permitting a simple answer, and he deliberately refused to answer it. He has not yet had his instructions from Mr Hawke. He gave his usual windy, dodging reply, but he can dodge the question no longer. I repeat the question: Will the Prime Minister give an unqualified and unchangeable guarantee that he would have an incomes policy as a companion to any prices policy and that the incomes policy would be enforced with the same sanctions as the prices policy and that it would cover as broad a range of incomes as the range of commodities or services covered by the prices policy? If he would give a simple yes to that question he would have quick direct action and would avoid many pre-emptive rises in prices that he was worried about this morning. This is the only thing standing in the way of co-operative action. The only thing in the way is the Prime Minister himself. It is the only thing preventing a prices—incomes policy from being adopted within weeks and a major assault on being achieved. He needs only to say yes to that question and he agrees entirely with me in what I have been putting for months. Trade union power is preventing inflation control because it refuses to let the Labor Government have an incomes policy. If the Prime Minister frees himself from these shackles, if he gives the guarantees that he will enforce temporary incomes control with prices control—as every other country has done—then the referendum is not necessary and the States, the nation and its people will co-operate. Until the Prime Minister and the Labor Party take this genuine action they cannot be regarded as wanting really to tackle inflation. The Labor Government should be seen as wishing to appear to the public as sincere but be known by the trade unions to be supine.

Mr CREAN (Melbourne Ports—Treasurer) (2.52)—I must say that I am disappointed at
the attitude taken by the Leader of the Opposition (Mr Snedden). I will read the title of the Bill again. It reads:

To alter the Constitution so as to enable the Australian Parliament to control prices.

That will be achieved by a very simple amendment to add a new placticum by inserting in section 51 of the Constitution a new clause, (xivA.) Prices'.

Mr Cooke—What does it mean?

Mr CREAN—If the honourable member will give me time I will endeavour to explain what it does mean and I hope to do it with a little less inverte and some less personal abuse than the honourable gentleman used in the matter. The Leader of the Opposition claims to be a believer in something that he describes as a prices and incomes policy. He does not say what prices or what incomes but in criticism of this measure which is concerned about prices he asks the hypothetical question: 'What prices?' I would have thought that at least there would have been something genuine in his endeavour if he had said, 'Yes, I want control over prices and incomes', and the had moved to have a separate Bill that he could bring down to alter the Constitution so as to enable the Australian Parliament to control incomes. Then we would have the two.

Mr Turner—They would be put as 2 separate propositions?

Mr CREAN—Yes, put as 2 separate propositions.

Mr Turner—They would not be linked?

Mr CREAN—No, they would be put as 2 separate propositions so that the people of Australia could choose. They could have both; they could have neither; they could have one or the other. Now what is wrong with that?

Mr Turner—Both or none?

Mr CREAN—It is not necessarily a question of both or none. I would ray it is very easy after you have been in government for 23 years, as honourable members opposite were, to seize on the most convenient set of statistics since you have been out of government. The Leader of the Opposition ignores a lot of things from his record. He was not even correct. I hasten not to use the word 'dishonest' because he occasionally just misreads. He says: 'Under us inflation was falling'. If one takes the statistics published for the last quarters in the period 1971-72, all in the period of the previous Government shows that in the consumer price index, which was what the honourable gentleman uses, should a 1.9 per cent increase over the previous September quarter and a 2.3 per cent increase in December. I suppose I could conveniently multiply that by four and say that it was then running 9.2 per cent. In March, it fell to 1 per cent; in June it fell to 0.9 per cent; in September it rose to 1.4 per cent and in December it fell slightly to 1.2 per cent.

I draw to the attention of honourable members the state of the economy at that stage. It was an economy in depression; it was an economy that had the highest level of unemployment in the post-war period of Australia. It was a period also, as I indicated yesterday, that showed the highest historic increase in the volume of money which, after all, is some indicator of the potential for inflation. Once again I point out to the members of the Australian Country Party that, if one is being fair about this sort of thing, the main reason that the consumer price index was worse in the first 2 quarters of our operation of Government was because of increases in food prices, particularly meat prices. If one were to take out of the consumer price index the effects of food prices, inflation would be no worse now than it was when the previous Government was in office.

Mr Anthony—That is not what the Prime Minister said yesterday.

Mr CREAN—I do not want to cavi at this sort of thing. When I am asked, as I have been asked, what I think the rate of inflation ought to be I can only give the sort of general statement that it ought to be as low as it is possible to get it. Nevertheless, a 10 per cent rate of inflation is better than 15 per cent; 8 per cent is better than 10 per cent and nought per cent is better than any of them, but no honourable member would want to bring the level of inflation down to nought unless there were some catastrophic effects on the economy as a whole. At least the Government will not purchase the hal of inflation by depressing the economy or creating unemployment. I wish in many ways that the sort of economy over which I had to preside was one of gloom rather than one of inflation because it is a lot easier to take corrective measures when there is unemployment than it is to take corrective measures in a condition of over-employment, not only of labour but of other resources as well.
Much has been said about a so-called prices and incomes policy. In the long term every Western democracy will have to have a prices and incomes policy because neither the existing mechanisms for market forces for adjudicating prices nor the existing mechanisms for determining wages are just or adequate in the technological age in which we live. How can one equate the performance of every individual, whatever his service may be, in terms that are either sensible or equitable? How in a world—surely to goodness we all applaud this—that in the future will have excess of demand and shortages of supply in considerable areas, can some rise in the level of prices be avoided? What is not acknowledged in the world, particularly by the United States of America, is that there are no more banana republics left.

Mr Katter—We are going to have one here.

Mr CREAM—Well, the honourable member's Party has turned Queensland into one. Every country believes in the revolution of rising expectations—and why not? It will no longer allow its surplusage of foodstuffs to become the plaything of the pricing of the affluent Western democracies. We have still been disposed to do that in the use of minerals in this country. What is the good of extracting minerals from beneath the earth if you do not receive enough by selling them to cover the reasonable costs of production of those who produce them? Surely whether it is minerals, primary materials or manufactured products, everybody who produces them is entitled to a fair standard of payment for that production.

Whether honourable members opposite like it or not—they are the ones who will profit from it—the primary producer is as entitled as everybody else to receive fair prices for what he sells. But he is not entitled to belly-ache, when he does, that the consumer price index has gone up and to say that it has gone up because of the mismanagement by this Government. To do that is to display either economic dishonesty or an incapability of economic analysis. The Leader of the Opposition may jeer about my style but he could do with a hell of a lot of lectures on the fundamentals of economics. He has one or two honourable members on his side of the House who could assist him to do better than he does. Let me return to the question of the prices and incomes policy. The trade union move-
The honourable member for Petrie (Mr Cooke) asked me a question this morning about interest rates. Whatever the levels are now or whatever levels are contemplated, they are less than they are in some other parts of the world. If one wants to try to apportion blame one can say that when the last Labor government went out of office the long term bond rate was 3½ per cent and wages were much less than they are now. Who is to take the credit for the fact that in the period from 1949 to 1972 the interest rate rose to 7 per cent?

Mr Whitton—That is historical.

Mr CREAN—Of course it is history. But honourable members opposite are like Aneurin Bevan who once said about his political opponents that they are in favour of every revolution except the next one. The Opposition is now carping about the Government doing what the Opposition would have had to do in higher degree if it had remained in office after 2 December 1972. It is time that there was a little bit of objective analysis. Honourable members opposite who have criticised the Budget have been asked what they would have cut down in government expenditure. Would they have cut down on social services? Would they have cut down the provisions for education? Would they have cut down the improvements in the health field or the grants to the States? It is easy enough to make loud noises of protest. I now know that there is a lot more luxury in Opposition about what one can say. I have often said that I do not regard my words as any more weighty now that I am on this side of the House than when I was on the other side but they are certainly weighed much more carefully. I sometimes wonder about the kind of logic of people who quote what I said 2 years ago, when it suits them, as though it were Holy Writ and then criticise what I said the day before as being utter nonsense. All of us will quote nonsense at times: none of us is immune from that. But in a debate of this magnitude and importance the Government is arguing that it does not believe the sort of powers that the Opposition claims should be exercised—whether they should be exercised permanently or temporarily is a matter for argument—can be exercised separately. They must be exercised at the national level.

About 14 years ago the previous Government set up a committee to review the Australian Constitution. That Committee, not in its major report but in its interim report, said that what Australia lacked was the ability to pursue an integrated economic policy. That was true when this Government took office. I repeat that what the Budget in itself can do is distinctly limited. The Budget is primarily a parliamentary document that sets out what the Government wants to spend in a period of 12 months. Like everybody else—with the minor exception of those who can run a deficit and not go broke—the Government cannot spend a dollar unless it gets it. That is basically what the Budget is about. It covers only a quarter of economic activity in Australia. The rest of that economic activity is still carried on by what honourable members opposite rather grandly describe as good old private enterprise. No longer in this world can private enterprise go on quite as untrammelled in the circumstances of 1973 as it did in the circumstances of 1933. There are strange people such as ecologists and others—I do not use 'strange' in the sense that they are nuts—who have a great consciousness that the environment to which they belong has some importance in itself and ought not to be there just for the rapacity of private profit. That at least is a circumstance which has changed. Another thing that has changed is that if there is to be a change in the quality of life—as we on this side of the chamber believe—there has to be a change in the overall disposition as between public and private investment—more in favour of public investment and less in favour of private investment.

A prices and incomes policy in the long run will be necessary to achieve that. But the first step should be in the name of the majority of people in Australia who are concerned—the concern is at the level of what they buy in the shops at the retail prices of Sydney and Melbourne, for example—and who believe that governments can do a lot about prices. They are not arguing about incomes at this stage. That is a piece of successful camouflage to do nothing. The Opposition can take its own gallup poll—it is pretty keen to take them for the matters which suit it—and ask the woman who comes out of a shop what she thinks about the prices system. She will say that she thinks that it is crook. If she is asked who she thinks should do something about it she will say: 'The Government'. She will not mean the local government or the State government; she will mean the national Government in Canberra. In this simple proposition we are seeking
nationally, the powers that are necessary to halt the aggravation of what are great national problems.

Mr ANTHONY (Richmond—Leader of the Australian Country Party) (3.12)—After listening to the Treasurer (Mr Crean) it is quite obvious that this is not just a debate about price control, inflation or a referendum. It is a debate about a fundamental change in national economic policy. It is a debate about a proposal to embark on a new course for Australia. It is a debate about the intention of the Prime Minister (Mr Whitlam) to take this nation along a new philosophical path—a path that will lead to the substitution of rigid controls for responsible and competent economic management. It is a course that is fraught with danger. The tragedy is that the Australian people might be so taken in by the Prime Minister’s attractive wrapping of the parcel that they will not bother to have a good look at what is inside.

There is not the slightest doubt that the Prime Minister is using inflation, and the hurt it is causing to the Australian people, to support his plans to acquire greater powers to control and regulate the economy, industry and business. The longer inflation is allowed to run without any real effort to check it—and that is exactly what is happening—the more convinced I am that this inaction is part of the Government’s deliberate strategy of building up an atmosphere of fear about inflation so that the people will give the powers it wants. Price control is an attractive product to sell. It appeals to people. It plays on their belief, enthusiastically fostered by the Australian Labor Party, that it is the big bad businessmen and manufacturers who are to blame for inflation. It ignores the realities of economic life. It ignores the importance of a growing economy founded on strong and productive industry. Price control is presented to the people as an easy, almost instant answer to inflation, as a right which the Government should have. Anyone who opposes it will be characterised by the Prime Minister almost as un-Australian; as being against control of inflation; as being insensitive to the harm and the hurt inflation is doing to so many people.

The Prime Minister will ignore the most important facts about price control—the fact that it will not control inflation, and never has wherever it has been tried. He will ignore the fact that it would be a dangerous thing to hand over such strong powers to a government of the political and economic philosophies of his, with no guarantee as to how it will use those powers. The Prime Minister will tell us what terrible fellows the State Premiers are; how they have refused to co-operate with his government in its great humanitarian desire to control inflation in the interests of the Australian people. He will ignore the fact that the Premiers have tried over and over again to get the Prime Minister to embark, with their co-operation, on a comprehensive anti-inflationary program—the only kind of program that holds out any hope of controlling inflation. He will ignore the constructive proposals put forward by the Leader of the Opposition (Mr Snedden) and which have my support. A temporary price and wage freeze, as part of a complete approach, and as doubtful as I am of its long-term effectiveness in achieving any real restraint of prices and wages, does have the potential to act as an economic circuit-breaker, as the Leader of the Opposition has described it. The inflation situation has become so bad under this Government that we are forced to consider any move which has some prospect of helping the situation. But permanent price control certainly does not come into this category.

The Prime Minister said that this Bill gives the people of Australia the chance to say that they believe the Australian Parliament should have responsible powers to ensure the best possible economic management of the nation. When he says the ‘Australian Parliament’ he means of course the Australian Government, which controls the Parliament. And the simple fact is that the Australian Government does have responsible powers to ensure the best possible economic management of this nation, otherwise we would not have a record for the last 23 years with which few other countries could compare. It already has those powers, but it refuses to use them. The Government has within its control every power it needs to act immediately and firmly to reduce the rate of inflation, yet it will not act. This is one of the important facts the Prime Minister will not talk about. Any Prime Minister who can claim—as the Prime Minister did yesterday—that the recent Budget provided the main defence against inflation, is capable of saying anything. I hope the Australian people, whom the Prime Minister is asking to give him very strong powers, will weigh very carefully the credibility of his claim that the Budget, more than anything else, set up excellent defences
against inflation. The Budget did nothing of the sort. It did exactly the opposite. It is the Prime Minister's and the Government's failure to see this, and their general economic incompetence, that has led us into this whole inflationary mess, and which is going to get us deeper and deeper into an economic quagmire if the people are persuaded to give the Prime Minister the powers he wants.

The Prime Minister asked the Opposition to show its sincerity by supporting this referendum. Mr Speaker, I would be guilty of the greatest hypocrisy if I supported this referendum. How could I support this proposal knowing, as I do, and as the Prime Minister knows, that price control does not work in controlling inflation; it has never worked wherever it's been tried? How could I support this proposal knowing as I do, that there is simply no need for the Commonwealth to take these powers to itself; knowing that the States are ready and willing—despite what the Prime Minister might say—to co-operate with the Federal Government in a comprehensive attack on inflation—the only kind of attack, as I said before, that has any chance of succeeding? How could I support this proposal knowing, as I do, that it forms part of this socialist Government's strategy of taking an increasingly firm grip on the activities of the Australian people at all levels? How could I support such an all-embracing power being given to the central government, knowing that it will make the authority of the States impotent in such wide areas of their present responsibility? Meaningful federalism is being deliberately challenged. The loss of this authority with the broad interpretation that can be applied to 'prices' will hasten the end of federalism as we know it.

A few days ago, when the Prime Minister pulled a rabbit out of the hat in the form of Mr Hawke's famous assurance on wage demand moderation by the unions, I asked what right Mr Hawke had to make such a promise.

I asked the Australian people to look very carefully at the proposition that they were being asked to change their nation's Constitution, with one of the grounds advanced by the Prime Minister in support of this proposition being Mr Hawke's promise on wage restraint. Well, that manoeuvre by the Prime Minister has fallen to pieces. Last night, on television, we had the secretary of one of the big Amalgamated Metalworkers' Union, Mr Halfpenny, saying that there was not the slightest chance that his union would go soft on wages demands. Last night too Mr Hawke really blew the Prime Minister's cover by saying that he just would not give this kind of assurance. Of course he cannot. The Prime Minister knows he cannot. He fought to explain pretty quickly to the Australian people why he tried to pull the wool over their eyes in the way in which he did. I give Mr Hawke credit for his frankness. I cannot give the same credit to the Prime Minister. I repeat, Mr Speaker: It would be the height of hypocrisy for me to support this proposal. Of course it might be popular. It does have a superficial appeal. No doubt the Prime Minister will sell it in such a way that the people might believe all the things he claims for it. But the Australian people will be making a grave mistake if they give the Government this power.

Now, having been shot down in flames by Mr Hawke, the Prime Minister is trying another conjuring trick by promising to control the price of land. How is he going to do that? Any school child knows that land is expensive because not enough of it is on the market. It is dear because there is a tremendous demand, and the supply is not keeping up with that demand. The Prime Minister is going to ignore this situation completely. He is going to control the price of land. In so doing he is going to establish the classic circumstances for a black market. Controlling the price of land will not put more land on the market. It will not reduce the demand for land. Price control will simply tend to dry up the supply of land, making the position far worse than it is now. It is the Prime Minister's inability to grasp these simple economic principles that underlie the danger of giving him the kind of power that he wants. The only way in which land prices might be controlled is for the Government to acquire all the land itself and then dispose of it to the people. This could be exactly what this socialist Prime Minister has in mind. But can you imagine, Mr Speaker, the mass of restrictions and complications and tangles that this sort of thing would lead us into? Can you imagine the black market operations that would begin?

The Prime Minister is offering the Australian people a pig in a poke. The Bill, he says, is aimed at giving the Australian people a chance to say whether the Government
should have power to control prices. What prices? The Prime Minister has not given us the slightest indication. Yesterday I asked him whether he was going to control the price of fruit and vegetables. He said food—except meat—did not contribute to inflation. So I take it from that reply that he is not going to control the price of fruit and vegetables and other foods. But last night the Minister for Labour (Mr Clyde Cameron) told us on television that the Government was going to control every item that makes up the daily cost of living of the family. He says fruit and vegetable prices will be controlled! Whom do we believe? Do the Prime Minister and the Minister for Labour, have the foggiest idea what they are talking about.

I asked the Prime Minister yesterday whether he was going to take the logical supplementary step—in fact the essential supplementary action to price control—and control the price of imported goods and impose export controls. I still do not know what he is going to do, and neither does he. But what is much more important is that neither do the Australian people have the slightest clue as to what the Prime Minister intends to do with the powers he is asking us to give him. It was an incredibly elementary second reading speech on such an important issue. Of course, he did not explain a single thing. What is he going to do about goods in strong world demand, like minerals and meat? What is he going to do about imports? Imports and unprocessed primary products were excluded from the 1971 freeze in the United States because it is impossible to cope with the administrative nightmare they represent. Here is another thing: The Minister for the Capital Territory (Mr Enderby) appointed a Prices Controller in the Australian Capital Territory. He told the controller to freeze the price of petrol so that the petrol companies could not pass on the 5c excise increase this anti-inflation Government imposed. The Controller made a detailed study of the industry and said it was only fair and reasonable that the industry be allowed to pass on the extra cost. The Minister rejected the Controller's recommendations: That is the way in which a socialist, control-happy Government acts. It will not accept the advice of its own authorities. How can there be any certainty about the way general price control would be administered by this kind of government?

Why do I say price control is bad? It does not work to control inflation; we all know that. But it is positively bad for a number of reasons. I know it is almost impossible for a Labor man to understand this, but it is necessary for profits to be earned by manufacturers, by small businessmen, by taxi drivers, by farmers and so on. I know that profit is a dirty word to the Labor Party. But let it not forget that it is profit that will finance all its great schemes for the welfare of the Australian people. Basically the Government does not produce anything. All it does is to spend the money that industry produces. So, what happens when prices are controlled, and the prospect of reasonable profits is damaged—if not destroyed? We find that people stop making the articles that are subject to unfair price control. Why make them if they cannot be sold at a reasonable profit? Why invest in new plant or new factories to produce things if we cannot sell them and earn the profits we must have to pay for the investment—to pay the wages of the employees? Any business facing this situation must consider whether it is to keep on producing, and even whether it can keep on its employees. If we have price control bringing about this kind of situation, as it inevitably does, we must also have rationing. Then black markets develop. Even in wartime, when there is patriotic fervour and loyalty, black markets develop as shortages of goods develop. Price control puts the market in a straight jacket. If there is price control there must also be direction of resources. All the normal forces of the market—competition, supply and demand—are bottled up. Tremendous pressure builds up as these pent-up forces accumulate. Sooner or later the explosion comes. It cannot be avoided.

Prices control, Mr Speaker, breaks the economic thermometer. Prices, so the Prime Minister tells us, are an indicator of inflation. But what happens when prices are controlled? Inflation certainly does not stop. It never has where prices control has been used. Inflation does not stop, but its extent is hidden by prices control. The thermometer is broken; we cannot read the economic temperature. Because prices do not seem to be rising the nation is lulled into believing that inflation has stopped, or slowed down. Open inflation is a deadly thing. Repressed inflation and the inequities it produces and the damage it does are far worse. Yet that is what the Prime Minister is asking the Australian people to
agree to in giving him power to control prices while he refuses to do the things already open to him to control inflation.

This whole exercise is a device by the Prime Minister to cover up his inability to handle his job. It is an attempt to deceive the Australian people into giving dangerous powers to the Labor Government—thereby playing right into the Government's hands. The Australian people will fall for the Prime Minister's ploy at their peril. What they should be doing is not giving the Prime Minister an alibi for his and his Government's economic incompetence, but insisting that he do the job they thought they were electing him to do. Why is the Prime Minister seeking price control powers? Simply because he wants to cover up the shocking mess he is making of managing the Australian economy. It will be a tragedy if the Australian people fall for his confidence trick.

Mr HAYDEN (Oxley—Minister for Social Security) (3.32)—The performance of the Opposition represents a great backslide from an issue of principle which members of the Opposition were stoutly declaring during the winter recess of Parliament. They were the people who were asserting then quite firmly that Australia needed a prices-incomes freeze and, as a variation of this, a prices-incomes policy. There are 2 different things involved in this and one frequently had the impression that honourable members opposite were not able to make the distinction between them but, nonetheless, these were the things that honourable members opposite were asserting. They were asserting that there was a need for prompt action—not delayed action which would be the necessary result of relying on several States making decisions at different rates, involving lags over an extensive period of time.

To be effective, such a policy needed prompt action and prompt decision making authority being available to the States. I repeat, honourable members opposite have made the running on a prices-incomes policy and a prices-incomes freeze—a very vague concept. For instance, they have never defined what their wage policy and their incomes policy would be. Would it be a productivity based thing? Would it be related to some concept of what an average wages movement should be, drawing on the experience of past years? Would it be based on past performance? What do honourable members opposite really mean? We do not know. They have never given us any clear definition and none of the speeches today has given us any indication.

The 'beautiful' prose of the Leader of the Australian Country Party (Mr Anthony) indicated that the prices-incomes freeze was going to be a circuit breaker. But what does he mean by a circuit breaker? What comes after the gap? What do honourable members opposite have in mind, except this rather nebulous proposition that there must be a comprehensive policy or range of programs backing up this action?

Mr Anthony—You believe in permanent controls, do you?

Mr HAYDEN—What are the programs that honourable members opposite propose? The public is entitled to know.

Mr DEPUTY SPEAKER (Mr Scholes)—Order! This is not question time. The Leader of the Australian Country Party was given the privilege of making his address to the House in silence and I suggest that he allow the same privilege to other honourable members.

Mr HAYDEN—Members of the Opposition, if they were given the opportunity, would bring in a prices-incomes freeze for 90 days. But what happens then? We would be back to where we were before, except that we would be much further advanced. The pressures which had been restrained would build up and develop tremendous momentum and would surge ahead at a much more rapid rate than was the case before such a freeze was imposed. But this is the limit of the conceptualisation of the Opposition when it comes to handling economic affairs. Members of the Opposition deal in slogans and, given the opportunity to back up their slogans with action, they backslide.

Today, the Prime Minister (Mr Whitlam) made it clear that if the Opposition wanted to bring in a companion Bill to allow for an incomes policy, as far as the Government was concerned that Bill's progress through both Houses of the Parliament would be facilitated. So, effectively, members of the Opposition would get the 2 things they want—a prices-incomes policy and the power to apply such a policy. Confronted with the challenge to act on what they had been promising, they backed down. Members of the Opposition say
that they are for a prices freeze but are against the authority to apply a prices program. I do not know what they mean. This is the confused, economic thinking of the Opposition, if indeed one could call it economic thinking, because it is a clear bastardisation of any economic concept to talk in the way in which they have been talking about handling the economy. Let us not forget that these are the people who handled the economy for the past 23 years; these are the people who handled the affairs of this nation in the last 3 years in a state of utter, complete and consistent confusion; the people who lurched into a major recession in 1971 and for most of 1972 and then jumped head first into a boom in the latter part of 1972. The problems we have today were largely seeded in that period.

What sort of authority do members of the Opposition want? It seems, by implication—although it has never been clearly spelt out—that they will rely on authority ceded to them by the States on a very temporary basis, authority that could be withdrawn at any time. But let us look at the process of ceding this power. If we have to rely on the States, the operation will come in at a very uneven rate and the result will be that we will have not one conductor conducting what should be a very finely tuned orchestra but several conductors beating different times for the orchestra to perform to. One could well imagine what the performance of handling the economy would be, for instance, under the direction of a man like Mr Bjelke-Petersen, the Premier of Queensland. The least pressure from vested business interests would result in the complete destruction of any program which should be applied.

But why prevent the people of Australia from expressing their opinion on this proposal? All that is proposed is that the people of Australia should be allowed to indicate how they feel about this proposal to give price control power to the Government. Those are the important and the operative words—to give price control power to the Government. It is not designed to impose some system of price controls. The Leader of the Opposition (Mr Snedden) was demanding that there should be some specific definition of prices and how the system would be applied. He does not seem to understand that the economy is a very vital sort of thing and that there are constant changes occurring in the way in which it performs. There are movements between sectors. There are problems of disequilibrium developing in particular sectors which filter through to other sectors and so the whole imbalance can run through the economy. Or, conversely, when the economy is being brought back into balance, the way in which the disequilibria are being brought back into control can be a very uneven sort of thing. Further consideration must be given to the different levels of productivity between sectors of industry. Accordingly, we cannot apply some flat, simplified version of what price control is going to be. Presumably, this is what the Leader of the Country Party was thinking about. All we are asking for is authority so that we can have available to us a broad power—an economic tool—so that it can be applied selectively to regulate the economy at appropriate times. It would not be applied at any particular time but at appropriate times.

This proposal is not an attack on profits. Of course, the performance of the private sector of the economy is vital to the overall health of the economy of the nation. We are conducting a mixed economy and we are not opposed to profits. We are opposed to unreasonable levels of profits, but this is not the argument when we are discussing the issue of inflation. Inflation has many deleterious effects. It redistributes money, usually from the most needy people in the community to those who have much less need. It redistributes money away from investment in production to non-productive sectors of the economy as people hedge against inflation. They take money out of shares, from the stock market and from savings where the money could be distributed into productive investment and they put it into hedges against inflation. They put it into real estate so that they can make a quick capital gain and the more this occurs the more the inflation mentality is reinforced and the greater the problem becomes that we have to handle. Price control must be seen as only one of the mechanisms which would be used by State governments to try to put some sort of control on or some sort of balance back into the way the economy is operating. It will give, in fact, an opportunity for a pause and provide a bridging effect. It will enable a selectively used and discreetly applied price control system—low profile, if you like—to prevail. It will enable an appropriate and broad range of policies to be brought into operation to back up what is being done.
The Government has already taken action with measures such as the tariff cut, revaluation, the Prices Justification Tribunal, strengthening the capital inflow and adjusting bond interest rates to soak up the excess liquidity which was injected into the economy by the last Government. But more needs to be done. The Government certainly will not move in with a heavy hand to flatten out the economy and cause massive unemployment and breakdowns on the production side of industry so that demand can be hammered into the ground as a means of controlling the economy. We aim at using much more selective controls. Price control has been used in other parts of the world, with considerable success in some countries. Contrary to what has been said, many countries have found great value in the system of price control.

Mr King—Name them.

Mr HAYDEN—Does the honourable member deny that? The countries involved are Belgium, Denmark, Iceland, Finland, France, the Netherlands, Norway and Spain. All are regular practitioners of price control. The record of France is particularly impressive. Between 1969 and 1971 its equivalent to the consumer price index increased by about 5.7 per cent per annum at a time of great economic difficulty in Europe. That included a time when France felt the effects of the 1969 devaluation and the parity change effects on the European Economic Community agricultural support price in France. All those forces came into play in the French economy during that period.

Three European countries—Austria, Belgium and France—survived the 1969-71 inflation without a dramatic acceleration of price or severe peaks and troughs in the level of real demand pressures. Austria permanently uses a system of price surveillance. Evidence is available to show that countries overseas do find some significant benefit from price control, although there is always a dispute about how successful price income policies can be. By and large there is a tendency for a heavy weight of the balance to fall on the side of the conclusions that it provides at least breathing space. There is this benefit in a time of extreme difficulty in handling the economy of a country.

There are other benefits, some of which I will outline. Price control can bring a quick adjustment in the economy. For instance, it can reinforce action taken to restrict or to control restrictive trade practices. As things stand at the moment, when effective action is taken by the Trade Practices Tribunal there is often a lag between the decision being made and the benefits starting to flow through to the community. The benefits flow through in a graded sort of way. Again, in the case of changes in the exchange rate, the benefits flowing through to the community can involve a significant lag. It is undeniable that exchange rate adjustments can bring benefits to the community. The revaluation of December last has resulted in a 5 per cent reduction in import prices. That reduction can be achieved rather speedily. We can telescope normal lags to the public benefit with a system of price control, with the authority to use those controls when it is necessary to do so.

We can back up the decisions of the Tariff Board. We can cut lags between the time when the Tariff Board decides to reduce tariff levels and when the benefits are passed on to the public. If ever an area needed some sort of scrutiny, some sort of backing up force to ensure that the public benefited from the downward adjustments in tariffs, it is this area of tariff protection. In the situation that we have now of mounting inflation overseas at a faster rate in most cases than in this country, the tariffs too often provide a very generous buffer for people who wish to exploit consumers with excessive prices. We can back up the arbitration wage agreement procedures by ensuring that, where it is justifiable, increased wages are not passed on immediately in increased costs. Because of the relative lack of competitiveness in the Australian economy and the uneven degree of productivity between the various organisations within an industry, one frequently finds that the pace-setter, the most efficient industry, is able to increase prices after a wage adjustment sufficient to allow the least efficient producer to continue operating in that particular sector. This in turn means that there is a tremendous windfall going to the most efficient producer. It means that a very heavy profit is returned to that producer. It means also that there is an unjustifiably high price being imposed on the community. Again, with a system of price control selectively and discreetly applied, things such as this can be avoided.

The area of land prices is clearly one that needs some sort of control and authority to bring balance back into what has become
complete insanity. Goodness knows how young people will ever afford the cost of a house and land in their own time. Land prices today represent, in altogether too many cases, a completely unjustifiable exploitation of the public. There is a large economic rent transfer from the rest of the community to a small group who are land owners. In a situation of inflation as at present, with a complete inability to apply successful restraints and because the States will not do so, this sort of situation compounds itself. It becomes intractable and aggravates a very serious problem of inflation. I will give one illustration. A house and land in Sydney in 1968 cost a little more than $15,000. This year the cost exceeds $27,700, and it is mounting. Earlier I heard concern expressed by the Leader of the Country Party (Mr Anthony) that in seeking this authority from the public to control prices where needed—the public would decide whether we should have the authority—we would be denying the States a power which they have. It is a power which they rarely use and it makes little impression on the general public to hear members of the Opposition talk about a temporary ceding of powers to the Commonwealth and doing things which the States already have the power to do. The case I just cited in Sydney is a clear example of how the States have authority but are too reckless to use the authority.

There are other benefits from a system of price control. A sufficiently effective and acceptable system of price control can have an influence on the wage bargaining climate and expectations, if it is known that there is a system in operation which will exercise reasonable restraint on prices. We are not arguing that prices have to be nailed to the floor and kept there forever; we are saying that the movements have to be reasonably justified. Of course, we are thinking largely of key areas of the economy and not the whole economy—not everything from ocean liners down to shoe laces but the key ingredients in the economy which have such multiplier effects on the overall costs which the community finally bears. With this sort of influence on the wage bargaining climate and expectation there is less effort on the part of trade unions to try to hedge against increases in costs which will inevitably occur if we do not have some sort of authority to regulate them.

Earlier I mentioned the influence of the inflation mentality. The power to administer this must be national. It cannot take place in any sort of jig-saw framework. It cannot take place in a jig-saw framework where a part might drop out at any given time, and probably the crucial time, when a State government is under some political pressure from interested groups within its particular constituency. It must be carried out as part of an overall program and must be carried out with a varying sort of application. So, where the matter is needed comprehensively the control will be applied comprehensively. I can see that happening only in a most critical sort of situation. By and large it will be applied in a selective way which will benefit the community.

I repeat that by and large the State governments, with the exception of South Australia, so far have shown a complete reluctance to act responsibly in this field. We are speaking about prices and we are also speaking about a broad range of economic tools to use in controlling the economy. The Opposition had the challenge before it. It could bring in a companion Bill—we will facilitate its movement through this House—to allow the application of an incomes policy. But what are Opposition members talking about when they talk about incomes? Are they talking about farm incomes? The consumer price index has increased by about 5.7 per cent since December last year. Forty per cent of that increase has been solely due to one section, to the cost of meat. This of course in turn raises other interesting and complex issues about the control of inflation in an economy. What is to be done about imported inflation—an issue which has been derided by the previous Treasurer in the last Government. If we are to talk about incomes injecting inflation into the economy, are we to make a broad-ranging attack? Is the Opposition proposing it? Is the Country Party proposing such an attack on farm incomes? Wool growers sold the same amount of wool last year as they sold the year before, but at twice the price. In 1972 wool netted $660m. In 1973 the same volume of wool netted $1,238m. Is the Country Party proposing to cut back on the income that has gone to wool producers? Is it proposing to cut back on the increase in farm income, which went up nearly 25 per cent, or more than $900m, in the last 12 months? Members of the Country Party know they have been hoist by their own petard. They have known all along that they never meant with any sincerity to take any positive and constructive action.
to see that a prices-income policy could be applied at the national level as a national policy in this country. The first occasion on which they are tested they backslide, and they will backslide all the way out of the door of this Parliament rather than face up and back up their brave words during the winter recess with action to introduce a companion Bill in this House during the currency of this week's sitting to ensure that our proposals to seek power through a referendum for a prices policy can be supplemented by proposals to have power obtained from the community for an incomes policy.

Mr LYNCH (Flinders) (3.52)—The Opposition Parties reject the Constitution Alteration (Prices) Bill because this Bill is no more than a further reflection of this Government's distorted and misconceived approach to Australia's inflationary problem. The speech just made by the Minister for Social Security (Mr Hayden) is in fact a classic case of that distortion. He is of course the pretender for the Federal Treasurer's job. Having regard to the paucity of the arguments which he has put forward and his abysmal ignorance of international experience in this critical field of seeking to combat inflation, it is clear that he will be pretending for the Federal Treasurer's job for a very long period.

This Bill foreshadows a wide-ranging control on prices without concomitant action to restrain wages and salaries. It is unnecessary when all State Liberal leaders have offered to transfer this same power by constitutional reference, subject to the conditions outlined by the Leader of the Opposition (Mr Snedden). It foreshadows a reliance on price controls which is contrary to the practice and experience of every major country in the Western world. It is economically dangerous since price control alone, a form of economic back seat driving, cannot curb the problem of inflation in this country. It is an isolated and ad hoc proposal which has been brought forward without any guarantee that it represents one facet of a multi-policy philosophy. It is a misdirected approach because it deals with the symptom rather than the cause of inflation. It will provide an avenue for the trade union movement, working through the Australian Labor Party caucus, to make private sector profits the scapegoat for Australia's inflationary problem. It is a precipitous measure conceived by a Prime Minister who, in the preceding 24 hours, argued strongly against that proposal in the caucus of the Australian Labor Party in this place.

On 25 August the Leader of the Opposition called for a temporary total freeze on all incomes and prices to be followed by the adoption of guidelines for subsequent moderated price and wage advance. All State Liberal leaders gave an unequivocal undertaking to meet the constitutional difficulties of this proposal by referring all necessary powers to the Commonwealth with conditions to ensure that that proposal would be implemented on the basis of equity and economic common sense. This was not a proposition advanced in isolation but as one facet of a multi-policy approach to the control of inflation. Two days later, on 30 August, the Prime Minister (Mr Whitlam) rejected the Opposition proposal. In a speech to the Chamber of Manufacturers of New South Wales he said:

Our approach is one of prices justification, not price control. The emphasis in our inflationary program is on voluntary co-operation. That surely must be our first line of attack.

He then added:

Nor is it easy to see that control of prices would have helped us in the last 6 months.

Less than 2 weeks after that statement the Government has brought a Bill before this House designed to seek constitutional authority to control or freeze prices. This Bill represents a singular defeat for the Prime Minister and a victory for the Labor caucus—solidly backed by the weight of the trade union movement. It is a further example of the erratic and unpredictable way in which the major decisions of economic policy are now being determined by this Government. It foreshadows an anti-inflation policy based on price control without any similar restraints on incomes. The principal executive officer of the Department of Labour, Mr Routely, in a recent paper at a major economic symposium in Adelaide, referred to the problems of price restraint in these terms:

A price justification tribunal in the absence of wage restraint would soon become a virtual rubber stamp whose main function was to record the impact on prices of preceding wage increases. Thus effective wage restraint must accompany the establishment of an effective price justification tribunal if inflationary cost push pressures are to be reduced.

Mr Routley, one of this Government's principal advisers in the Commonwealth Department of Labour, then said:

Indeed, one could go a step further and argue in the overall context of anti-inflationary policy, the
chief value of a price justification tribunal is probably an indirect one. It provides the political and moral, not to say economic, grounds for the introduction of effective wage restraints and for the fairly drastic changes in the economic power of trade unions which such restraints must inevitably involve.

The statement by Mr Routley, the principal executive officer of the Commonwealth Department of Labour, is but a further indication that the Whitlam Administration is acting contrary to the economic advice of major departments such as the Federal Treasury and the Department of Labour. His view on this matter was well supported by Professor J. W. Nevile in an address to the Australian and New Zealand Association for the Advancement of Science Congress in March. In that address he stated:

In order to gain acceptance by the unions, an income policy must apply to all incomes, and hence prices, as well as wages. This is widely accepted overseas.

The Bill before the House, far from seeking union endorsement for a balanced and equitable approach to the determinants of inflation, effectively denies any comprehension by the Government of the role which wage and salary increases play in the inflationary spiral in this country. The Prime Minister himself has sought to purvey a public impression that he has a guarantee from Mr Hawke that if the Government asserts measures to control prices the Australian Council of Trade Unions will accept wage restraints. That impression must be totally undermined by the Prime Minister's naked admission in question time yesterday that, in his discussions with the President of the ACTU, the question of wage restraint had been subject to a mere, 'passing reference'. How a passing reference can be translated, even in the machinations of the Prime Minister's mind, into some form of guarantee by the trade union movement is beyond comprehension. It is surely blatant dishonesty to assert it as such.

This is a Bill introduced by a Government which has not once made any move to seek a restraint on incomes but has, in fact, sought to encourage increases in incomes in this country at every opportunity. In fact, the Government's own policies in seeking to exaggerate the extent of salary and wage increases throughout the community have been a major determinant in the present rate of inflation in Australia. It is indeed surely a form of economic madness to assert that price controls will restrain the rate of inflation when other policies are directed, not towards the restraint of incomes, but towards their continued rate of increase. Professor J. O. N. Perkins of the Melbourne University said in his recent book entitled 'Billion Dollar Questions':

But the essence of a prices and incomes policy is that some restraint should be placed on wages and salaries, together with price increases. In fact, adequate restraint on incomes would hold down price increases, though price restraint without adequate income restraint would not work.

As I said at the outset—and I challenge the Minister for the Capital Territory (Mr Enderby), who will follow me in this debate, to refute it—no comparable country in the western world has attempted to base an anti-inflationary policy on price control alone.

Mr Enderby—No comparable country has a similar system of wage control.

Mr LYNCH—International experience denies what successive speakers on the Government benches have said in relation to this point. The Minister for Social Security and the Minister for the Capital Territory, who is acting in his usual jabbering and incompetent manner, know that they cannot deny the total logic of this proposition. Let me take the Minister for the Capital Territory and Government supporters through the experience of major countries in the western world. Each phase of the new economic policy for the United States, originally announced by President Nixon in August 1971, has included controls and guidelines for both incomes and prices. All restraints imposed by the United States Administration have been balanced between incomes and prices as they continue to be now during phase IV of that major program.

Turning away from the USA, this is equally clear from an examination of the approach adopted by the United Kingdom Government in November 1972. In its program for controlling inflation it instituted a freeze on prices, which included prices and charges for goods and services supplied to the home market, whether provided by the private or public sector. The incomes freeze applied to all increases in incomes, including rents and dividends, and terms and conditions of employment. Increases in earnings resulting directly from additional effort, output or genuine promotion constituted the only exception.

In New Zealand the recently elected Labor Government awarded a general wage increase of 8.5 per cent at the beginning of August but simultaneously implemented a wage freeze
which is to apply until 30 June 1974. In conjunction with the wage freeze, the Government pegged prices for a 30 day period. The Canadian Government experimented with a system involving price and wage guidelines in 1969-70. Although the policy at no stage became firmly established, with all parties cooperating the Canadian Prices and Incomes Commission continued in existence until the end of 1971 essentially in a research and educational role. However, the Canadian Government emphasised its strong belief in a balanced approach to incomes and prices restraint and has indicated its readiness to impose wage and price controls again if considered necessary.

The Minister for Social Security unfortunately made reference to the experience of some of the smaller European countries. If he had bothered to study the score of those countries he would have found among the smaller European countries that Austria, the Netherlands and Norway—the situation in which was distorted by the Minister—have had extensive experience, with permanent systems of price surveillance, but within the framework of a wider incomes policy.

In West Germany, the Government incomes or wages policy has followed a different course from that in many other European countries. In that country there has been an emphasis on wage determination and a reliance on voluntary co-operation rather than compulsion. Nevertheless, a wage policy has been officially regarded as an important supplementary aid to policy in the range of fiscal and monetary policies on which the Government has primarily relied. In France, which was misquoted by this Minister, the Government's prices and incomes policy has, in recent years, been characterised by the use of various forms of price controls supplemented by the use of wage controls in the public sector. The Government's wages strategy has been to intervene directly in wage fixation in the public sector with the intention of directly influencing private sector wage settlements. The strategy adopted by the French Government is in direct contra-distinction to the pacesetter principle being pursued by the Labor Administration in Australia.

I have briefly adverted, only because of the real pressure of time, to the experiences and policies adopted by the governments of countries broadly comparable to Australia in order to emphasise one major factor which the Minister for Social Security either does not know—and if that is the case he stands indicted by this House—or, if he does know, has put before this House a totally distorted impression which international experience and fact certainly bears out. While there have been widely differing strategies towards the control of both prices and wages, no Government of a country comparable with Australia has been prepared to concentrate on one side of the economic spectrum to the exclusion of the other. The Australian Prime Minister, regretfully, in view of the public interest of this country, apparently is prepared to make this country the sole exception to international practice and experience.

The Government has already demonstrated the tragic results of an imbalanced economic policy. The refusal to adopt responsible fiscal policies has resulted in an almost total reliance on monetary policies to control demand. This is clearly a fallacious economic strategy and will result necessarily in a severe form of credit squeeze. The Bill before the House fore-shadows yet another policy instrument to be applied without any real concept of a balanced economic program. In his report on inflation the Secretary-General of the Organisation for Economic Co-operation and Development, an important economic and prestigious consultative group in the western world, totally ignored by Government supporters, said:

An effective price incomes policy, it is true, implies—almost by definition—that consideration of the common interest has to some degree been injected into individual wage and price decisions.

In other words, a complementary concept, not an emphasis on one to the exclusion of the other. This legislation clearly takes no account of the concept of common interest and, in fact, a Government which seeks to rely on price control alone must necessarily assume that wage and salary demands are, in themselves, expressions of the common interest. This is just as contrary to fact as the proposition that price rises by firms are also expressions of the common interest. The whole basis and objective of incomes-prices policies is to make income claims by different sectors of the community compatible so that they may be reconciled without inflation. The evidence is inescapable that it is possible to have inflation without generalised excess demand as the result of excessive but successfully pursued income claims by labour, or business, or both. These groups make income claims, based on expectations as to the future inflation and income
movements for other groups and often backed by considerable market power, which are inconsistent with a stable price level in Australia. Inflation merely accommodates these income claims by raising the monetary, but not the real, value of total output. Incomes prices policies aim to alter these money income claims through education, the stimulation of community responsibility and more importantly by modifying expectations as to future inflation and movements of other groups' incomes. But a prices policy alone cannot fulfil this role. Furthermore, as has been pointed out consistently and time and again by the OECD, the major aim of income-prices policies is to control the inflation of costs. Such policies of course cannot for long suppress price increases if unit costs are persistently rising. If this Government is given the power to control prices and as a consequence of union pressure throughout this country imposes controls, the result must be obvious. Because no concomitant restraint will be placed on wages unit costs will rise steeply. As unit costs rise profits will come under severe pressure and fall sharply. In this circumstance there will be a consequent decline in private investment expenditure, a fall-off in economic growth and a decline in national productivity. These are the classic economic manifestations of a policy of the type which this Government is seeking to bring before the people of Australia. This prospect is absolutely inconsistent and totally at issue with the Government's promised so-called national growth rate of 6 per cent to 7 per cent and its objective of increased productivity.

I refer finally and briefly to a recent paper given to the Australian and New Zealand Association for the Advancement of Science Congress by Professor Arndt of the Australian National University, a name that is not lost on the Australian Labor movement in this country. He said:

It would be optimistic to imagine that appeals on behalf of old age pensioners or the lower paid workers will make a significant impact on wage demands so long as most wage and salary earners believe what is wrong with the distribution of income is the large share going to profits. Few wage earners in any western countries are impressed by, or even comprehend, the various functional roles assigned to profits by economists—as a reward for risk-taking, as the necessary supply price for scarce entrepreneurial and managerial talent, as the prime mover of a free market economy or, in the form of corporate saving, as a major source of finance of capital formation.

This Bill is in fact an attack on the general community. I say that because it is the private sector which generates the wealth on which the public sector relies for its growth and the funding of social welfare programs. We cannot have real advances in the public sector without real advances in the private sector where that wealth is built, founded and fostered. A generalised attack, as we have seen in this House, on profit margins for short term political expediency is not the answer to inflation and neither is it the basis for Australia's continuing growth and prosperity. The Opposition parties reject the Bill before the House.

Mr Enderby (Australian Capital Territory—Minister for the Capital Territory and Minister for the Northern Territory) (4.12)—

We have heard the honourable member for Flinders (Mr Lynch) describe this Bill as an attack on the Australian community. This Bill seeks to have a referendum to give the Australian Parliament a power it does not have over the economy of Australia. Opposition supporters describe this Bill as a Bill that seeks to give the Australian Parliament a power to administer the Australian economy—as an attack on the Australian people. One would not have to dwell too long on this to realise that we are seeing Opposition spokesmen in their true colours. One does not often see them in their true colours but one often feels that what they are saying is: We seek a power if the Australian people will give it to us to do something about inflation. The Opposition to a man, they say, refuse to give us that power. They refuse to give the Australian Parliament the capacity to try to do something about inflation. This is surely consistent with the Opposition's whole attitude, its whole frame of reference because a control over prices, a control that would allow inflation to be reduced strikes at the interests of the people whom the Opposition represents. Essentially, of course, those people represent the private sector of the economy.

I recognise that profit plays an incredibly important role in any mixed economy, in any free enterprise economy and in any economy such as we have in Australia at this stage. But as the Treasurer (Mr Crean) said, you have to look at the social equation. There is the profit motive which produces an income to the employing groups, the manufacturing groups. The other side of the equation produces an income usually in the form of wages
of the wage earners who are the overwhelming mass of Australians. All we say is this: In the interests of plain ordinary 'fairness and common decency 85 per cent of Australians have since about 1907 had a very effective form of control over wage increases. In that year the Commonwealth Conciliation and Arbitration Act was enacted because the Constitution gave this Parliament the power to make a law on that subject. Of course if this Opposition had been here at that time it would have argued that we should not have had that power. It would not have this Parliament have any power because it is in the interests of the people it represents that this Parliament should have as little power as possible. But back in 1907 that power to make laws with regard to the settlement of industrial disputes was enacted and approximately 85 per cent of Australians since that time have had a very effective series of controls over wage and salary increases.

I should not have to remind honourable members of the normal process that takes place in Australia when a vast mass of wage earners seek a wage increase. Through their organisation, usually a trade union or a professional association, they lodge a log of claims which cannot just be put up and accepted. When honourable members in this House tried to put up their salaries two or three years ago they found they could not just put their wages up and we waited years before they were increased. So there is a built-in safeguard against wage earners or salary earners putting up their wages or salaries. In applications for wage increases it is a normal requirement that a log of claims of some sort be served on the employer or group of employers. It is in their very interests in maintaining profit margins, if you like, to give that log of claims for a salary or wage increase a very close look, to oppose it, to reject it or to keep it within bounds if they possibly can.

So there are built-in safeguards, firstly, for the employers who do not want to give it unless it has to be given; secondly, of course the machinery that exists to resolve a dispute that occurs when the employer or group of employers cannot settle their differences with the trade unions. It then goes to the conciliator and ultimately an arbitrator who presides over the matter and resolves the dispute. So there is a built-in system of control to prevent excessive wage increases in Australia. That is my answer to the challenge of the honourable member for Flinders in regard to what he said about wage controls in this country. We do have this control. There is no other comparable country in the world—I emphasise the words 'no other comparable country in the world'—with the advantage of a built-in system of wage control that Australia has. It therefore follows that because wage increases have to be justified in a great majority of cases, if you can control price increases or reduce the rate at which prices are increasing you will in effect reduce the rate at which wages go up. If you can keep prices down wages will not go up so fast because that is what happens every time wages increase. It would go against anybody's experience to deny it. Whenever a union or a group of unions goes before an arbitration tribunal it says: 'Prices have gone up, allow us to put our wages up'. That is their case.

Mr Viner—No, it is not.

Mr ENDERBY—Invariably it is 90 per cent of their case that price increases have already taken place and they relate it to increases in productivity, the maintenance of parity, margins and things of that sort. But in essence they say: 'Prices have gone up so do not let us fall behind.' They have to justify wage increases which they are seeking. As the Prime Minister (Mr Whitlam) has said several times, this is one of the very few countries if not the only country where the national Parliament is denied the right to make laws with regard to prices. In the overall interest of fairness I am convinced and I put it to honourable members that they also would be convinced that if it is fair for the wage earner to have to justify his wage increases in most cases or in many cases equally it should be fair for the person who sets prices to have to justify his price increases because we do have a system of price control in this country. The only feature about it is that it is not in many cases responsible to the public interest.

Prices are set by large corporations and the large chain stores which in very few cases are activated only by considerations of competition. One only has to look at identical advertisements that are placed in, say, the 'Canberra Times' as against those appearing in Sydney newspapers by some of the chain stores advertising a particular commodity. One will see that the great difference in the price that is set for that commodity is not related to cost in any way at all. The prices they choose to set are not determined in any way by what is
in the public interest. The prices they choose to set are all too often affected or influenced by the capacity of the customer to pay. It is axiomatic. I grew up in a shop. When my father put the price on a dozen apples it was determined not so much by what they cost him as by what he could get from the public; what he could reasonably expect to sell them for or what people would be prepared to pay for them.

Mr Graham—What is wrong with that?

Mr ENDERBY—Before I come to that let me put an additional point to reinforce the argument. In communities that are better off than others—in Pymble, for example—people will pay more for a loaf of bread or a pound of steak than people will pay in Balmain. The honourable member for North Sydney asked what was wrong with that. When this is taken to the extreme and there is lack of competition with a rising expectancy of increasing standards of living, about which the Treasurer spoke so eloquently, particularly in other countries—the third world all wanting to live a little better after thousands of years—there is a demand on our resources which we never had before, for meat in particular, and other commodities. This is why we are importing inflation. I have expressed it very simply, of course, but this plays a large part in the present situation. One of the tragedies of the situation in which we find ourselves is that this Government was left completely defenceless by the previous Government in terms of taking measures to counteract this kind of inflation. What mechanisms, devices or tools did the previous Government leave us? None! With the very limited constitutional power we have the Government has done a few things. It has devalued the Australian dollar to reduce the price of imports but, because the Opposition apparently does not want us to have the power, we cannot ensure that the reduced prices for imports are passed on to the consumers. That, of course, would require a form of price control. I illustrate my point in this way: I represent the Australian Capital Territory. I can make laws for the Australian Capital Territory that do not have the inhibitions about them that outside laws have.

Mr Graham—The Australian Capital Territory is the wealthiest community in Australia.

Mr ENDERBY—Be that as it may, this is a non sequitur. On 1 January 1974 a New South Wales road tax will be removed. This tax attaches to many goods coming into the Australian Capital Territory at present. If I do nothing, there is no way in the world whereby the savings resulting from the removal of that tax will be passed on to the consumer—the customer who goes into a shop in Canberra. The savings will not be passed on because it is against the nature of the system that they should be passed on. The shopkeeper—I do not blame him because it is human nature—will still charge the same price although he will be getting the goods here for less than he paid before. I would have difficulty in some respects in imposing price control in the Australian Capital Territory because Canberra is an island. Goods come here from New South Wales. If I were to say 'Hold the present prices' or 'Reduce prices by the amount of the tax removed' I might not get those goods. The person in New South Wales could say 'I will sell my goods in New South Wales and I might not get them. This is another example of the incredible situation of cutting up Australia into artificial legal divisions called States. The honourable member for North Sydney (Mr Graham) is shaking his head. If he wanted to work out a system of government that would make it difficult for the Australian Government to work efficiently he could not devise a system more effective than the present Australian system of government. This has nothing to do with politics but it is a crazy, ridiculous system in its present form.

Sir John Cramer—You want to restrict the States.

Mr ENDERBY—I do not. The present system does not reflect regions nor does it reflect regional groupings of commerce or people. However, it artificially divides areas so that there is division of power. I shall not continue with this train of thought but one hears hypocrisy in arguments whenever one listens to a debate such as this. The Leader of the Country Party (Mr Anthony), supporting the Leader of the Opposition (Mr Snedden), spoke of a circuit breaker. He wants some kind of a 90-day freeze on prices coupled with some kind of a 90-day freeze on wages but he knows that the Australian Government has no power to act in this way. I brought into the chamber with me a book on constitutional law, only because it conveniently contains a copy of the Constitution. If honourable members examine section 51 of the Constitution and the paragraphs thereto they will see there set out the powers of the Australian Parliament. No reference will be found to prices.
There is no way in the world by which the Australian Government can impose price control as the law stands at present, nor can it impose control on wages.

Mr Viner—Where did you get power for the Prices Justification Tribunal?

Mr ENDERBY—From the corporation power.

Mr Viner—Well, why cannot you control prices similarly?

Mr ENDERBY—Because a lot of goods which are sold are not sold by companies. Let us imagine that the Leader of the Country Party is correct when he talks of a circuit breaker. What sort of a circuit breaker would it be? It would simply be putting the lid on inflation and it would be more like a bomb than a circuit breaker. It would blow up when he took it off. I put this to the House: The Government, with the limited powers that it has, has taken more steps in the 8 to 9 months it has been in power to do something about the inflationary situation—a defenceless situation it inherited from the previous Government—than the previous Government ever did. I have mentioned revaluation. Did the previous Government, when it was faced with the problem a year or so ago, revalue the Australian dollar? The Liberals wanted to do so, but they were not allowed by the Country Party. Did the previous Government have the guts to do anything about tariffs? Not on your life! It took the Labor Party to take action so that some cheap imported goods could be encouraged into Australia.

Did the previous Government consider that it might be to our advantage to know something more about what causes prices to go up, resulting in inflation? No, it did nothing. The Government established the Joint Committee on Prices under the chairmanship of the honourable member for Adelaide (Mr Hurford). That Committee consists of members of all parties and it is charged with studying and investigating this very complex problem that afflicts every country with an economy similar to our own. The Government set up the Prices Justification Tribunal, with all the limitations it has. We recognised its limitations. The Constitution does not allow the Australian Parliament—the Parliament that is thought by Australians to have the power to govern for them—to do what it can with the limited facilities given to it. Recently, of course, the Government has activated the role of the Reserve Bank. This will be the subject of another debate. The Government has done a lot. None of these devices or tools would have been tried by the previous Government now sitting in Opposition, yet honourable members opposite complain. They were even against an incomes and prices policy last year. Now in Opposition they beat the air and beat their chests, like galahs sitting on a dead tree with a bushfire sweeping towards them, saying: 'Do something'. Our reply is: 'All right. Give us the powers to make laws with regard to prices'. But what do they do? They say: 'Not on your life. Not that. Do something else'.

In the limited time available to me it is interesting to look through the Australian Constitution. If honourable members examine section 51 they will see the powers given to the Australian Parliament back in 1900. It was given power to make laws concerning banking. If the Australian Parliament had not been given that power and the Labor Government in 1973 sought power with respect to banking the present Opposition would be bollering blue murder and saying: 'Do not give the Government power'. The Australian Parliament was given power to make laws with respect to bankruptcy. If it had not been given those powers and we were seeking them now the Opposition would be saying 'Do not give the Australian Parliament power to make laws regarding bankruptcy'. The Australian Government was given powers for defence purposes. I know that this is an extreme case but I have no doubt that if, for one reason or another, our founding fathers in 1900 had not seen fit to give the Australian Parliament power with respect to defence and we were now seeking such power because of some threat, the same voices would be heard from the Country Party and the Liberal Party saying: 'Do not give the Australian Parliament power. The Government cannot be trusted with it'. The Australian Parliament can make laws with regard to bills of exchange. I have no doubt that if it had not been given that power—say because they had not been invented then—and we now sought power we would be told: 'No, you do not need it. Do something else. Do not rely on cheques. Rely on something else. Send carrier pigeons'. The latter suggestion might be more appropriate to the state of mind of honourable members opposite.

So I could go on, but this is the whole attitude of members of the Opposition. In power they did nothing. They left the people of
Australia, through their elected representatives, defenceless against the trouble of inflation which arises in a diverse set of ways from overseas as well as from within the country. Honourable members opposite protest and say: 'Do something'. Honourable members on this side of the chamber say: 'Give us the legal power so that we can try.' Then the Opposition runs for cover and opposes the legislation. A beautiful example was given this morning. The Leader of the Opposition was asking: 'What about incomes?'

Mr Peacock—Who wrote that book from which you were quoting?

Mr Enderby—Sir Robert Menzies. I could not find a better author. Is it not interesting that a member of the Australian Labor Party will quote Sir Robert Menzies? The honourable member for Kooyong (Mr Peacock) would not quote him.

Mr Peacock—I followed him.

Mr Enderby—But you would not quote him. The peak of this hypocrisy, this sham, this bad acting, this bad theatre, came this morning when at question time the Leader of Opposition said with the usual waffle: 'You cannot have price control unless you have income control.' The Prime Minister (Mr Whitlam) said: 'All right. You introduce a Bill that would allow us to put incomes control to the people of Australia and we will facilitate it. We will back it.' Where is it? The Leader of the Opposition ran so fast that he has not been seen since. That is the test of the sincerity of the Opposition. That is the test of its integrity and its statesmanship.

Mr Kelly (Wakefield) (4.31)—It is a relief not to be talking about the importance of inflation. That is now accepted as a real problem on our plate. What we are discussing is whether the Bill before the House will be an effective method of inflation control. I find that many people, particularly younger people, in the community are deluded into believing that a policy of price control is in the long term an effective weapon against inflation. It is true, of course, that it has immediate attraction. We know the seriousness of the problem, and we are all anxiously looking for some method of tackling it. It is quite clear that in the long term a policy of incomes and prices control has not proved to be an effective weapon against inflation in all the countries in which it has been tried. This has been brought out by many of the honourable members who have preceded me in this debate.

Such a policy dams up the demand and when the changes have to be made, as they must be made in a changing economy, the experience of all other countries has been that there is a further surge forward. The Leader of the Australian Country Party (Mr Anthony) used a very picturesque phrase when he said that it breaks the thermometer. I would say that it breaks the dam. When the dam breaks there is a further surge forward. It is an intensely disappointing fact that this is so. I have no philosophical objections to price control. The only reason why I objected to it was that generally it does not work. It does not work if it is separated from the other component it must have—that is, incomes control. We ought to look at it and ask why it works so badly.

We ought to recognise the problems that we face. The first is that, if it is known that there will be an introduction of price control, inevitably there will be a pressure on prices. Firms will put up their prices knowing that price control will follow quickly after. There is only one way in which to stop that and that is to alter human nature, because that is the way in which human nature works. It sees its problem in the future and it takes action to prevent it. Nothing one can do can stop it. The second reason why prices and incomes control generally does not work in the long term is that prices are the only signals people receive which determine what they will do and how they will use their resources. In a democratic system there is no other way whereby industries can determine where the demand will come in the future. The economy is like a bucket of worms. It is turning all the time. Problems are changing and situations are changing. Demand slackens off in one field and increases in another. There has to be a continual change in prices to meet the changing circumstances. The only way in a democratic system by which the producer can know what is needed in the economy is for him to receive the market signals.

If honourable members want a clear example of this they have only to look at what is happening to the steel production of the Broken Hill Pty Co. Ltd at this time. Many of us have been critical, perhaps unwisely critical—I have been—of recent increases in BHP
prices. Nevertheless, the fact that public opinion in Australia held prices down meant that the company was unable to use its resources to increase production of something of which the community needs increasing quantities. I am sorry that the system works like this but I do not think that anybody in this House would deny that in a democratic system that is the only way in which producers of goods will receive the signals to increase or decrease production. This problem is found not only within industry itself but also between industries. I am glad to say that in a viable, shifting economy such as ours is we will always find that resources must be taken from one industry and put into another. That is the way the system works. The only way in which we can achieve a proper allocation of resources in an economy such as ours in the long term is to keep these price signals coming through with crystal clarity.

The only alternative is to have the Government saying what must be produced and where the resources must be developed. That is not a party political statement. As I think everybody must recognise, there are only 2 choices of how our resources can be used—the crystal clear price signals or government direction. Those who may cling to the idea that government direction is better than the present system—I do not think there would be many in this chamber who would agree with that—must realise that the best market for many of our products is countries that do this consistently. I refer to the communist countries, which believe that the government knows best. I do not think it is generally accepted on the other side of the House that the Government is good at this kind of direction. A while ago there was a feeling on the agricultural scene that the Government should make a realistic estimate of demand and should tailor production to meet that demand. But I am glad to see that the Minister for Primary Industry (Senator Wriedt) is realising—he made a statement about this recently—that that was really economic nonsense.

Of course, one of the problems is the weather. Even the Minister for Primary Industry would realise quite clearly that he has no control of the weather here, and if he did have it here he would not have it overseas. So we have a clear choice to make between keeping the price signals coming through clearly or having government control. It is quite clear that we can depend only on the price signals system. For that reason I think that the impending restrictive trade practices legislation is of inordinate importance. I am aware of the great power that some monopolies have, and the power they use sometimes, to take advantage of their position. I am quite definite in saying that if these price signals are to be used as an effective method of governing the economy we must have restrictive trade practices legislation that is effective.

When one looks at a price control system one has to realise that other problems are involved. An important one is deciding which prices are to be fixed. Will it be the price of the lowest cost producer, the middle cost producer or the highest cost producer? Look at the position in South Australia. There is a system of petrol fixing which has been held up as an example to everybody. However, in Victoria one finds signs up everywhere advertising petrol at 6c a gallon off or 10c a gallon off. Maximum prices generally become the minimum prices in a government controlled prices system.

One of the reasons why I asked to be put on the speaking list for the Opposition, against a good deal of competition from some very worthy members on our side, was to mention this fact: My father had the responsibility of being adviser to the Labor Government on agricultural prices between 1942 and 1947 or 1948. I am acutely conscious of the grave problems of black marketeering that went on in those days, particularly in the case of meat, for which my father had a particular responsibility. I could give a long lecture about this but I think this story illustrates the problem in all its starkness: Two doctors were in a lounge of a hotel discussing the problems of their practices. One said to the other: 'You know, I have 3 cases of meningitis in my district.' A chap sitting behind him who was not supposed to be listening tapped one of them on the shoulder and said: 'Look, I'll take the lot.' That was the problem in those days when the flame of patriotism reinforced the edicts of the Government.

What chance do honourable members think we would have of having a price control system which would work now in a permissive society? In South Australia we are told that it is all right to break laws if we do not agree with them. With this kind of mentality in our people what chance do honourable members think we will have of holding the line?
Younger honourable members would not remember what it was like during the war. It was not what you knew; it was whom you knew that decided what came out from underneath the counter. What chance will we have of making this proposal work when we could not get it to work when we had the flame of patriotism to reinforce it. I think that people have to realise that there is no sense in talking glibly about a system which cannot operate. The essential thing about price control is that it interferes with the law of supply and demand. Prices are held artificially low. As soon as this is done it creates a pressure for black marketeering, for the spiv, for the crook to get an undue advantage over the rest, the decent section of the community. I appeal to the younger members opposite who do not know of those days not to delude themselves that this will not be an overwhelming problem.

We could make a prices and incomes policy work on the short term for a little while, but to pretend that we can make a prices policy work without an incomes component to it is just deluding ourselves. This has been brought out with crystal clarity by the Deputy Leader of the Opposition (Mr Lynch) today. All the authorities point quite conclusively to this fact. I should like to quote another authority to whom I think everybody in this place would look up, namely, Professor Galbraith. One would have great difficulty in not looking up to a man as tall as he is. Professor Galbraith, in a lecture in Adelaide last Friday night, as one would expect gave a brilliant exposition of small 'I' liberal thinking. At the end of it I had the temerity to ask him whether he could give me an example of a successful prices policy working without an incomes component. With delightful clarity he said immediately that he did not know of any such example that had been tried. Certainly he could not imagine any such policy that could possibly be successful.

I think we all have to recognise that this is inevitable and that we cannot make one part of the system work without the other. Adoption of such a policy immediately exposes one to appearing slightly ridiculous. On the one hand the Government is saying: 'Let us encourage an increase in wages. Let us not appear before the Arbitration Commission to spell out the true economic position. Let us give the green light to wages expansion.' On the other hand the Government is saying that prices must not go up. As soon as it does this it just exposes the position as being quite ridiculous. I do not think there is one person in this House who does not realise that to have a prices policy without an incomes policy in the short term is just flying in the face of economic sense. This has been spelt out time and time again in this debate. The tragedy of our present situation is that not only do all economists in the country realise it, not only does Professor Galbraith realise, and not only do all the thinking members of the Government realise that this is so, but also the Prime Minister (Mr Whitlam) realises it. He knows what he is asking for. If he gets the power he seeks it will not make possible an effective anti-inflationary program. The thing I regret more than anything else is that we are having our attention diverted from doing things that we know we can do, by going through this charade of a referendum on the subject, when we know that if we get the power we cannot make such a policy work.

The Minister for Social Security (Mr Hayden), spoke earlier. I think he was sincere when he said that the important thing that we are looking for is a breathing space. The Leader of the Opposition (Mr Snedden) has used the term 'circuit breaker'. Whatever we are looking for, whatever we call it, what we think we can make work is a short term incomes prices policy, knowing that we cannot make it work in the long term for the economic reasons I have spelt out. But we can make it work in the short term. However, it is not necessary to make it work in the short term to have the power given in this way to the Government. I am certain that we could get the co-operation of the State governments, in partnership with the Federal Government, to do something that we think ought to be done for a sensible, responsible attempt to have a circuit breaker or breathing space, to use the term of the Minister for Social Security. But to pretend that we have to go through this charade of having a prices policy without an incomes policy is just to defy all the laws of logic. As I have said, what I regret most about this Bill is that it will distract us from taking the steps that we ought to take. I certainly will oppose this Bill with all my ability, having no philosophical objection to a prices-income policy as such but knowing that in the long term we cannot make it work. To pretend that we could make it work without an incomes component is ridiculous.
Mr RIORDAN (Phillip) (4.51)—The Opposition this afternoon has made it clear beyond any doubt that it is truly here as the captive and the puppet of big business. The voice of its members is not a voice which has expressed a concern for the Australian people. They have not been concerned about the price exploitation which is occurring. Rather have they been concerned to protect profit maximisation. Country Party members in this Parliament speak against any form of price control as being iniquitous. Yet we know that for years Country Party members have supported and acknowledged that prices on a wide range of primary products have been fixed. For example, the prices for sugar, milk, butter, cheese, flour, bread and eggs have all been fixed, and controlled prices still apply. Country Party members say that to fix prices is wrong and that such action will result in all sorts of economic difficulties.

The Leader of the Opposition (Mr Snedden) has based a great deal of his opposition on the fact, as he has alleged, that the Prime Minister (Mr Whitlam) was rolled by Caucus, to use his unique phrase. That statement is just incorrect. The Leader of the Opposition has been misinformed. He has a most unreliable informant. He should check his facts more carefully. The Prime Minister did not argue against a prices referendum. The basic fact stated by the Leader of the Opposition is not correct. The Prime Minister made it clear in his second reading speech that, if the Australian Parliament, is given the power and authority to regulate and to control prices, his Government will use such powers responsibly and selectively as one of the elements in an anti-inflationary strategy. The strategy proposed by the Opposition it not easy to understand and to comprehend. It certainly is easier to understand than is the same policy that we have heard for 20 years proclaimed by big business interests in this country and elsewhere. They propose an incomes-prices freeze. It is not clear how such a freeze would be enforced, particularly as this Parliament has no power to adopt such a course and the Opposition opposes the Parliament acquiring such power.

The Government is committed to the maximum utilisation of the nation's resources so that all of its people can enjoy a higher standard of living and a better life style. The Australian Labor Party has constantly rejected the mechanism of creating a pool of unemployed as a means of achieving stabilised prices. Such an approach in our view is socially unacceptable. The concept that certain groups can be called upon to be the sacrificial lambs in the name of economic stability is repugnant to decent social ethics. Those who suffer under the unemployment pool concept are the migrants and the low income earners. The concept of deliberately creating unemployment as an economic weapon is as callous and as cynical as one can imagine. It ignores basic human values. An unemployment pool may not be a freeze but it is certainly pretty cool for those who find themselves in it.

The Liberals have shown in the past that their basic weapon against inflation is to create these pools of unemployment. By a series of actions, they managed to achieve an economic recession and galloping price inflation at the same time—a rare economic achievement. Their prices-incomes policy which they practised regularly in non-election years was to eliminate the income of some and to allow prices to find their own level. If they get their way again, they will do exactly the same thing. With added power, they may make it worse.

What this Government seeks to do is to acquire the capacity to regulate prices. The Opposition adopts the false premise that wages and salaries are the prime cause of price increases. This is ludicrous and quite incorrect. This premise has been rejected by the Commonwealth Conciliation and Arbitration Commission on several occasions. The prices which are currently affecting the consumer price index and which reflect the level of price increases are overwhelmingly related to commodities which are not significantly affected by wage and salary increases. The prices of meat and potatoes have been determined almost exclusively by supply-demand considerations and not by wages. The price of land in our capital cities has spiralled without justification. The Australian Parliament is the only democratic body in the industrially developed world which does not have power to regulate prices. This is a situation which is inconsistent with the will of the Australian people. The Australian people wish this Parliament to have this power. This Bill is designed to allow them to express their view and to make the decision. The Opposition seeks to prevent the people from having a say on this matter.
Of course, it is significant that the Opposition is opposed not only to the referendum seeking to grant that power but also to the measure which will allow the Australian people to vote on this important question. The interests of consumers are not being protected in the current economy. The Australian people are clearly being exploited. Basic foods are rapidly becoming a luxury for many low income families. The aged, sick and infirm who rely on social welfare payments are being denied the right to eat the food of their choice. They are being forced to change their diet habits in order that a few may grow rich. Young married couples are being forced to wait longer for a home because of the land price spiral. Some may well never get a home. Land prices in Sydney have reached a scandalous stage. Those who have locked up large areas of land for speculative purposes are sucking the economic lifeblood out of many young Australians. Nobody can claim that housing is a luxury. It is a basic necessity of life.

Those who see the cure for all of our economic ills in an incomes-prices freeze are badly informed. Those who believe that there is a special magic in a policy of incomes-prices policy should make a definitive statement about what they mean, and how they propose to introduce such a freeze. The so-called freeze argument assumes that all wages and prices are currently in their correct juxtaposition within the total economic structure. This assertion is simply untrue. The prices of land and many food items are artificially high. Wages have been adjusted regularly by the Conciliation and Arbitration Commission after prices have risen. Action has been taken by the unions to restore the purchasing power of wages and salaries. There has not been a case in which it can be shown legitimately that wages have been fixed in anticipation of a price rise. At the present time, wages and salaries together with social service payments are being squeezed by increased living costs. Whilst wages are controlled through the arbitration tribunals in all of the States, a fact conveniently overlooked by the Opposition, there is—

Mr Graham—Minimum wages.

Mr RIORDAN—Oh! My friend from North Sydney wants to talk about minimum wages. In very many cases, as I will show him in a moment, the minimum wage is in fact the maximum wage even though the law provides that it is the minimum wage. I can come to that and show the honourable member that in just a minute. Whilst these wages are clearly controlled in all the Australian States by arbitration tribunals and whilst they are controlled here by the Australian Arbitration Commission, there is no regulation of essential goods and services and their prices. The so-called freeze also ignores the fact that wages for particular industries are fixed at different times. A freeze imposed tonight would mean that those who received increases today would have an artificial advantage over those who are due to receive an increase tomorrow. This is what occurred in the United States of America.

Let me take the honourable member for North Sydney to the point that he made concerning the question of a minimum wage and a maximum wage. The arbitration tribunals of this country recognise that the minimum rates set in some industries are the maximum rates. That is why the arbitration tribunals in fixing wage rates, having regard to comparative wage rates, differentiate between what they call minimum rates and actual rates awards. The differentiation is clear. In fact, in my view the great majority of incomes are controlled now. Those who receive wages and salaries are controlled in some form or another. A most significant section of our work force is currently receiving a minimum or basic award wage only. Let me tell honourable members who they are. Twenty per cent of all wage and salary earners are to be found in public employment of one form or another. Those employed by the Australian Government, the State governments, the statutory authorities, and the local government bodies represent 20 per cent of all those employed in this country. Those employed outside the huge metropolitan areas of Sydney and Melbourne have either significantly lower over award payments or no over award payments at all. They represent 56 per cent of the Australian work force.

So we can see clearly that more than half of those in the Australian work force in fact have their wages controlled by awards of the Commonwealth Conciliation and Arbitration Commission. Let us consider those who receive over award payments. How do they get them? Do they simply say: 'We are going
to take same more money; we have put up the price of our labour? Of course they do not. They have to bargain with an employer who has to agree, otherwise they do not receive such a payment. Once prices are subject to regulation, there obviously will be a reluctance by employers to agree to over award payments because they will realise that they cannot simply pass on the increased cost to the consumer. So honourable members can see that by the mere introduction of prices regulation machinery there will be an immediate effect on wages. Obviously, there will be a return to the Conciliation and Arbitration Commission for the fixation of the total wages paid. The Commission will be better equipped in the light of the experience of the last decade to fix wages and salaries on a fair and equitable basis.

The so-called freeze ignores what is to happen to benefits of increased productivity. Presumably, during the period of the freeze, all of this would go into the pockets of the investor and none into the pockets of the employees. Once prices are subject to regulation there will at least be a chance of controlling the price-wage increase cycle. The average worker derives nothing from the exercise of gaining a wage increase which is followed immediately by a price increase, followed by a further wage increase, another price increase and so on. In fact, many workers finish up worse off as a result of this circular exercise. The exercise has gained little or nothing for the average Australian worker. The fact that prices have been allowed to set the pace has created great hardship for those who rely on welfare payments and fixed incomes.

There is another area of financial reward which has been ignored by the Opposition, and quite predictably so. Many of the senior executives of our industries have enormous fringe benefits which have a very significant monetary value. These usually are not subject to taxation. They are available only to the privileged few who earn high salaries. I refer to the charging of rents below par for company owned houses in which they live; generous expense accounts which are made available; extravagant superannuation schemes which are for the privileged few; the business trips to Honolulu and elsewhere on which the family is taken along and which consists of one 10-minute interview—the total cost is on the house; the payment of school fees for children under company executive scholarship schemes; and the provision of motor cars and the payment of running costs. All of these benefits are taken out of the profit of the companies and are not taxable.

Do those benefits come under the Opposition's freeze? Will they be allowed to breeze along on these extravagant benefits while the low wage worker finds it hard to buy a pound of sausages? That is the sort of thing we meant when we said that meat is getting too dear for the average worker. What do members of the Opposition say? They say: 'Let them eat fish'. They are the modern-day Marie Antoinettes. There has been no suggestion as to how those benefits are to be controlled or regulated. The control of prices will of itself, of course, control some incomes. The Opposition has proved by its past policies that it is the architect of disaster. The Leader of the Opposition (Mr Snedden) seeks to place the blame for inflation on its chief victims. He asks the Australian people to place the blame for high prices on those who cannot afford to pay them. The argument of the Opposition must be amongst the most contradictory in parliamentary history. For 23 years members of the Opposition, when in government, argued against any form of economic control. Having gained the economic advantage for the investor they now seek to argue about a freeze.

This is a time when profits are at a record level. Let me briefly refer to the alleged gap between the Prime Minister (Mr Whitlam) and the President of the Australian Council of Trade Unions. This, of course, is absolute rubbish—pure speculation. The President of the ACTU was reported this morning as having said that he did not make a promise and was not going to hand over a promise that wage increases would not be sought. Obviously, no representative of the trade union movement would buy a pig in a poke. No responsible leader can give a blank cheque. What he said was that once price control was introduced we would be 'in a different ball park'. The report goes on to state:

'Following the introduction of price control we would have a different position and would co-operate with the Government for maximum possible growth', he said.

That is what Mr Hawke said and, of course, that has been ignored. The proposal which is before this House is for the Australian people to have a say. Price control is worth a fair
trial and I believe that the very existence of power to control prices could well dampen down the rate of price increases. There is only one issue before this House arising from this Bill: Should the Australian people have a voice? Should they be allowed to say whether or not this Parliament should have the power to control prices? I support the Bill and commend it to honourable members.

Mr Hallett (Canning) (5.6)—The heading of this Bill is:

A Bill for an Act to alter the Constitution so as to enable the Australian Parliament to Control Prices.

It says little else. In effect, what the Government is seeking is for the Government itself to be able to do certain things with certain prices. This has not been spelt out in the Bill, in the second reading speech of the Prime Minister (Mr Whitlam) or by any Government supporter who has spoken on this measure. No honourable member has stated exactly what the Government intends to do and how it intends to control prices. In the Prime Minister's second reading speech he said:

This Parliament possesses no comprehensive power over prices.

He then went on to say:

The Government believes it is unreasonable that the Australian Parliament should lack a power possessed by the national parliament and national government of nearly every comparable country.

This afternoon we have heard honourable members talking about other nations and about other parliaments of the world which have this power. They have referred to the United States of America, Britain, European and other countries, yet in the next breath they have talked about the price of meat and how we in this country are being controlled by external forces and economies.

Meat was referred to repeatedly by the honourable member for Phillip (Mr Riordan), by the speaker before him and, I think, by almost every speaker from the Government side this afternoon. On the one hand, they said that America and Europe have price control and, on the other hand, they are asking us to give them the same power, apparently, to take the price of meat and other foodstuffs to the level which exists in those countries. The policies which were adopted by the previous Government over a quarter of a century have kept the price of meat in this country far below that applying in America, any country in Europe or anywhere else in the world. If this Government continues with the policies it introduced in the last Budget it will do precisely the same thing. This is apparently what it wants to do by the introduction of this Bill. We have the cheapest meat in the world today but we will not have it tomorrow. The only way that we can maintain the present situation in our industries is by directing back into those industries some of the revenue that comes from them.

This Government in the last Budget has done precisely the opposite. It has applied not a Brisbane line but a Sydney-Melbourne line. The Government is taking the wealth from the producing areas of this country and channeling it into the major cities. It is taking away that initiative and enterprise which the previous Government maintained for a number of years. If the Government wants us to obtain cheaper commodities, well worth their price at the values of this country and not those of America or Europe, it is going the wrong way about achieving this objective. Those facts indicate just how much the Government understands the situation. I have used only one example of rising prices. I could use plenty of them. The Government has said that meat prices are being controlled by external economies. The Government supporters say that we should look at what is happening in America and Europe in relation to price fixing policies. The position prevailing in those places at present was not created in the last year or two. It has been going on for some time.

Let me warn the Government that if it continues with policies such as those contained in the Budget which was introduced into this House a few weeks ago it will take this country to precisely the same position as those other countries. One basic rule in life is that one looks after the breakfast table and the people. One thing for which a government of a country can never be forgiven is putting its people in a position where they either run out of food or find it is too dear to buy. We have done certain things in this country over the years. The Coombs report is absolutely full of details of those actions. Apparently this Government will take action which, in the main, will take away initiatives and take money out of the producing areas which create the wealth of this country. I have said in the House before that there is only one place where wealth is obtained for a nation, and that is out of the soil. Once that fact is neglected a government is on the road
down and out. There is no wealth in the streets of Sydney and Melbourne—not an ounce of it. Wealth cannot be obtained out of bitumen.

I have no objection whatsoever to raising the standard of living in this country. It is one of the highest in the world at present and the reason is because of the policies of the last 25 years to which I have referred. If the Government continues with its present policies it is heading for great trouble indeed. This Bill, under the circumstances, is rather remarkable. The Government has been in office for about 9 months. In that time the Government has brought down a number of measures. The currency has been revalued on 2 occasions. On both occasions it was said that the revaluation would help to reduce prices. What has happened? Honourable members should ask the housewives. Prices have still risen. The Government brought in a 25 per cent reduction in tariffs across the board. It said that that would reduce prices. Again I suggest that honourable members ask the housewives. Have they got any cheaper food on the table? They have gained nothing from that particular action.

The Government has now introduced a measure concerning interest rates. Does the Minister for Aboriginal Affairs (Mr Bryant), who is at the table, suggest that by increasing interest rates by an average of 2 per cent prices will be reduced? Of course they will not. Nobody seems to know the new interest rates. I hope the Minister will inform the House of the exact position. The Government has increased taxes and other items to which I have already referred when speaking about many industries in this country. The Government introduced the Prices Justification Tribunal. The Government said this was another measure to reduce costs in this country or at least to take some note of the prices situation. All these measures and many more have been introduced. The Government has now brought down a Budget involving nearly $12,000m, representing an increase of 18.9 per cent on last year. It is a highly inflationary Budget; that cannot be denied. Having introduced all these measures the Government now blames the Constitution for the present inflationary situation.

The Constitution of this country has served it very well for 72 years. I do not think anybody will deny that our forefathers who framed this Constitution were quite wise guys. They were very wise. Of course, there was another ele-

ment, that of the States, which this Government seems to have forgotten about, wants to forget about or would like to dismiss. The States have their constitutional powers also. It will be a very sorry day for this country if this Government is successful in doing what it is proposing to do not only in these measures but also in a number of other measures such as proposing to take away the powers of the States and centering them in Canberra. If that happened we would really have a Sydney-Melbourne line. The States have had power to control prices since federation. They can use that power if they so desire. I read a newspaper today which stated that the Premier of New South Wales would offer assistance to this Government if it is dinkum in its prices policy and wants to utilise the powers of the States. As I see it, this Government does not wish to co-operate with the States in particular measures. In fact, all the evidence that we have seen in more recent months is that it does not wish to co-operate. In fact, the Government wants centralised power in Canberra. I do not think the people should forget that.

The Government after taking certain measures and introducing a Budget a few weeks ago blames the Constitution and wishes to have control over prices moved to Canberra. It wishes to do so against all the evidence that is available all around the world. It is no good honourable members opposite saying that is not the case. All the evidence points to failure in various countries which have tried to control prices in these particular areas.

Mr Hurford—I thought you wanted an incomes and prices policy.

Mr HALLETT—My friend has been sleeping somewhere. He has never heard me say that once. If the honourable member had listened to me from the beginning of my speech he surely would have realised—even an infant or a kindergarten child could understand—that I was saying that prices policies have not been successful all around the world. I have never said that I wanted an incomes and prices policy. One of the first things which I did when I became a member of this Parliament was to conduct an extensive survey of various nations which had tried a particular prices policy over the years. I did that because the Opposition at the time said that it wanted to fix prices. I could not find one country that had been successful in attempting to control prices. That situation is the same today.
As I have mentioned briefly, the Government seems to have a total disregard for Australia's big industries. I refer to them as big industries because some of our primary industries, for instance the wool industry, are the biggest in the nation. Our mining industry—again a base industry—is growing. I heard the Minister for Minerals and Energy (Mr Connor) refer to the way and quantity in which minerals were being exported from this country. That position flows on from the policies adopted by the previous Government. A Western Australian should know something about what was done in that State some years ago to encourage industries. What is happening now? There is no extension of this policy. The balance of payments documents show that in the first 3 months that this Government was in office more than $1,000m went out of this country compared with what was previously coming into the country in the area of capital investment. Changes do not happen overnight in relation to the effects of this Government's policy. They will take some time. Industry at large is very hesitant as to what the Government might do in the future. How will the primary industries as a whole face up to the future in view of the measures taken by the Government in its Budget that was brought down in this House only a few weeks ago?

What is required—and what the Liberal-Country Party did for some 25 years—is the creation of incentives to increase productivity. Controls such as the Government is expecting to bring in by this measure are not incentives to produce; they are the very opposite. If we want more production we should do just the opposite to what the Government is trying to do in this measure. All the evidence right around the globe which one may like to study indicates that when you introduce controls you get less—not more—comparatively.

The Government is taking great quantities of money—million of dollars—from various industries and pouring it into our cities. I have nothing against cities but I suggest that if the Government continues with these policies we are in for lots of trouble. If the Government considers that price control is the answer as it apparently does, it should get round the table with the States, which have the power, and endeavour to work out something. I do not think this has really been tried. Some shadow boxing has been taking place between the States and the Commonwealth. I seem to remember a statement being made a few weeks ago by the Prime Minister (Mr Whitlam) that it would not be necessary in the future to have Premiers Conferences in the way they have been held previously. What sort of atmosphere does this create? What sort of climate does it create with the States when a statement of that nature is made? We cannot get all the co-operation we might expect to get from State government when statements such as that are made. I have listened with great interest to the speeches made in this House. No doubt one can turn them up in Hansard. All the speeches I have noticed indicate that the Federal Government of today does not want to have anything to do with the States in the future. It set up a mechanism whereby local government councils forming themselves into regions can make applications to the Commonwealth Grants Commission. Nobody knows what that means as yet, but still the Government set it up.

All the evidence points to the fact that this Government wants central control in Canberra, and this measure, as I see it, is another move along the line to have central control in Canberra. I say to the people of this country—large as it is—and especially those in my own State some 2,500 miles away, that when the Government gets complete control in Canberra, when there is no recognition of the States and no opportunity within a State Parliament to look after people's needs, and especially when local government councils are forming regions, pity the State of Western Australia and in fact all the States.

The Government has criticised Bjelke-Petersen, the Premier of Queensland, for what he has been saying and doing. Bjelke-Petersen can no doubt see the position very plainly. In fact the Government has had criticism from some of its own Labor Premiers, including none other than Tonkin. They have criticised the Government bitterly for what it is doing in trying to centralise power in Canberra. It is against the grain of the people of Australia to accept that situation. We have a good system of government, a 3-tier system of government, that has operated in this country for a number of years. I firmly believe that the people want to retain that system. They might improve it from time to time. For instance, they could throw this Government out and put another in; that would improve things considerably. But they do not want central control. They do not like the word 'control' to
start with. Australia is a free enterprise country. The people are very proud of it. The standard of living in this country has been built up on that system, and we do not want to clutter the whole thing up now with a new system of control because we know where that leads to. I ask the Government when putting forward the arguments it does in relation to the price of various items to compare overseas prices with those which existed when the last government went out of office on 2 December.

I believe that this measure is a political tactic. It is not an economic measure. It is pure politics. A week or two ago the Prime Minister would not have a bar of this, as I understand it. Then he came into this House yesterday and made a certain statement in relation to Hawke and what he was alleged to have said. The Prime Minister said that Hawke would co-operate in relation to the wage and salary claims that might be put forward by the various unions. Mr Hawke has denied this and he has denied it very strongly. He has said in effect that if the Government does certain things in relation to prices and brings other economic measures to bear on the economic scene in Australia perhaps in a year or two the unions will review the situation as to their claims. In effect they are his words. Perhaps in a year or two they will review the situation. This measure, as I see it from the Australian public's point of view, will not work.

Mr SPEAKER—Order! The honourable member's time has expired.

Dr GUN (Kingston) (5.26)—I think it is worth reminding the House that this is a Bill for a referendum. It is a Bill which will enable the people of Australia, if they so choose, to confer certain power on the Australian Parliament to control the economy, namely, the power to make laws on prices. It is most important to note that the Bill does not give the Australian Parliament power to control prices. It asks the people of Australia to decide by referendum whether they want the Australian Parliament to have that power. Opposition to Commonwealth price control is quite a different matter from opposition to letting the people of Australia decide. People listening to this debate on the radio or otherwise following the course of the debate ought to be made fully aware of the fact that the opponents of this Bill, that is, the Liberal and Country parties in this Parliament, are opposing the right of the people of Australia to exercise their choice and their judgment on this matter. It is quite extraordinary that the Liberal and Country parties fear the judgment of the people of Australia. They do not trust the Australian people.

The Liberal and Country parties have of course seen the public opinion polls and they know the overwhelming majority of Australians believe that the Commonwealth should have power to make laws on prices. That is why the Opposition has taken this offensive paternalistic attitude of denying the people of Australia a choice on the matter. If the Liberal and Country parties believe they have a sound case for opposing Commonwealth power over prices they should go out and convince the people of their case but this cowardly attitude of trying to deny the people's right to decide for themselves is typical of the opposition parties' contempt for the electorate.

I would like to say something about the question of incomes. My colleague, the honourable member for Phillip (Mr Riordan), has referred to this matter. There is already a substantial control through the conciliation and arbitration mechanisms of the people's incomes at the present time. Even apart from that there is a latent power which the Commonwealth possesses to control incomes through the taxation mechanism. We could go even further than that. The Prime Minister (Mr Whitlam) offered today to facilitate the passage of a Bill for a referendum on whether the Commonwealth should have power to control incomes if the Opposition wished to put that up. But what have we heard from the Opposition? Nothing at all.

There is only one way in which the Commonwealth can obtain power over prices and that is by an alteration to the Constitution. Yet the Liberal and Country parties are against that. Clearly they are not dinkum. It is remarkable how the Liberal and Country parties have opposed almost every anti-inflationary measure that this Government has introduced. It certainly looks as if they want to see the national economy reduced to chaos so that they might be able to scrape back into government. Revaluation of the dollar and tariff reductions were both denounced by Opposition spokesmen. Then there was the Coombs task force recommendation for a
reduction in Government expenditure. Yet nearly every action taken by the Government pursuant to the recommendations of the task force to reduce expenditure was attacked by the Opposition. It is, of course, the duty of the Opposition to oppose, but surely as the alternative Government of this country it also has a duty to exercise a responsible attitude to the national economy.

Mr Hurford—It should be responsible in opposition, not an irresponsible Opposition.

Dr GUN—Quite so. The purpose of this exercise, that is, to give the Commonwealth power over prices, is not to implement a great network of artificial controls. The Government believes that wherever it is possible the market mechanism should be allowed to operate. Unlike previous Liberal-Country Party governments the Labor Government practices what it preaches. It has altered the currency alignment to realistic levels. It has reduced the tariff to realistic levels. It has introduced a restrictive trade practices law which will have a real effect in reducing prices. What a contrast this is to previous governments with their feather-bedding of industrial friends and the people who have paid for the building of McEwen House, which is the imposing headquarters of the Country Party. The Liberal-Country Party Government governed by granting subsidies, perks and handouts to sectional interests whereas the Labor Party believes that the way to govern is to maximise productivity by preventing interference with market forces wherever possible. I remind the House of the trade practices legislation introduced by the previous Government. What an empty exercise that was. It was a completely toothless tiger and made no impact on prices at all.

I have said that it is not the purpose of this Government to set up a network of controls over prices. That would bring about distortions, scarcity and intolerable social pressures. That may be what the Leader of the Opposition wants, but it is not what the Australian people want. However, there is a pressing need for price control in certain very important areas. Price control is warranted in those areas where the market mechanism is prevented from operating. The prime example is in land prices. In most circumstances the price mechanism operates to increase the supply of a given commodity. However, there is only a limited amount of land available. As Will Rogers said: 'Buy land son—they are not making it any more'. Price increases in respect of land will not help to make any more land available. As rising land prices do not serve any useful purpose they should be restrained. I mentioned this morning at question time how highly effective has been the action taken in this area by the South Australian Labor Government. Another area is in the price of trade and professional services. Here the price increases do not bring about an increase in the supply of professional people because of the restraints imposed by them on the numbers entering their ranks. In these cases increased charges represent a monopoly situation which should be restrained. Another example is in the field of drug manufacturing. In this area we should consider doing what I suggested to the Select Committee on Pharmaceutical Benefits in the time of the last Parliament. I said:

It is possible that some planned market-sharing is occurring. Even if this is so however, it would not be undesirable provided that a firm control is kept over pricing policies of companies to ensure that the public gets the benefits of resulting economies of scale.

In other words, we could let company A have the whole run on a particular antibiotic providing certain quality controls are ensured and providing proper price controls are implemented to ensure that the company does not exploit the situation. Another example is in the motor vehicle industry. This is another area where price restraints might well be justified. The Government takes the view, with which I think most people agree, that it is at present desirable that Australia have a viable motor vehicle manufacturing industry. It is also desirable that we do not have a fragmented industry because a country with a small population cannot have too many manufacturers in the field. Consequently it will no doubt be necessary to divide the domestic market among a limited number of manufacturers. To prevent those manufacturers from exploiting their favoured position, some control over their prices will surely be necessary. In all these cases which I have mentioned there has been some limitation of competition or some other distortion which requires an imposition of price control. Price control is a necessary part of any Government's arsenal to control the economy and inflation, but it is only a part. Equally important are measures
such as avoiding excessive tariff protection and the use of monetary and fiscal measures and an effective trade practices legislation.

Price control is not a panacea in itself and the Government will certainly not be stumped into accepting any price-wage freeze as a short term measure or as any panacea at all. It will not work; it is worse than useless. It adversely affects low income earners. The more highly paid worker can get around wage controls by receiving expense payments and other fringe benefits. The less well paid cannot get such privileges. Extra income from overtime or over-award payments should not be discouraged. They are a natural part of the market mechanism, enabling resources to be used where they are most efficient. This leaves those cases where excessive wages can be granted in disregard of economic effects. The cases where that occurs are where the employer knows that he can pass on excessive wage costs in higher prices. This again will occur only where there is an anti-competitive situation such as where there is a monopoly. In such a case the excessive wage rise is controlled by controlling the price or by getting rid of the monopoly. The employer will not grant an excessive wage increase if he cannot pass on the cost. This measure will give a most important weapon to the national Government to enable it to control the economy. It is absurd that the national Government does not possess that power already. I am sure that if they are given the opportunity the Australian people will endorse the proposal. If the Liberal and Country parties oppose this Bill they will not only deny the responsibility of the national Parliament to control the national economy but also they will deny the Australian people the right to say at referendum what they want.

Mr McMAHON (Lowe) (5.37)—The Bill now before the House seeks to amend section 51 of the Australian Constitution by inserting a new paragraph (xiva.) so as to enable the Australian Parliament to control prices. That is a very limited area and one that does not directly affect the causes of inflation. Section 51 provides that the Parliament shall, subject to the Constitution, have power to make laws for the peace, order and good government of the Commonwealth with respect to 40 different functions of government, such as taxation, naval and military defence, banking, currency, coinage and legal tender, and insurance. These powers are concurrent with powers of the States, as the Prime Minister (Mr Whitlam) pointed out yesterday. Theoretically, both the Commonwealth and the States may exercise the power. The concurrent use of power is, however, subject to one vitally important constitutional qualification, that when a State law is inconsistent with a law of the Commonwealth the latter shall prevail and the former shall, to the extent of the inconsistency, be invalid. That section establishes the supremacy of Commonwealth laws over State laws of a concurrent kind. It must also be interpreted against the context that real power rests with the Commonwealth Government in the sense that the power of the purse establishes clear superiority.

It seems prudent before we become too involved in argument that we should first draw this distinction: The Bill is designed to amend the Constitution to empower the Commonwealth Parliament to make laws relating to prices. In itself this is not enough. The Commonwealth Parliament must, if it wants actually to exercise power over prices, introduce a Bill into this House and have it passed into law by the Parliament. Two separate conditions are necessary: Firstly, the constitutional power and, secondly, the exercise of that power by Parliament.

My first reaction to the second reading speech of the Prime Minister was that it was a disgrace to the Parliament and bore all the evidence of incomplete and inadequate preparation. It has at least 10 blunders, inaccurate statements or, more accurately, calculatedly crafty misrepresentations bordering on fraud. Let me illustrate. The Prime Minister said: 'The Australian Government has been active and effective over a broad front from the time we took office and inherited a growing level of inflation. . . . The economy in December continued high inflation with the worst employment for 5 years.' They are the Prime Minister's words, not mine. But these are the facts. According to Professor Nevile, during 1972-73 inflation was lower than in either of the 2 preceding years. In Budget year 1971-72 the consumer price index rose by about 7 per cent to 8 per cent. By the December quarter of 1972 when my Government was in office it had fallen to a rate of 4.6 per cent and as the Treasury had pointed out in its latest annual survey, by December 1972 there was good reason for optimism as to the future course
of prices. Treasury went on to say that such views were rudely shattered early in 1973. Treasury had good reason for such optimism and for the rude shattering of its expectations. Again according to Professor Nevile, in the December quarter of 1972 the implicit price deflator which is used for national income and expenditure purposes had been reduced to a rise of only 2.2 per cent and the gross national expenditure deflator had fallen by 2.3 per cent as compared with the previous December quarter. This was a good foundation to build on. But it was quickly shattered by Labor. In the June quarter of 1973 the consumer index under Labor rose by 13.2 per cent. These are the facts. This is where the truth lies, not in what the Prime Minister has said. As to unemployment in actual numbers and leaving aside school leavers, who traditionally and temporarily add to the unemployed in November, December and January, the numbers of unemployed fell from 97,877 in March 1972 to 82,431 in October 1972. I do not believe that any honest and technically qualified person believes or claims that seasonally adjusted figures are an acceptable measure of trends in unemployment. Certainly Treasury does not, nor did the Department of Labour and National Service do so when I administered that Department. The Prime Minister and the Minister for Labour (Mr Clyde Cameron) were predicting unemployment of 180,000. This never came to pass, largely as a result of action taken by my Government. This is the second illustration of crafty misrepresentation.

The Prime Minister went on to say: 'We, Labor, inherited "stagnation"'. This also is false. As I said in the House—and I have not been contradicted—the Treasurer admitted in a veiled but complimentary way that non-farm production at constant prices rose by over 5 per cent and was growing at a faster rate at the end of 1972. This was also a good performance. And as Treasury pointed out, the growth of non-farm production at constant prices—and if this is what Labor likes—seasonally adjusted, within the year, was considerably higher. In the first half of 1972-73 the seasonally adjusted annual rate of growth was 6½ per cent and there was an acceleration in the second half to considerably more than that figure. I repeat that this third statement about inheriting 'stagnation' is false.

The fourth statement is: 'We'—that is, Labor—'have combined this strong and basically healthy economic situation with the most effective and far-reaching program of social reform'. Does he honestly and sincerely argue that the economy is basically healthy with a consumer inflation rate of 13.2 per cent; with bottlenecks and shortages becoming endemic and covering a very large sector of industry; with the loss of man days worked through strikes reaching record figures—860,000 in January to June 1973, but twice as many as in January to June 1972—and with the loss of wages of $13m in January to June 1972, rising to $24m in January to June 1973? Does the Prime Minister claim that the failure to honour promises made in his policy speech and before add up to far-reaching and effective reforms? Does he make the same claim in respect of the failure to honour his promise in his own policy speech that he would not increase taxes when in fact he increased taxes in his first Budget by $650m in a full year and $339m in this Budget year?

Does that claim apply to the failure to honour his promise made at the Festival Hall on 2 May last year that he would not repeal or reduce any educational benefit which is already being paid? I point out that he has already done so. What of the unbelievable series of blunders associated with the home building industry—particularly the provision of homes for young married couples—associated with an ill-conceived and futilely administered policy of increases in both official and market rates of interest which will add about $19.68 a month to the cost of a $15,000 home? Promise after promise has been callously, arbitrarily and cynically dishonoured. Does this add up to far-reaching and effective reforms? Heaven help us if these failures are the basis for the attempt to change the Constitution to give power to the Commonwealth to control prices. The Prime Minister went on to say:

We assert the basic duty and responsibility of the national Government for economic management. I agree that responsibility for overall economic and financial management must be and remain a function of the Commonwealth and I have pressed this view strenuously and persistently during the time I have been in the Parliament. But what is obvious now, and was strongly suspected at the time the Labor Party assumed office, is that Labor had neither the talent nor the ability satisfactorily to administer the Australian economy. Suspicion has now hardened into fact.

Let us look at the facts again. The pressure of inflation had been substantially reduced at
the time we left and Labor assumed office. Now inflation is galloping. Prices are rising alarmingly at a rate of 13.2 per cent, as I have already emphasised. The rate of economic growth was running at a high level. Now, as I have mentioned, bottlenecks are developing. Housing is in a mess and the money market is in turmoil. We showed that we could do the job through the proper application of wage restraint, Budget policy, monetary and income controls, including changes in the value of currency, control of the growth of the civil service and public psychology and persuasion. Labor has failed miserably because it has failed to use the economic, financial and psychological methods available to it even with the good going and all the prospects running for it when it came into office. Is this the kind of government to which greater power should be given? Think and think hard because it is the people of this country, not the members of the Government, who will pay the price and it will be a savagely inflationary one.

Turning now to the prices referendum Bill itself, these are the reasons why I will vote against the Bill. The Government already has the necessary power to control inflation and therefore prices, but it will not effectively use the weapons available. Why give it more when it has done enough damage with what it already has? Control of prices is a control of effects, not causes. Prices come at the end of a long process. To be effective control must start with the causes. Control must start with, amongst other things, wage and income costs, through the Arbitration Commission; excess demand, through the Budget; import prices, through changes in the exchange rate; the money supply, interest rates and changes in the international value of the currency to sop up the money supply and slow down excessive growth and tariff policy to ensure greater competition. Prices control, even temporarily, would be ineffective without control of incomes, particularly wages.

Mr Whitlam led us to believe that Mr Hawke had assured him that if the Government would go ahead with the prices referendum he would undertake to restrain inflationary wage settlements when price controls were instituted. For Mr Whitlam that was a critical assurance from the head of the Labor Party and head of the Australian Council of Trade Unions. The Prime Minister confirmed this at question time on 17 September. He said that Mr Hawke had told him that 'if the Government were able to moderate the rise in prices through the application of such constitutional powers as is obtained, the trade union movement would fully co-operate in restraining wages and incomes'. Mr Hawke has since denied that he made any such promise and added:

'Mr Whitlam's statement to Parliament included a promise which I could not give.

This critical part of Mr Whitlam's assumption and argument has thus been destroyed. Income and wage controls have very dubious value except for a short period and that was pointed out very effectively, I believe, by the honourable member for Kingston (Dr Gun) who immediately preceded me in this debate. Listening to him I would have imagined that he was speaking from this side of the House and would have been recommending that this Bill be rejected.

Price control without income controls would be dangerous and against the best interests of Australia. Both the Prime Minister and the honourable member for Kingston know this and they are both understandably very sceptical about their effectiveness. At the Electrical Manufacturers dinner last night, 17 September 1973, Mr Whitlam said:

'I frankly confess that I have always had reservations about the value of price control regulations—reservations I have publicly acknowledged and explained.

With reservations of this kind how can he, with sincerity, now ask for specific constitutional powers to deal with the problems, knowing he now has the relevant powers if only he chooses to use them? Price controls are, as I have said, an end result and not a cause of inflation and can be used capriciously and for blatantly political purposes. The honourable member for Kingston said that price controls would not increase production but would probably reduce it and, if my recollection is correct, he said they would create distortions, inadequacy and shortages. I agree with those statements of the honourable member for Kingston.

Finally, there is an easier and quicker method to achieve the same objective than by holding a referendum, and that is for the Commonwealth to persuade the important States to refer to the Commonwealth powers, under section 51 of the Constitution, over prices and incomes for a limited period, say for 6 months
or 1 year. To sum up, I think the cost of a permanent reference would be too high and the public would soon become tired of controls. We are a free people and quickly become frustrated and irritated by controls. This has been our experience in the past and is now the experience of the United Kingdom where a recent Gallup poll, referred to in 'The Economist' of 8 September 1973, showed that whereas a year ago 75 per cent of the people with a definite opinion said that the unions should hold back on wage claims to control inflation but now 52 per cent think that they should now go ahead, clearly indicating that the public has become tired of income and wage controls. The public psychology can change quickly, particularly when the people have to suffer inconvenience without obvious benefits. For all these reasons, I can assure honourable members that I will vote against this Bill.

Motion (by Mr Hansen) put:
That the question be now put.

The House divided.

(Mr Speaker—Hon. J. F. Cope)

Ayes ........ 64
Noes ........ 51

Majority ....... 13

AYES

Armitage, J. L. ..... 1
Ashleigh, Keith, A. ..... 1
Barnard, L. H. ..... 1
Beasley, K. E. ..... 1
Bennett, A. P. ..... 1
Berinson, J. M. ..... 1
Birrell, P. R. ..... 1
Bowen, Lionel ..... 1
Bryant, G. M. ..... 1
Cameron, Clyde ..... 1
Cass, M. H. ..... 1
Cairns, J. ..... 1
Cohen, R. ..... 1
Collard, F. W. ..... 1
Connor, R. F. X. ..... 1
Cren, F. ..... 1
Cross, M. D. ..... 1
Daly, F. M. ..... 1
Davies, R. ..... 1
Doyle, F. E. ..... 1
Duthie, G. W. A. ..... 1
Enderby, K. E. ..... 1
Everingham, D. N. ..... 1
FitzPatrick, J. ..... 1
Fulton, W. J. ..... 1
Garrick, H. J. ..... 1
Gibbsby, A. J. ..... 1
Gun, R. T. ..... 1
Hansen, W. G. ..... 1
Hurford, C. J. ..... 1
Innes, E. ..... 1
Jacobi, R. ..... 1
James, A. W. ..... 1
Jenkins, H. A. ..... 1
Johnson, Keith ..... 1
Johnson, Les ..... 1
Jones, Charles ..... 1
Keating, P. J. ..... 1
Keogh, L. J. ..... 1
Keiran, J. C. ..... 1
Kilgour, R. E. ..... 1
Koeltz, F. ..... 1
Koeltz, M. J. R. ..... 1
Kopty, D. W. ..... 1
Kopty, R. J. D. ..... 1
Kopty, A. W. ..... 1

Noes

Katter, R. C. ..... 1
Kelly, C. R. ..... 1
Kilgour, D. I. ..... 1
King, R. S. ..... 1
Lloyd, B. ..... 1
Lornie, P. E. ..... 1
Lynch, P. R. ..... 1
Mackellar, M. J. R. ..... 1
Mainsy, D. W. ..... 1
McLesy, J. E. ..... 1
McMahon, W. ..... 1
McVeigh, D. T. ..... 1
Nixon, P. J. ..... 1
O'Keeffe, F. I. ..... 1
Peacock, A. S. ..... 1
Robinson, Eric ..... 1
Robinson, Ian ..... 1
Saul, I. M. C. ..... 1
Street, A. A. ..... 1
Turner, H. R. ..... 1
Viner, R. I. ..... 1
Whittorn, R. H. ..... 1
Wilson, J. B. C. ..... 1
Tellers: ..... 1
Hansen, B. P. ..... 1
Nicholas, M. H. ..... 1

PAIRS

Patterson, R. A. ..... 1
Cairns, J. F. ..... 1
Fox, E. M. C. ..... 1
Wentworth, W. C. ..... 1

Question so resolved in the affirmative.

Question put:
That the Bill be now read a second time.

The House divided.

(Mr Speaker—Hon. J. F. Cope)

Ayes ........ 64
Noes ........ 52

Majority ....... 12

AYES

Armitage, J. L. ..... 1
Ashleigh, Keith, A. ..... 1
Barnard, L. H. ..... 1
Beasley, K. E. ..... 1
Bennett, A. P. ..... 1
Berinson, J. M. ..... 1
Birrell, P. R. ..... 1
Bowen, Lionel ..... 1
Bryant, G. M. ..... 1
Cameron, Clyde ..... 1
Cass, M. H. ..... 1
Cairns, J. ..... 1
Cohen, R. ..... 1
Collard, F. W. ..... 1
Connor, R. F. X. ..... 1
Cren, F. ..... 1
Cross, M. D. ..... 1
Daly, F. M. ..... 1
Davies, R. ..... 1
Doyle, F. E. ..... 1
Duthie, G. W. A. ..... 1
Enderby, K. E. ..... 1
Everingham, D. N. ..... 1
FitzPatrick, J. ..... 1
Fulton, W. J. ..... 1
Garrick, H. J. ..... 1
Gibbsby, A. J. ..... 1
Gun, R. T. ..... 1
Hansen, B. P. ..... 1
Nicholas, M. H. ..... 1

Tellers:

Hansen, B. P. ..... 1
Nicholas, M. H. ..... 1
The Committee divided.

(The Chairman—Mr G. G. D. Scholes)

| Ayes | ... | 63 |
| Noes | ... | 52 |
| Majority | ... | 11 |

**AYES**

- Armitage, J. L.
- Ashley-Brown, A.
- Barnard, L. E.
- Beazley, K. E.
- Bennett, A. F.
- Berinson, J. M.
- Birrell, F. R.
- Bowen, Lionel
- Bryant, G. M.
- Cameron, Clyde
- Casa, M. H.
- Coates, J.
- Cohen, B.
- Collard, P. W.
- Connor, R. F. X.
- Cress, F.
- Cross, M. D.
- Daly, F. M.
- Davies, E.
- Doyle, F. E.
- Duthie, G. W. A.
- Endbery, K. E.
- Everingham, D. N.
- FitzPatrick, E.
- Fulton, W. J.
- Garrick, H. J.
- Grassby, A. J.
- Gun, R. T.
- Hayden, W. G.
- Harford, G. F.
- Innes, U. E.
- Jacobi, R.

**NOES**

- Kelly, C. R.
- Kildonan, D. J.
- King, R. S.
- Lloyd, B.
- Loughn, E.
- Lynch, F. R.
- MacKellar, M. J. R.
- Maisey, D. W.
- McLeay, J. E.
- McWhan, W.
- McVeigh, D. T.
- Nixon, P. J.
- O’Keefe, F. L.
- Peacock, A. S.
- Robinson, Eric
- Robinson, Ian
- Sinclair, I. M.
- Teller: England, J. A.
- Giles, G. O’H.

**PAIRS**

- Patterson, R. A.
- Fox, E. M. C.
- Calma, J. F.
- Wentworth, W. C.

A question so resolved in the affirmative.

Bill read a second time.

Mr SPEAKER—Is it the wish of the House to proceed with the third reading forthwith?

Mr Lucock—No.

In Committee

The Bill.

Mr Lucock (Lyne) (6.10)—The major reason why I objected to the Bill going to the third reading forthwith was that the Government has said that this is a Bill of vital importance. It brought honourable members back from overseas conferences so that it could have the required majority to put the Bill through this House. Yet it gagged the debate with many members of the Opposition desiring to make speeches on the legislation. Therefore, if this Bill is as important as the Government says it is, and to enable the people to make a decision on a matter that concerns vitally every person in Australia, then I think it is a complete and absolute disgrace that the gag has been moved at this stage with so many Opposition members still desiring to speak upon it. If the people of this Commonwealth are to make a decision on this—

The CHAIRMAN—Order! The honourable member for Lyne—

Motion (by MrNicholls) put:

That the question be now put.

Adermann, A. E.
Anthony, J. D.
Bonnett, R. N.
Bourchier, W.
Bury, L. E. H.
Calder, S. E.
Cameron, Donald
Chipp, D. L.
Cook, N. M.
Corbett, I.
Cramer, Sir John
Drummond, P. H.
Druy, E. N.
Edwards, H. R.
Erwin, G. D.
Fairbairn, D. E.
Fisher, P. S.
Fraser, Malcolm
Gorton, J. G.
Graham, R. W.
Hallett, J. M.
Hamers, D. J.
Hewson, R. A.
Holten, R. McE.
Hunt, R. J. D.
Jarman, A. W.
Katter, R. C.

**PAIRS**

- Patterson, R. A.
- Fox, E. M. C.
- Calma, J. F.
- Wentworth, W. C.

Question so resolved in the affirmative.

Question put:

That the Bill be agreed to.
The Committee divided.
(The Chairman—Mr G. G. D. Scholes)

Ayes ... ... ... 63
Noes ... ... ... 52

Majority ... ... ... 11

AYES
Armitage, J. L.
Ashley-Brown, A.
Barnard, L. H.
Beazley, K. B.
Bennett, A. F.
Berinson, J. M.
Birrell, F. R.
Bowen, Lionel
Bryant, G. M.
Cameron, Clyde
Case, R. H.
Cotes, J.
Cohen, B.
Collard, P. W.
Connor, R. F. X.
Cree, F.
Cross, M. D.
Daly, P. M.
Davies, R.
Doyle, F. E.
Duthie, G. W. A.
Enderby, K. B.
Everingham, D. N.
FitzPatrick, I.
Fulton, W. J.
Garrick, H. J.
Grasby, A. J.
Gun, R. T.
Hayden, W. G.
Hurford, C. J.
Innes, U. E.
Jacobi, R.

AYES
Armitage, J. L.
Ashley-Brown, A.
Barnard, L. H.
Beazley, K. B.
Bennett, A. F.
Berinson, J. M.
Birrell, F. R.
Bowen, Lionel
Bryant, G. M.
Cameron, Clyde
Case, R. H.
Cotes, J.
Cohen, B.
Collard, P. W.
Connor, R. F. X.
Cree, F.
Cross, M. D.
Daly, P. M.
Davies, R.
Doyle, F. E.
Duthie, G. W. A.
Enderby, K. B.
Everingham, D. N.
FitzPatrick, I.
Fulton, W. J.
Garrick, H. J.
Grasby, A. J.
Gun, R. T.
Hayden, W. G.
Hurford, C. J.
Innes, U. E.
Jacobi, R.

NOES
Adermann, A. E.
Anthony, J. D.
Bennett, M. T.
Bourchier, J. W.
Bury, L. H. E.
Caldwell, R.
Cameron, Donald
Chipp, J.
Cooke, N. M.
Corbett, J.
Cramer, Sir John
Drummond, P. B.
Drury, B.
Edwards, R. R.
Erwin, G. D.
Fairbairn, D. B.
Fisher, P. S.
Fraser, Malcolm
Gorton, J. G.
Graham, B. W.
Halbert, J. M.
Hamer, J. J.
Hewson, H. A.
Holten, R. McN.
Hunt, R. J. D.
Jarmain, A. W.
Katter, R. C.

NOES
Adermann, A. E.
Anthony, J. D.
Bennett, M. T.
Bourchier, J. W.
Bury, L. H. E.
Caldwell, R.
Cameron, Donald
Chipp, J.
Cooke, N. M.
Corbett, J.
Cramer, Sir John
Drummond, P. B.
Drury, B.
Edwards, R. R.
Erwin, G. D.
Fairbairn, D. B.
Fisher, P. S.
Fraser, Malcolm
Gorton, J. G.
Graham, B. W.
Halbert, J. M.
Hamer, J. J.
Hewson, H. A.
Holten, R. McN.
Hunt, R. J. D.
Jarmain, A. W.
Katter, R. C.

Question so resolved in the affirmative.

Question put:
That the Bill be reported without amendment.

Bill reported without amendment.

Adoption of Report

Motion (by Mr Whitlam) proposed:

That the report of the Committee be adopted.
Mr LUCCOCK (Lyne) (6.33)—I want to speak on the motion that the report be adopted. I started to speak at the Committee stage of the Bill but the Assistant Government Whip moved the gag. I should like to know——

Motion (by Mr Nicholls) put:

That the question be now put.

The House divided.

(Mr Speaker—Hon. J. F. Cope)

Ayes ▪ ▪ ▪ ▪ ▪ 64
Noes ▪ ▪ ▪ ▪ ▪ 48

Majority ▪ ▪ ▪ ▪ ▪ 16

AYES

Armitage, J. L.
Ashley-Brown, A.
Barnard, L. H.
Beazley, E. J.
Bennett, A. F.
Birrell, J. M.
Browne, Lionel
Bryant, G. M.
Cameron, Clyde
Cass, M. H.
Coates, J.
Cohen, B.
Collard, F. W.
Connor, R. F. X.
Crean, F.
Cross, M. D.
Daly, F. M.
Davies, R.
Doyle, F. E.
Duthie, G. W. A.
Enderby, K. E.
Evingham, D. N.
FitzPatrick, J.
Fulton, W. J.
Garrick, H. J.
Grasby, A. J.
Gunn, R. E.
Hayden, W. G.
Innes, U. E.
Jacobi, R.
James, A. W.

Jenkins, H. A.
Johnson, Keith
Johnson, Les
Jones, Charles
Keating, P. J.
Kenilworth, J.
Keigh, J.
Keiran, J. C.
Kelly, G. E.
Lamb, A. H.
Luchetti, A. S.
Martin, V.
Matthews, C. R. T.
McKenzie, D.
Morris, F. P.
Morrison, W.
Mulder, A. W.
Olmeadown, M. W.
Olley, F.
Reynolds, L. J.
Richard, J. M.
Scholz, G. D.
Sherry, R. H.
Stewart, F. E.
Thorburn, R. W.
Uren, T.
Wallis, L. G.
Whitlam, E. G.
Whitlam, E.
Wills, R.

NOES

Adermann, A. E.
Anthony, J. D.
Bennett, R. N.
Bourchier, J. W.
Calder, S. H.
Cameron, Donald
Chipp, D. L.
Cooke, N. M.
Corbett, J.
Cramer, Sir John
Drummond, P. H.
Drury, E. N.
Edwards, H. R.
Erwin, G. D.
Fairbairn, D.
Finch, F. S.
Fraser, Malcolm
Gordon, J. G.
Graham, B. W.
Hallett, J. M.
Ham, J. D.
Hewson, H. A.
Holten, R. McE.
Hunter, J. D. D.
Jarman, A. W.

Katter, R. C.
Kelly, A. S.
King, R. S.
Lloyd, B.
Lloyd, P. E.
Lynch, P. R.
MacKellar, J.
Majesty, D. W.
McLeay, J. E.
McVeigh, D. T.
Nicholls, J. H.
O'Keefe, F. L.
Peacock, A.
Robinson, I.
Sinclair, I.
Snedden, B. M.
Street, A.
Turner, H. B.
Viner, R. I.
Wilson, I. C.

Tellers:

Engels, A.
Giles, G. O.'H.

PAIRS

Patterson, R. A.
Cairns, J. F.

Fox, E. M. C.
Wentworth, W. C.

Question so resolved in the affirmative.

Third Reading

Mr WHITLAM (Werriwa—Prime Minister and Minister for Foreign Affairs)—I seek leave to move the third reading forthwith.

Mr SPEAKER—Is leave granted?
Opposition members—No.

Mr SPEAKER—Leave is not granted.

Suspension of Standing Orders

Mr WHITLAM (Werriwa—Prime Minister and Minister for Foreign Affairs) (5.47)—Pursuant to contingent notice I move.

That so much of the Standing Orders be suspended as would prevent the remaining stages being passed without delay.

Question put. The House divided.

(Mr Speaker—Hon. J. F. Cope)

Ayes

Noes

Majority

17

AYES

Armitage, J. L.
Ashley-Brown, A.
Barnard, L. H.
Beasley, K. E.
Bennett, A. F.
Berenson, H. M.
Birrell, F. A.
Bowen, Lionel
Bryant, M. S.
Cameron, Clyde
Cass, M. H.
Coste, T.
Coben, B.
Collard, R. W.
Connor, R. F. X.
Cren, F.
Cross, M. D.
Daly, F. M.
Davies, R.
Doyle, P. B.
Duthie, G. W. A.
Enderby, K. E.
Everingham, D. N.
FitzPatrick, J.
Fulton, W. J.
Garrick, H. J.
Grassby, A. J.
Gun, R. T.
Hayden, W. G.
Hufford, J. F.
Innes, G. B.
Jacobi, R.
James, A. W.

Jenkins, H. A.
Johnson, Keith
Johnson, Les
Jones, Charles
Keating, P. J.
Keogh, L. J.
Keogh, L. J.
Klugman, R. E.
Lawrence, H.
Luchetti, A. S.
Martin, V. J.
McAfee, C. T.
McKenzie, D. C.
Morris, F. F.
Morris, W. L.
Mulder, A. W.
Oldmeadow, M. W.
Olley, F.
Reynolds, L. J.
Riddon, J. M.
Scholes, G. G. D.
Sherry, R. H.
Stewart, P. E.
Thornbury, R. W.
Uren, T.
Wallis, L. G.
Whan, R. B.
Whitlam, E. G.
Willis, R.

NOES

Adermann, A. B.
Anthoni, J. D.
Bonnett, R. N.
Bourchier, J. W.
Calder, S. E.
Cameron, Donald
Chipp, D. L.
Corbett, J.
Cramer, Sir John
Drummond, F. H.
Drury, B.
Edwards, H. R.
Erwin, G. D.
Fairbairn, D. B.
Fisher, P. S.
Fraser, Malcolm
Gorton, J. G.
Graham, B. W.
Hallett, J. M.
Hamer, J.
Hawson, H. A.
Holten, R. M.
Hunt, R. J. D.
Jarmann, A. W.

Katter, R. C.
Kelly, C. R.
King, R. S.
Lloyd, B.
Lucocq, P. B.
McLachlan, P. R.
Mackellar, M. J. R.
Maisey, D. W.
McLeay, J. B.
McVeigh, D. T.
Nixon, P. G.
O'Keefe, F. L.
Peacock, A. S.
Robinson, Eric
Robinson, Ian
Sinclair, J. McC.
Smedden, B. M.
Street, A. A.
Turner, H. B.
Viner, R.
Wilson, J. B. C.

Tellers:

Engel, J. A.
Giles, G. O'H.

PAIRS

Patterson, R. A.
Cairns, J. P.

Fox, E. M. C.
Wentworth, W. C.

Question so resolved in the affirmative.

Third Reading

Mr WHITLAM (Werriwa—Prime Minister and Minister for Foreign Affairs) (6.52)—Again I move:

That the Bill be read a third time.

Mr SINCLAIR (New England) (6.52)—I would like to speak to the third reading. I believe that this is a matter of very real and significant importance to the Australian people. This Bill is not one—

Motion (by Mr Nichols) put:

That the question be now put.

The House divided.

(Mr Speaker—Hon. J. F. Cope)

Ayes

Noes

Majority

19

AYES

Jenkins, H. A.
Johnson, Keith
Johnson, Les
Jones, Charles
Keating, P. J.
Keogh, L. J.
Keogh, L. J.
Klugman, R. E.
Lamb, A. H.
Luchetti, A. S.
Martin, V. J.
Mathews, C. R. T.
McKenzie, D. C.
Morris, P. F.
Morrison, W. L.
Mulder, A. W.
Oldmeadow, M. W.
Olley, F.
Reynolds, L. J.
Riddon, J. M.
Scholes, G. G. D.
Sherry, R. H.
Stewart, P. E.
Thornbury, R. W.
Uren, T.
Wallis, L. G.
Whan, R. B.
Whitlam, E. G.
Willis, R.

NOES

Adermann, A. E.
Anthoni, J. D.
Bonnett, R. N.
Bourchier, J. W.
Calder, S. E.
Cameron, Donald
Chipp, D. L.
Corbett, J.
Cramer, Sir John
Drummond, F. H.
Drury, B.
Edwards, H. R.
Erwin, G. D.
Fairbairn, D. B.
Fisher, P. S.
Fraser, Malcolm
Gorton, J. G.
Graham, B. W.
Hallett, J. M.
Hamer, J.
Hawson, H. A.
Holten, R. M.
Hunt, R. J. D.
Jarmann, A. W.

Katter, R. C.
Kelly, C. R.
King, R. S.
Lloyd, B.
Lucocq, P. B.
McLachlan, P. R.
Mackellar, M. J. R.
Maisey, D. W.
McLeay, J. B.
McVeigh, D. T.
Nixon, P. G.
O'Keefe, F. L.
Peacock, A. S.
Robinson, Eric
Robinson, Ian
Sinclair, J. McC.
Smedden, B. M.
Street, A. A.
Turner, H. B.
Viner, R.
Wilson, J. B. C.

Tellers:

Engel, J. A.
Giles, G. O'H.
Constitution Alteration (Prices) Bill

PAIRS
Patterson, R. A. Fox, E. M. C.
Cairns, J. F. Wentworth, W. C.

Question so resolved in the affirmative.

Original question put:
That the Bill be now read a third time.

The House divided.

(Mr Speaker—Hon. J. F. Cope)

Ayes . . . .  . .  64
Noes . . . .  . . 45

Majority . . . .  . . 19

Ayes
Armitage, J. L.
Ashley-Brown, A.
Barnard, L. H.
Beazley, K. E.
Bennett, A. F.
Berinson, J. M.
Birrell, P. R.
Bowen, Lionel
Bryants, G. M.
Cameron, Clyde
Cass, M. H.
Coates, J.
Cohen, B.
Collard, F. W.
Connor, R. P. X.
Crean, F.
Cross, M. D.
Dale, F. M.
Davies, R.
Doyle, F. B.
Duthie, G. W. A.
Enderby, K. E.
Everingham, D. N.
Fitzpatrick, J.
Fulton, W. J.
Garrick, H. J.
Grassby, A. J.
Gun, R. E.
Hayden, W. G.
Hurford, C. J.
Innes, U. E.
Jacob, R.
James, A. W.

Jenkins, H. A.
Johnson, Keith
Johnson, Les
Jones, Charles
Keating, P. J.
Keeoh, L. J.
Kerr, J. C.
Klugman, R. E.
Lamb, A. H.
Luchetti, A. S.
Martin, V. J.
Mathews, C. R. T.
McKenzie, D. W.
Morris, P. F.
Morrison, W. L.
Mulder, A. W.
Oldmeadow, M. W.
Olley, F.
Reynolds, L. J.
Riordan, J. M.
Scholes, G. G. D.
Sherry, R. H.
Stewart, F. E.
Thorburn, R. W.
Uren, T.
Wallis, L. G.
Whan, R. B.
Whitlam, E. G.
Willis, R.

Tellers:
Hansen, B. P.
Nicholls, M. H.

Noes
Adermann, A. E.
Anthony, J. D.
Bonner, R. N.
Bourchier, J. W.
Calder, S. E.
Cameron, Donald
Chipp, D. L.
Cobett, J.
Cramer, Sir John
Drummond, P. H.
Drury, E. N.
Edwards, H. R.
Erwin, G. D.
Fairbairn, D. E.
Fisher, P. S.
Fraser, Malcolm
Graham, B. W.
Hallett, J. M.
Harmsworth, F. W.
Hawson, H. A.
Holt, R. McN.
Hunt, R. J. D.
Jarman, A. W.

Katter, R. C.
Kelly, C. R.
King, R. S.
Lloyd, B.
Luccock, P. E.
Lynch, P. R.
MacKellar, M. J. R.
Maisey, D. W.
McLeay, J. E.
McVeagh, D. T.
Nixon, P. J.
O’Keefe, F. L.
Peacock, A. S.
Robin, Ian
Sinclair, I. McC.
Snedden, B. M.
Street, A. A.
Turner, H. B.
Viner, R.
Wilson, J. B. C.

Tellers:
England, J. A.
Giles, G. O’H.

Pairs
Patterson, R. A.
Cairns, J. F.

Fox, E. M. C.
Wentworth, W. C.

Question so resolved in the affirmative.

Bill read a third time.

Sitting suspended from 7.30 to 8 p.m.

AUSTRALIAN CITIZENSHIP BILL 1973

Assent reported.

MEAT EXPORT CHARGE BILL 1973

Second Reading

Debate resumed from 11 September (vide page 785), on motion by Mr Grassby:

That the Bill be now read a second time.

Mr LIONEL BOWEN (Kingsford-Smith—Acting Leader of the House)—Mr Speaker, may I have the indulgence of the House to raise a point of procedure on this legislation? Before the debate is resumed on the Bill I would like to suggest that it may suit the convenience of the House to have a general debate covering this Bill and the Meat Export Charge Collection Bill 1973 as they are related measures. Separate questions may, of course, be put on each of the Bills at the conclusion of the debate. I suggest therefore that you, Sir, permit the subject matter of the 2 Bills to be discussed in this debate.

Mr SPEAKER—I shall allow that course to be followed.

(Quorum formed.)

Mr SINCLAIR (New England) (8.3)—In reply to a question in this House the other day the Prime Minister (Mr Whitlam) intimated that he did not believe that at meetings and Press conferences outside this House he was in any way denying the House the opportunity to question him. Unfortunately in the second reading speech on this Bill the Minister for Immigration (Mr Grassby), who represents in this House the Minister for Primary Industry (Senator Wriedt), did not realise that the Prime Minister had had such a Press conference. The Bill itself acts in complete contradiction to the undertakings given in the Budget speech of the Treasurer (Mr Crean). It is a Bill which the Opposition dislikes. It dislikes it because of the Bill’s philosophical foundation and practical shortcomings. The Bill has been drafted with 3 objects in mind: Firstly, that the meat export industry should pay for export inspection and eradication charges when no other export industry pays for such charges. Secondly, that the imposition of a charge on meat for export will divert supplies to the domestic market. Thirdly, that because the industry is affluent at present it should be subjected to a supplementary tax—a tax on profitability. All 3 points are invalid. The philosophical foundation of the Bill is another reflection of the anti-rural bias of this Government.
Mr Grassby—Oh, garbage.

Mr SINCLAIR—In the debate on the Budget, the kicking of the rural community at the hands of the Labor Party and by the honourable member for Riverina, the present Minister for Immigration who has completely welshed on those who elected him to this place, was stressed by member after member on this side of the House.

Mr Grassby—Mr Speaker, a point of order.

Mr SINCLAIR—It was not so much a kicking—it was a bashing.

Mr Grassby—Mr Speaker, if the Deputy Leader of the Country Party does not know what order is he should learn it now. I take a point of order. I resent—

Mr SINCLAIR—You deserve the comment given to you,

Mr Grassby—I resent the charge of being a welsher. I describe him as a disorderly man. I want a withdrawal and an apology and I am entitled to that. As an honourable member he should know the forms of the House. If not, he should not serve here.

Mr SPEAKER—Order! I ask for all interjections to cease. I do not think the honourable member made a personal reflection.

Mr Grassby—He said I am a welsher and he repeated it.

Mr SINCLAIR—It is unfortunate that the members on the other side of the House who represent rural electorates do not—

Mr Grassby—Mr Speaker, I persist with my point of order.

Mr SINCLAIR—It is unfortunate that they do not effectively represent the people who elected them to this House.

Mr Grassby—The honourable member is absolutely disorderly. I persist—

Mr SPEAKER—Order! The honourable gentleman will resume his seat.

Mr Grassby—Well!

Mr SPEAKER—Order! Sit down.

Mr Grassby—Mr Speaker—

Mr SPEAKER—Order! I will run this place. You run your Department.

Mr SINCLAIR—Mr Speaker, it is unfortunate that the Government supporters who represent rural electorates have no understanding of the interests of rural people. The deplorable exercise of irresponsibility demona-
levy again today or tomorrow at another
Press conference? This House of Parliament
has not been given the courtesy of the reason
for the increase from 1c per lb to 1.6c per lb
on beef exports. The Opposition therefore
intends to reject those increases in excess of
the Treasurer’s Budget statement. If the Prime
Minister thinks that this House will not
accept complacently his announcing, outside the
Parliament altogether, decisions contrary to
those made by his Treasurer in the Budget, he
has another think coming.

In the Committee stages I propose to move
that the charges should be no more than the
1c per lb which the Treasurer, in his Budget
speech, said they would be. There is no word
in the second reading speech to indicate to
any member of this chamber any reason why
the charge should be higher. It is no use the
Minister coming back at this stage of the
debate and saying: ‘We forgot about it’. If
the Government’s left hand—particularly the
Minister for Immigration, representing the
Minister for Primary Industry in this House,
belatedly it is true; and I really wonder
whether he is not ashamed to do so, but then
again perhaps he does not represent his
electorate—catches up with what the right
hand, the Prime Minister, is doing or saying,
perhaps then the Parliament can be told.

In opposing this provision in the Bill I say
that the Bill obviously not only has been
hastily drawn up but presumably also the
department which advises the Minister had
no idea that the change had been made. It
is absolutely deplorable that a Minister can
come into the Parliament, make a second
reading speech and fail to advise the Parlia-
ment of changes which his Prime Minister
intimated to a Press Conference the day
before were to be made in the Bill.

Recently the Bureau of Agricultural
Economics gave to the Joint Parliamentary
Committee on Prices some estimates of what
it saw as export meat production up to
1975-76. I want to talk for a few moments
about the cost of the levy—about how much
this levy will cost primary producers who are
engaged in meat production. If we accept
the submission of the BAE it means that in the
9 months remaining in 1973-74 about 961,400
tons of meat for export are expected to be
produced. This meat will be subject to meat
inspection charges of $16.15m. I repeat, this
is for the 9 months to 30 June 1974. In the
12 months from 1 July 1974 to 30 June 1975
a total of 1,105,000 tons of export meat will
be subject to meat inspection charges of
$24.76m. In the 12 months to the conclusion
of this Bill—that is, for 1975-76—1,271,400
tons of export meat will be subject to meat
inspection charges of $28.48m. Thus in the
next 33 months, assuming the levy charge is
a flat 1c per lb, the cost of the levy to the
export meat industry will be $69.39m. I stress
that these inspection charges are based on the
assessment of the Bureau of Agricultural
Economics given about 2 weeks ago to the
Joint Committee on Prices. This is the basis
of my assessment of meat quantities to be
exported. With a levy of 1c per lb the charge
will amount to $69.39m.

I am excluding altogether those charges
which the Prime Minister has told the people,
but which the Minister has not told this Parlia-
ment, will amount to 0.6c per lb and which
apparently relate to tuberculosis and brucel-
losis eradication. For the purposes of this
debate, the Parliament knows nothing about
those charges. The Parliament has been com-
pletely ignored. The Prime Minister is treat-
ing the Parliament as a farce and he correctly
deserves to be treated in the same light. As
a result the overall cost to the meat industry,
if we add the 0.6c per lb to beef exports, which
according to the Prime Minister’s Press inter-
view relates to brucellosis and tuberculosis
eradication, during the next 33 months will
be approximately $80m to $85m.

The 1c per lb levy relates specifically to
the inspection of carcasses and other ancillary
facilities—that is, the ancillary expenses for
which the Government is responsible with
respect to meat exports—and will result in a
total cost of $69.39m. In 1972-73 the cost of
meat inspection services was $11.4m. If we
assume a growth factor of 25 per cent annually
in inspection charges—a fair figure taking into
account the growth of exports, the widening
recruitment of inspectors, rising wage rates and
the inflationary spiral about which this Gov-
ernment seems to care little in that it is spend-
ing money in the public sector and not caring
2 hoots about where it is going; of course
it is making the private sector pull its horns
in and has no concern for the individual men
and women in this community and is con-
cerned only that the public sector should keep
on spending—we find that in the remaining
9 months of 1973-74 the cost of inspection
services would be $14.3m. In 1974-75 the cost of inspection services would be $17.9m and in 1975-76 it would be $22.4m. In other words, the total for the next 33 months would be $54.6m. The Bill, however, provides for a levy that will bring from the beef producers, mutton producers and lamb producers the sum of $69.39m. This Government, through a Labor Minister, will spend only $54.6m in providing the services which this levy is supposed to compensate. I assert again that I am excluding completely the additional surcharge which the Prime Minister, outside the Parliament, said will be imposed to cover tuberculosis and brucellosis eradication. The difference in what will be raised and what should be paid is $14.8m—nearly $15m—or 30 per cent too much. Of course, the honourable member for Eden-Monaro (Mr Whan) has advocated that there should be high and penal export taxes. Perhaps his policy already has been accepted.

Mr Whan—I have not. You have made a mistake.

Mr Sinclair—There is no doubt that this is but the first step. Of course I am sorry if I have offended the honourable member for Eden-Monaro but I am simply quoting from a television interview that he gave. I am sorry that if in the television interview he said that he believed there should be penal taxes of this sort. He is not concerned about meat producers. After all, he does not represent them. He only comes from an electorate which depends to a significant degree on people who are in the animal industries. But he is not worried about his electorate. He is in this Parliament for the time being, and it will be a short time being.

If there is to be a levy it should not be 1c per lb but about 0.7c per lb. Unfortunately this is not what the Government is proposing. The Government realises that if it strikes a rate of 1c per lb for basic inspection services it will get about $15m which can be paid into Consolidated Revenue. It can apply the principles that the honourable member for Eden-Monaro espouses. It can start to twist the screws and can drive people engaged in these export industries from the country towns into the cities. It can drive people off the land. What a great concern the honourable member and the Minister for Immigration have for their primary producers. How lamentable it is that they are supposed to be representing primary industry. In this Bill it is proposed to collect $15m in excess of what the Government says the services will cost. The Minister for Immigration, in his second reading speech, said:

The purpose of this Bill is to impose a charge on meat exported from Australia in order to recoup the costs to the Government of export meat inspections.

What nonsense! The Government will receive $15m in excess of the cost. How does the Government account for this factor? Unfortunately what this Government is seeking to do is to pocket funds—to collect from the exporting industries, from primary producers and from the people who produce the wealth of this country, funds to pay for all its lavish schemes, all its nationalised proposals and all the socialist nonsense which it propounds. That being the position, I think there is a demonstrably irre- futable case for levy receipts to be paid into a trust fund for the meat industry and for charges to be deducted from that fund. If Government supporters mean what they say—one doubts it, but perhaps they might—they would accept this idea. Any surplus could then be paid back to the industry and be used for the industry's advancement. Perhaps it could be used as a way by which could be deducted from the next levy to be imposed an amount which would enable the industry to pay only so much as would enable the Government, as the Minister said, to recoup the costs to the Government of export meat inspections. There are several alternative ways by which the Government could have imposed the levy. If the Government was really worried—of course it is not—about the producing people of this country, it could have struck an arrangement which would enable the levy to be paid in arrears after the levy rate had been struck at the end of the financial year, based on the cost of total inspection charges. Perhaps that suggestion is too reasonable. This would allow the levy to be paid and it would allow the export meat establishments to have working capital during the currency of the financial year for the operation of the abattoirs and their development. In any event, to cover one alternative avenue of expenditure, I intend to move at the Committee stage that a trust fund be constituted, and I will specify one manner in which the surplus can be used. If the Minister feels that there is a better way, we will be interested to hear of it.

Of course, it is not just there that the anomalies and the penal character of this insidious Bill are apparent. The Bill is full of
anomalies. Perhaps the Minister for Immigration does not know it, but the practice in the Department of Primary Industry has been that only ordinary time for the inspectors and veterinarians employed by the Department are met by the Department. The very nature of the excellent work done by the veterinarians and the meat inspectors of the Department means that they frequently have to arrive at the slaughter works before the normal time for commencement of work. They inspect livestock in the yards to make sure that the necessary standards of cleanliness and so on are complied with. Sometimes they have to work after the slaughtermen have completed their operations. A considerable amount of overtime is involved. But the Minister has not caught up with this. He does not realise that this charge is now paid by the exporters. It is not paid by the Government. The Government pays only for the ordinary time of the veterinarians and the meat inspection officials. The overtime is paid to the Department, for payment to the inspectors, by the meat exporters.

With the introduction of the levy the exporters are slugged again. They pay for most of the overtime and then they pay the levy. I have pointed out that the levy is excessive. It would be less excessive if the exporters did not have to pay the overtime. It would also be simpler administratively. However, there is no provision in the intent of this Bill, in the Minister’s second reading speech or in the cognate Bill to relieve the exporters of this burden. That is not the only anomaly in this Bill. Take the position of boned in and boned out meat. Perhaps the Minister does not realise that Australia exports a considerable amount of meat of both types. There is a levy to be paid only on the meat content of the boned out meat. Where the bone is in they pay the levy on the bone. Of course, the bone is not sold to the customer, other than in a minimal way, but the levy will be the same. Irrespective of the content of bone in the meat, the exporters will have to pay the levy by weight. Surely that is unfair. Frequently exporters are selling meat particularly when it comes with the bone attached—to customers for premium meats. They are selling it in chilled beef form. Surely they should not have to pay a levy on pathologically inert material by weight.

In the case of processed meat another anomaly exists. The levy has to be paid on the net weight of the product. A lot of processed meat contains cereal and other additives. The levy will have to be paid on the cereal in the processed meat because the levy will be paid on the net weight of the product. It also seems possible that the levy will have to be paid on other products such as spaghetti and meat balls. We have here a levy which is supposed to relate to meat. The Minister does not seem to realise that there are all sorts of processed meats. Fortunately the Government has exempted the cans so that when meat is exported in cans the meat exporters will not have to pay the levy on the cans.

Mr Street—That is some concession.

Mr SINCLAIR—That is some concession, as my colleague says. In fact they pay the levy on every other content. If the Government is really intent on trying to reduce prices for the consumer or to save meat inspection costs it should at least pay some regard to these anomalies. Perhaps honourable members might have been paid the courtesy of a few words in the second reading speech. Perhaps it is administratively difficult. We are not told about it in the second reading speech. There might be the same or an even higher standard of inspection required where processed meats or meats with other content in an export processed form are concerned. There might be a greater inspection requirement. But the Government has not paid honourable members the courtesy of telling them. It is just the same old levy. The exporters have been damned and condemned. The whole basis of the legislation is a twist of the screw for the primary industries. The Government has failed to concern itself about the people who are involved in the export industries. It has completely condemned the people who are generating the wealth that enables the whole of this community to survive, to sustain and to grow.

The levy is geographically selective. It is aimed at the meat export industry. Although southern Australia produces a large and increasing share of Australia’s total meat exports, the Minister for Immigration, who comes from the south, probably does not even know that in northern Australia by far the largest percentage of the meat slaughtered goes for export. In northern Australia—for example in the electorate of the honourable member for the Northern Territory (Mr Calder)—there is a complete dependence on being able to sell meat in markets overseas. Of course, there are other members of the
Australian Labor Party who might well know something about this. For example, the Labor members for Kalgoorlie (Mr Collard), Leichhardt (Mr Fulton), Capricornia (Dr Everingham), Dawson (Dr Patterson)—

Mr King—Eden-Monaro.

Mr SINCLAIR—He would not know. Those honourable members and the honourable member for Wide Bay (Mr Hansen) should be aware of this. We on this side of the House certainly are aware of it. The peripatetic Minister for Northern Development, the honourable member for Dawson, who unfortunately has left the country—I think it is for 3 months—would fully realise the implications of this levy on northern Australian abattoirs and how it would be an added cost to them. Of course, the Minister for Northern Development is not the Minister for Primary Industry. That raises an interesting point. It is very pleasing to see the Minister for Immigration sitting here on his behalf. Before the election there was a certain amount of rivalry between him and the Minister for Northern Development as to who would be the principal spokesman for primary industries. I was not sure just who was Little Lord Echo and when, but certainly neither of them had recognised that in northern Australia those who are involved in the meat export industry and in meat production depend on selling their stock overseas.

This Bill discriminates against those people in northern Australia. It ensures that the people in northern Australia have no opportunity at all to do other than pay the full levy because their problem is that they have to sell all their meat on export. They cannot sell any of their meat domestically. Therefore, they will be bearing a disproportionate share of the cost of the levy. It is true that because of their isolation and because of the problems associated with many of the northern meatworks, there is a higher cost involved. But there was no analysis in the Minister's second reading speech of why it is necessary to provide the same charge for people in northern Australia as for people in southern Australia. There was no recognition of the problems of those northern meat exporters. There was no recognition of the tremendous development that has taken place there. There was no acceptance that this levy will mean geographically that for every pound of meat that comes out of northern Australia the levy will be applied, whereas in southern Australia a significant percentage of the meat slaughtered is consumed domestically. So in northern Australia there is a geographical distinction drawn by the Government without any recognition of the difference and without any analysis or explanation of the costs involved. It is a sheer, straight levy. It discriminates against the people of the north who are labouring under so many difficulties in order to sustain and develop that part of Australia.

The Minister for Northern Development, who unfortunately as I said is not in Australia and will not be back for a few more months, might know of the material recently presented to the Joint Parliamentary Committee on Prices. The Committee was told that the profit margin for meat exporters at ruling prices is between 0.7c and 1.25c per lb. In his speech, the Minister for Immigration—a man who once had pretensions to be Minister for Primary Industry until he became apprehensive of where his policies or the policies of his colleague might lead him—made the point that he did not think the levy would be passed on to producers, with profit margins of 0.7c and 1.25c per lb and a levy, according to the Bill, of 1.6c per lb. What arrant nonsense! Is the man a complete imbecile? Does he not recognise that according to the arithmetic the producer has to bear the cost?

Mr SPEAKER—Order! Honourable members may not make personal reflections on other honourable members. The Deputy Leader of the Country Party will have to watch his words. That was a personal reflection.

Mr SINCLAIR—I said it in the form of a question, Mr Speaker. I accept the rebuke which you tendered to me. In his speech the Minister for Immigration made the point that he did not think that the levy would be passed on to producers. With profit margins that I have described the Minister must be in dreamland if he thinks that the influence of the levy will not be passed on to the producers. Producers in the north must feel it most. They all have to bear the cost. In other words on every pound of meat produced in the north the levy has to be paid; it is all for export. The profit margin is 0.75c to 1.25c per lb. The levy is 1c per lb—1.6c according to the Bill. The arithmetic just does not work out. In other words the producers again have to bear the cost. Perhaps that is why the Minister for Northern Development has left us and gone on his extended overseas trip.
Incidentally the amount collected from this single levy in the next 9 months will be 7 times greater than the paltry $2m given to northern development in the Budget.

There are 2 problems in the timing of the commencement of this measure. Industrial problems on the waterfront—particularly in Sydney—and late berthing will mean late shipment of cargoes sold forward. These surely deserve to be exempt from charges made subsequent to the date of sale and to the contracts of sale being effected. I would appreciate the Minister’s assurance that there will be a consideration that meat on the water and meat sold forward will not attract a levy which will completely preclude exporters from recouping the cost of dispatching that meat.

The Opposition sees this Bill as another example by this Government of its lack of concern for country industries; of its lack of concern for exporting industries; and of its lack of concern for the total Australian economy. To hear the honourable member for Eden Monaro recommend as he did this week, a penal export tax adds yet another perspective to this anti-rural program. That, of course, is another issue. It needs to be regarded separately to this measure. We look forward in anticipation, indeed with some relish, to the sort of recommendations that the verbal acrobatics of the honourable member for Eden Monaro will bring when he is called to support whatever penal charge this Labor Government will impose on meat exports.

It is completely unacceptable to us on this side of the House that the Prime Minister should make statements outside the House, and the Minister in his introduction of this Bill should not identify the reason for the variation from the Budget Speech. For that reason we intend to move in the Committee stage that the 1.6c per lb charge on beef exports be reduced to 1c per lb. It is completely unacceptable to us on this side of the House that the amount of money returned ostensibly for the purpose of covering the cost to the Government of export meat inspection should be nearly $15m in excess of that cost. Accordingly we intend to move that a trust fund be constituted to receive all the funds collected from this levy and to ensure that the monies collected will be spent for the purpose intended. It is for that reason that the Opposition will move the amendments which I foreshadow and it is for that reason that I say, as I said in the beginning, that this Bill is completely reprehensible and the Opposition dislikes the Bill in its entirety.

Mr SPEAKER—Order! The honourable member’s time has expired.

Mr WHAN (Eden Monaro)—I wish to make a personal explanation.

(Opposition members interjecting).

Mr SPEAKER—Order! I will start taking a bit of action if the House does not come to order; I can assure honourable members of that. Honourable members in the Country Party corner should keep quiet. Does the honourable member for Eden-Monaro claim to be misrepresented?

Mr WHAN—I do. The Deputy Leader of the Country Party, the honourable member for New England (Mr Sinclair), has accused me of supporting the imposition of an export tax on meat. In ‘Federal File’ the other evening I was asked a question as to whether the Parliamentary Joint Committee on Prices had found a solution to the problem of high meat prices in Australia. My answer was:

On the evidence available to the Committee there appeared to be only 2 things that can be done: One, to bring in some form of domestic quota and the second to bring in an export tax.

I then elaborated—

(Opposition members interjecting).

Mr SPEAKER—Order! The honourable member for the Northern Territory will not be warned again.

Mr WHAN—I then elaborated on the only evidence that was available to the Committee. I am not surprised that the honourable members of the Country Party lack the intellect to be able to distinguish between an objective analysis of evidence and a personal opinion on what is required in the political forum. This distinction has escaped them quite obviously because their entire relationship with this particular Committee—

Mr Corbett—I rise to order. I submit that the honourable member for Eden-Monaro is debating the subject now and he has gone well past his point of misrepresentation.

Mr SPEAKER—Order! I ask the honourable member for Eden-Monaro to conclude his personal explanation.

Mr WHAN—Mr Speaker, right through the interview with ‘Federal File’ the other evening I confined my remarks to the evidence of the Committee and an analysis of
that evidence. I am not surprised, as I have mentioned, that the Country Party——

Mr Sinclair—Is there a minority report from the Committee?

Mr SPEAKER—Order! The Deputy Leader of the Country Party will cease interjecting.

Mr WHAN—I am not surprised that the Country Party has misrepresented me in this way because it has something to answer for in the irresponsible and dishonourable way it has treated this Committee and leaked information to the Press and the public media.

Mr McVeigh—Mr Speaker, the remarks of the Minister at the table are personally offensive to me.

Mr SPEAKER—Order! There is no order involved unless the point is taken immediately the incident happens.

Mr McVeigh—I could not get in, Mr Speaker.

Mr SPEAKER—Order! There is no point of order involved.

Mr STREET (Corangamite) (8.37)—The test of the honourable member for Eden-Monaro (Mr Whan) will be when the report of the Parliamentary Joint Committee on Prices is brought into the Parliament. I have no doubt that an occasion will be provided to vote on the recommendation of the report and I withhold my judgment until that takes place. He will have the chance to make his view known then. This Bill that we are debating now which is to impose a levy on export meat is important in more than one respect. In the first place it affects a very important aspect of the Australia's meat export trade. It is vital to ensure access to our export markets that we maintain the hygiene standards required by overseas countries. These standards are rising constantly and we have to meet them. Certainly these requirements have raised our costs but there have been corresponding benefits as well. For example, there has been a marked improvement in the hygiene standards and working conditions in Australian exporting meat works. Many such establishments also provide meat for the home market. Therefore domestic consumers have also benefited. I think it is true to say that Australia’s major meatworks can now stand comparison with any in the world.

Mr O'Keefe—They are better than anywhere in the world.

Mr STREET—I agree with my friend and colleague the honourable member for Patterson. Unfortunately the Bill is also important for a quite different reason altogether. It provides a striking example of the incompetence of the Government on one hand and the contempt for Parliament by the Prime Minister (Mr Whitlam) on the other. The purpose of this bill was foreshadowed in the Budget Speech of the Treasurer (Mr Crean). He said:

The Government has decided to impose a charge on the export of meats, to recoup from the meat industry the substantial expenditure incurred by the Government for the benefit of the industry on export meat inspection services.

From 1 October 1973 to 30 June 1976, the charge will be 1 cent a lb on meat exports. The charge is expected to yield $14m in 1973-74.

Leaving aside for a moment the doubtful arithmetic of that $14m as exposed by my colleague the honourable member for New England (Mr Sinclair) I continue quoting the Treasurer's Budget Speech. He said:

The Government has also decided to recoup from the beef industry the expenditure incurred in the campaign to eradicate bovine brucellosis and tuberculosis. The amount to be recouped in 1973-74 will be approximately $6m.

I ask honourable members to note the last sentence particularly. It reads:

Details will be announced by the Minister for Primary Industry in due course.

My first comment on this aspect is: Where is the promised statement by the Minister for Primary Industry (Senator Wriedt) on raising funds for the brucellosis and tuberculosis eradication campaigns? Other honourable members may have been more fortunate than I. I have not seen it or heard of it so far.

We now come to the second reading speech of the Minister for Immigration (Mr Grassby) in which he stated in the first sentence:

The purpose of this Bill is to impose a charge on meat exported from Australia in order to recoup the cost to the Government of export meat inspection.

That is as clear as crystal. The Bill's intention is clear enough as far as the 1c a pound charge is concerned. But we look in vain in the Minister's speech for any mention of brucellosis or tuberculosis. But I do not believe that it is really fair to criticise the Minister for Immigration. After all he is not the Minister for Primary Industry; he is not the Minister representing the Minister for Primary Industry in this House. He is the Acting Minister representing the Minister representing the Minister for Primary Industry in this House. Unfortunately for him this
looks to be as close as he will ever get to being the Minister for Primary Industry. So it is not fair to blame him. I must remind him of a statement made by his own Leader. The honourable member for Riverina, the Minister, is someone who lives in the country. By the Prime Minister's definition, someone who lives in the country is a pagan. It is not fair to blame him for the deplorable omission in the second reading speech of any reference to the reason why the levy referred to in the Treasurer's Budget Speech has been increased to 1.6c a pound.

As far as we are concerned the purpose of the Bill is to raise money to cover the costs of the inspection of meat for export. That is what the Minister said in his second reading speech. The Treasurer in his Budget Speech said the charge to cover this cost would be 1c a pound. Why then is the charge 1.6c a pound? To find some explanation we must go to the Prime Minister's statement following his press conference on 11 September at which he said:

... in order to recoup the cost of the Government's contribution to the brucellosis and tuberculosis eradication campaign, Cabinet has agreed that the proposed export charge on beef and veal be increased from 1c a lb to 1.6c a lb.

I suggest that that is a disgraceful situation. The Prime Minister made a statement outside the House on a matter of substance consequent on the Budget, and directly related to legislation introduced into this House on the same day. But in the legislation itself no mention whatever of this arrangement is made, just as no mention is made in the Minister's second reading speech. There are only 2 explanations for this omission. It is either gross incompetence or an insult to the Parliament, and the Government deserves severe criticism on either count. That is why the Opposition is moving an amendment consistent with the Treasurer's Budget Speech and consistent with the Minister's second reading speech. All I can say is that it is just as well that, when the Government puts forward sloppy and ill considered legislation, there is an Opposition which can straighten things out for it.

But this legislation is deficient in other areas as well. We know from the Minister's second reading speech that the purpose of the Bill is:

... to impose a charge on meat exported from Australia in order to recoup the cost to the Government of export meat inspection.

The money raised cannot, therefore, be used for any other purpose. At least the Minister was clear and explicit on that point. However, there is no provision in the Bill for where any surplus money can be placed to ensure that it is used for the purpose explicitly stated in the legislation. Again there are 2 possible explanations for this fact. One is attempted deception. The other again regrettably is incompetence. Neither reflects any credit on this Government. I ask: what would happen if, at the end of the 33 months during which the legislation is in force, more money has been collected than is required to cover the expenses of export meat inspection, the only purpose for which money raised by this Bill can be used? Certainly there is no sign in the Bill or the second reading speech that the money would not disappear into Consolidated Revenue in contravention of the legislation.

There is no mention in the second reading speech of the calculations which led to a charge of 1c a pound being considered the right amount to pay for export meat inspection. My friend and colleague, the honourable member for New England has produced convincing evidence that the amount raised could be considerably in excess of requirements. If the Government was confident that it was the correct amount it should have told us how it calculated that figure. It has not told us how it calculated it. It has not told us, which means either it expects to raise more than it needs, or it just does not know. Because of the Government's record of ineptitude and incompetence, I will give it the benefit of the doubt and say that the latter is more likely. But that does not make it any less inexcusable.

The legislation is a mess. It is imprecise; it does not conform with the Treasurer's Budget Speech or the second reading speech of the Minister for Immigration. It fails to make proper provision to ensure that the revenue it raises is spent according to the second reading speech. It even fails to produce any evidence or indeed to give any indication that the amount of revenue it will raise is appropriate to the purpose of the legislation. The amendments which will be moved in due course by the honourable member for New England will, we believe, correct some of the deficiencies of the Bill. It is a sad reflection on the Government that it has to rely on the Opposition to make its legislation conform to the Budget's objectives and the Minister's second
reading speech, and to include proper safeguards to ensure that the revenue raised is used for the purpose expressly stated in the Bill. It is the Government’s own fault if the implementation of this legislation is delayed, because all the trouble could have been avoided if the Government had made a proper job of drafting the Bill in the first place, instead of having to rely on the Opposition to pick up its deficiencies and to correct the mess for it. I suppose we should not be surprised that the Government has made a complete mess of this legislation. After all, it does not know anything about the subject. But it is unfortunate, to say the least, that meat exporters have been caused so much confusion and uncertainty as a result of the legislation. My telephone has been running hot today with inquiries from meat exporting companies trying to find out what this all means, asking whether the levy was 1 c a pound or 1.6c a pound and what is the basis on which this levy has been raised.

Mr Whitton—The Government could not care less.

Mr STREET—As the honourable member for Balaclava so wisely interjects, the Government could not care less. The legislation has implications for future proposals affecting the meat industry. We have all heard of other measures which the Government is considering, such as a very heavy export tax or some form of export quotas. If this legislation is any guide, any further Government interference in the industry will be equally ill considered. The only long term solution to excessively high meat prices—and I should like to point out that present Australian prices, after many years of ridiculously, unrealistically low prices, are still well below those applying overseas—is to produce more meat. Confidence is an essential requirement for increasing production. Confusion inhibits and restricts increased production. Here is a classic example of confusion and badly drafted legislation. I trust—but I confess with not much expectation that I will be proved right—that, by the lessons the Government should have learned from the errors contained in this legislation its future efforts will be better prepared and show more understanding of the subject.

Mr WEAN (Eden-Monaro) (8.49)—I am disappointed that the honourable member for Corangamite (Mr Street) has fallen for the miscalculations presented to him by the Australian Country Party. Before this night is out, we will see that the public servants in the Department of Primary Industry have not made the error that has been attributed to them by honourable members opposite tonight. The shortage of meat inspectors is something which has concerned a number of members representing country electorates. Not very long after I became a member of this place, a difficult position arose at Goulburn. It was necessary to apply to the Minister for Primary Industry (Senator Wriedt) to have meat inspectors restored to the abattoir at Goulburn in order that the production chain should not fold up. The need for more reserves and personnel in the meat inspection service is painfully obvious to anybody who has an abattoir in his electorate. We have heard from members of the Australian Country Party that it is rubbish to provide enough meat inspectors to an abattoir to keep it working. We realise now just how superficial is the Country Party’s approach to this whole problem. The shortage of meat inspectors is paralleled by the quality of the work they perform. As we have heard already tonight, Australia has an unexcelled reputation in its approach to the question of meat inspection.

There is one aspect of meat inspection which has been overlooked by members of the Opposition in their approach to this question. We heard the Deputy Leader of the Country Party (Mr Sinclair) drawing an analogy between meat inspection and the inspection of other rural products. However, there is a major difference between these inspection services. Meat inspection involves inspecting every carcass. In the sense that we must apply the inspection process in detail to every carcass, it is not so much a quality control question as most inspection services are, but indeed a matter of production input in the process of slaughtering meat. The difference between this process and the normal quality control process is the fundamental problem that arises in an abattoir when inspectors are withdrawn. It is impossible to carry out a superficial inspection of meat. It is essential that every carcass be inspected and, therefore, that we have enough meat inspectors in the abattoirs to carry out such an inspection.

The Bill now before us will ensure that the meat inspection services of Australia maintained not only in quality but also in the
terms of the supply of inspectors. It is quite clear that we need more inspectors and I am pleased that this problem has at least been approached in a systematic fashion. It is the height of hypocrisy to say that export meat should not be charged to the industry when, in fact, meat consumed on the local market is already charged to the industry by the State governments. It is absurd. The Deputy Leader of the Country Party made the claim that export meat, like other export primary products, should be a charge on the taxpayer and not on the industry.

Mr Sinclair—I did not say that.

Mr WHAN—There is a large number of questions that need to be cleared up in regard to meat inspection services. The fact that we have duplicate meat inspection services—Federal and State—is something that should be looked at systematically with an open mind in order to simplify the whole process of meat inspection. There can be no question that unnecessary costs are involved because of this duplication, and I should like to see those costs reduced.

By this Bill we have placed the question of meat inspection on a proper ongoing basis. The industry pays for a production input just as any other industry pays for its production inputs. The meat industry is a strong and virile industry and I am absolutely sure,—indeed, I have confidence in the people involved in the industry—that the people of the industry have no wish to be subsidised by the general taxpayer in this respect. They have no objection whatsoever to incorporating in the production process what is a legitimate production cost. The Australian Government offers the best method of collecting charges on export meat and the Bill we have before us tonight provides the most efficient way in which the charges can be collected and in which the meat inspection services can be administered. I believe that not only will the correctness of this Bill be accepted by the meat industry and meat producers but also the industry will recognise that it places a firm foundation under a splendid service offered by the Federal Government to the industry. For these reasons, I commend the Minister for bringing the Bill before this House.

I should like to conclude my few remarks by referring to comments made by the Deputy Leader of the Country Party. He made 2 factual errors in his speech tonight. They were, firstly, in his reference to my opinion on the subject of an export tax and, secondly, in regard to the calculations lying behind the Bill we have before us. I believe that this is indicative of the entire approach that members of the Country Party have to the rural electorate—panic the electorate into fear, create an atmosphere of uncertainty and then capitalise on the political implications of it for all they are worth. The real logic of the argument and its factual basis are not only covered up; they are also not understood by members of the Country Party who wish to create an atmosphere of fear and uncertainty for their own narrow political ends. I register my objection to the way that members of the Country Party have used this Bill to further those ends.

Mr SINCLAIR (New England)—Mr Speaker, I wish to make a person explanation.

Mr SPEAKER—Order! Does the honourable member claim to have been misrepresented?

Mr SINCLAIR—Yes, by the honourable member for Eden-Monaro (Mr Wran). In the course of his remarks to this House the honourable member for Eden-Monaro alleged that I and my colleagues said that it was rubbish that we need no more meat inspectors. In fact, we do need more meat inspectors and I, as Minister for Primary Industry, was responsible for instituting schools in order to train additional meat inspectors. I understand that this practice has been discontinued by the present Government. I believe we do need more and adequate meat inspectors to cover the task of meat inspection.

Mr KELLY (Wakefield) (8.57)—I rise on this occasion more in sorrow than in anger because I have an uneasy feeling that the Minister for Immigration (Mr Grassby) either wittingly or unwittingly has deceived the House. I know that this is a very grave charge to make, but let me run over the facts—the few facts—in some detail. In the Budget Speech we were promised that the meat industry was going to be expected to pay an extra 1c per lb for meat inspection. Our hackles rose a little at this proposal but, accepting the fact that this is the new look of the Australian Labor Party and, recognising also that the meat producer is doing fairly well, we accepted this as an additional burden. But then we found when this legislation came in to justify the increased charge that
instead of the charge being 1c per lb it was 1.6c per lb for beef cattle. We were given not one word of explanation for this change. I repeat the quotation, referred to by the honourable member for Corangamite (Mr Street), from the second reading speech of the Minister for Immigration. The Minister stated:

'The purpose of this Bill is to impose a charge on meat exported from Australia in order to recoup the cost to the Government of export meat inspection.

Of course, we know that the inspection of cattle for brucellosis does not relate to the meat export inspection; it simply is a case of testing the beef cattle on the property for brucellosis. We are all interested to find out how this will be done and we are all anxious that it should be done because I need no convincing of the necessity for this brucellosis campaign to go forward. There is no argument about that. To my surprise and to the surprise of all of us heard the Minister for Immigration (Mr Grassby), who is Minister representing the Minister for Primary Industry (Senator Wriedt), come into the House and say that the Government wanted an increase from 1c per lb to 1.6c per lb in the levy on beef. Not one word of explanation was given for that rise. As I say, there could be only two possible explanations for this step, either that the Minister sought to deceive the House or that he did not know that the gun was loaded.

It was only by accident that on that very day—if I might inject a personal note—I happened to go to the Prime Minister's Press conference. I heard the Prime Minister (Mr Whitlam) say that the charge on beef would be increased from 1c to 1.6c per lb to cover the cost of brucellosis testing. When I returned to the chamber everybody was in a state of grave uncertainty. Everybody was asking: 'What is this increase from 1c to 1.6c?' Because I had been at the Prime Minister's Press conference I was able to explain to them that the Prime Minister had spelt out why the increase was to be made. The reason for the increase had been explained to the Press but it had not been explained to the members of this House. It was not explained in the Budget. Even more important and even more devastating in its implication is the fact that it was not announced by the Minister when he introduced this Bill. The implications are clear. Either the Minister did not know—which is a grave enough charge—or he sought to deceive the House. There is no other possible explanation.

I repeat that there is justification for the meat inspection charge. The honourable member for Maranoa has been eloquent in pleading the case for meat inspection to be of the highest quality. I am certain that no one on this side of the House will argue with that. But not one single word of the Minister's speech referred to the necessity for the increased charge of 0.6c per lb to be levied on beef for export. There must be some explanation. I notice that the Minister has left the table. I am glad to see that he is not hurriedly leaving the chamber. If he did do so I could understand why. He must be full of the most acute embarrassment. Not only has he seen a charge imposed on meat producers—we will accept that—but he gives the reason for the increase from 1c to 1.6c as a charge for meat inspection when the Prime Minister has said that the increase is for nothing of the kind. He said that it is for brucellosis inspection on the properties and not for meat inspection. I hesitate to draw the inevitable conclusions. As I say, I rose more in sorrow than in anger. There are only two possible explanations. Either the Minister sought to deceive the House, which is a grave charge, or he did not know what he was talking about, and that is almost equally as grave a charge.

Mr KERIN (Macarthur) (9.4)—The first after dinner speaker on this Bill, the honourable member for New England (Mr Sinclair), who is Deputy Leader of the Country Party, made a good thumping speech. This was in contrast to the usual sullen anti-rural mumbles of his colleagues. However, I take some exception to the reference to Dr Patterson, who is not at present overseas for 3 months but is in Geneva negotiating on international sugar agreements. He will be in attendance at that conference until mid-October. I thought that the Country Party would have regarded that conference as a serious matter and well worth the Minister's time overseas. The Deputy Leader of the Country Party made some mention also of schools for meat inspectors. Unless I misheard him he said that these schools were being stopped. I can say quite clearly that that is not so.

This Bill is straightforward, as stated by the Minister for Immigration (Mr Grassby) in his second reading speech. I will allow the Minister to answer some of the charges made. The purpose of the Bill is to impose a charge on meat exported from Australia in order to
recoup the cost to the Government of inspection of meat for export. The charge of 1c per lb will be paid by exporters and is designed to cover only the cost of inspection. There is no sense working out figures and tables and saying that more than the cost of inspection is to be recouped unless the matter is viewed over a 3-year period. The amount is to be recouped over 3 years—in fact in 33 months. Again, I believe that matter will be explained in full by the Minister for Immigration who is at present at the table. I believe that producers will be a little more proud and independent of spirit and not take much notice of the opportunistic approach of the Opposition or the political moves of some people who have a vested interest to maintain. The Minister for Primary Industry, Senator Wriedt, has spoken on this matter with meat industry leaders. As far as I can understand and as far as I am assured, the meat industry leaders have in no way criticised the imposition of this levy.

When I was a primary producer I thought it was sensible and logical that charges on the products I produced for export were a charge to the industry. When I was a producer producing livestock and wanted to clear up a disease, I thought it was fair enough that I, as a farmer, should pay for it. As far as I am concerned this is the philosophy that should be put forward. I think that there is no automatic justification for assisting industries just because they happen to export products. Is the Government expected to pay for the inspection of cars which are exported by car manufacturers? Does the Government have to help every industry regardless of the conditions the industry is experiencing? What is the sort of philosophy behind always grizzling about any change to the status quo? If blacksmiths had been subsidised at one stage, would there be any need to continue the subsidy until 1973? This charge has been in operation since 1927 and I think now is a reasonable and sensible time to impose this levy. I cannot understand why the Opposition maintains that taxpayers should subsidise exporters. I think that the rural industries are in a better position to absorb this cost than ever before.

Mr Street—I never said they will not be able to.

Mr KERIN—Well, even so, this is a justifiable charge in my opinion. As I said, I have faith in this industry and I think there is a lot of confidence and stability in the meat exporting industry and in the meat industry overall.

The total income of the rural industry has risen by $756m to a record $1,880m in the current year and will be a lot higher next year. The total impact of all charges and the removal of subsidies in the Budget amounts to about 2 per cent of the projected net income in the coming financial year. Australia is now the world's largest exporter of meat and the world's largest exporter of beef. There is a fair amount of evidence of the health of the rural economy at present. I think I should emphasise 'at present'. This is not simply a climatic factor with respect to beef. The supply has been rising for a long time and there has been much transfer of resources into beef. Land values are booming and the profit of major rural companies is rising. This is a damned good thing considering what the industry has gone through recently.

A table of price rises of meat, movements in the consumer price index and the indices of the components of the meat group from the December quarter 1966 to the December quarter 1972 show that the rate of increase in the price of all types of meat, with the single exception of beef, in this period had been significantly less than the rate of increase in the consumer price index. However, the change between the December quarter 1972 and the March quarter 1973 in the consumer price index and the meat price indices showed a dramatic jump. The consumer price index was up 2.1 per cent. All meat rose 8.6 per cent; beef 6.2 per cent; lamb 15.7 per cent; mutton 23 per cent; and pork rose 3.6 per cent. There was an even larger jump from the March quarter to the June quarter. The consumer price index rose 3.3 per cent and compared with the previous quarter meat was up 11 per cent; beef 9.3 per cent; lamb 12.9 per cent; mutton 20.8 per cent; and pork 4.4 per cent. I think this is fair evidence of the rising prices of meat and is related directly to the United States price. A recent Bureau of Agricultural Economics study showed that for every 1c rise on the United States market local prices rose by 0.5c. Wholesale prices for meat in the United States have risen 215 per cent since 1971. The price of boneless beef was 50c per lb on 2 August 1973. Three
The primary producers and the electors of Eden-Monaro would be delighted to hear this statement by the honourable member:

There would have to be a tax on all exported meat—beef in particular—collected by the Australian Government and returned as a payment to producers who sold cattle in the saleyards.

The report went on:

"Asked if the figure would be something like 20c, he replied: 'I don't know. I'm sure nobody could tell until the market was tested'."

It would be necessary to test it gradually.

Those are the remarks of the honourable member for Eden-Monaro and he has in this House tonight turned a sugar doodle with regard to that statement which was reported in the 'Sydney Morning Herald', which I take it is a reliable newspaper.

The charge under the legislation we are dealing with tonight will be 1.6c per lb on meat and edible offals derived from cattle and calves, and 1c per lb on meat and edible offals derived from sheep, lambs, goats and pigs. This is rather strange when in the Budget figures which were produced in this House, a provision of only 1c per lb was mentioned. Now we find, when the fine print comes through, that it is to the order of 1.6c per lb. The charges under the Bill are to operate for 33 months from 1 October 1973 to 30 June 1976. In the second reading speech the Minister for Immigration (Mr Grassby) stated that the charge is being made to cover the cost of meat inspection, which has grown with the huge increase in meat exported from Australia. It is noted that the cost of meat inspection has grown considerably in recent years and it now stands at approximately $11.4m. Furthermore, there are now 1,726 veterinarians and meat inspectors employed in our export works.

The Minister went on to say that this particular charge is not intended to be a means of diverting supplies of export meat to the domestic market. He further stated that with strong demand for Australian meat it is not expected that the charge will be passed back to the primary producer. I think this is wishful thinking on the part of the Minister because we have heard so often in the past that something will not be passed back to the primary producer, but the primary producer is at the end of the line and it is jolly well passed back to him every time. The producer is always the one to be penalised in the final analysis.
Originally the export charge was to pay for meat inspection. Now we find this additional 0.6c for tuberculosis and brucellosis eradication expenses. The Government is full of surprises. It would appear from acts of the present Government that it is hell bent on interfering with one of our greatest industries, our biggest primary industry apart from wool, our second biggest export industry, which was worth $859m in 1972-73, and if it is not interfered with too much its value will increase and its exports will bring great benefits to Australia and stabilise our economy, which is under threat at the present time. We have established through our growers, our export works and our meat exporters very valuable markets. These markets have been built up over a number of years and they will be broken down very quickly if we are to have legislation of this nature popped on us every week or so.

What a market for meat the United States of America is. Up to the end of last June $337m worth of Australian meat had been exported to that market. It is the second biggest market we have developed and it will expand in the future. The Japanese market is worth $112m. Our third biggest market is the United Kingdom. It is expected that when the United Kingdom goes into the European Economic Community this market will not be lost but it will be built up. As a matter of fact the European Economic Community will be in the market for some 600,000 tons of beef within the next 4 or 5 years, and we in this country hope to get our share of that market. The Canadian market is worth $26m. Those figures must surely show that this industry is a colossal industry. The fact that this is a colossal industry providing great economic benefits to Australia does not mean that it should be down trodden by taxing it at every level. 'Meat' is not a dirty word. 'Meat' is a word which we should cherish in Australia because it is bringing us prosperity. It is bringing us great economic benefits. It is one of the greatest means of decentralising industry in Australia. Hundreds of thousands of people right across the length and breadth of Australia are employed in the meat industry. It is an industry with which I have been associated through a big export works for a long time and I know just what is taking place in the industry. I know the trials and tribulations which it has gone through over the years, the tremendous amount of finance that has been needed to build these works, to expand them and to encourage the primary producer to go in and develop the beef industry so that we can feed these great works.

The industry has been built up by a very careful operation over a period of years and it is now a great decentralised industry. We talk about decentralisation, yet we have seen acts by this Government in the last few weeks that have absolutely killed decentralisation in Australia. Do not let us kill this industry. Why pick on the meat industry? As my colleague the honourable member for New England has said, the tax which will be applied under these 2 Bills will be of the order of $63.9m.

Mr Duthie—What rubbish!

Mr O'Keeffe—It is not rubbish at all. The honourable member for New England has produced those figures. When one considers that 1c per lb will amount to something like $6 on a decent size carcass one can see that it will soon total $63.9m and more. Primary producers have been badly hit by droughts over the last 4 or 5 years. They have poor prices for their products and are indebted to the financial institutions, including banks, to the order of $3,200m. Many have heavy overdrafts. Just when these people have the opportunity to pay back their debts and to get themselves onto a sound footing, we find that the Government is endeavouring to dampen financial enthusiasm in the industry.

We are going to want a lot more incentives in the industry. We are going in now for cattle feed lots. In the New England electorate there is one at Bective with 3,000 head of cattle and there are three in my area at Caroona, Spring Ridge and Quirindi. With incentives these feed lots will develop further export markets for this country. This Government wants to do everything it can to dampen the financial enthusiasm of this industry. This move has come on top of 2 revaluations and withdrawal of export incentives in the meat industry which have knocked the primary producer. This Government withdrew meat export incentives which were introduced by the Liberal-Country Party Government, which stimulated the meat industry and which helped it to develop markets overseas, and now we have these further charges. I believe that in the next few weeks we will see in this Parliament a proposition to place an export levy of 10c per lb on beef going from Australia.
Mr Garrick—That is a lot of bull.

Mr O'KEEFE—Yes, I know. The honourable member would like to own a paddock of bulls today. They are good value. It would not hurt him to own a couple. This means that on beef going overseas the export levy would be something like $60 to $70 per beast. I saw in tonight's newspaper that it is proposed to hand back to primary producers some of this money. What absolute nonsense this is. As I said earlier, there is not a chance of this happening. The primary producer is the one at the end of the line who is socked. If this tax is introduced it could be the ruination of a great industry. It will affect primary producers right across Australia. Honourable members in this House, whether they be from the Labor, Liberal or Country Party, have received hundreds of telegrams condemning the proposal of the Government to place this levy on export meat. There is no denying that. I will bet that the Minister for Immigration (Mr Grassby) who is the honourable member for Riverina has received his share. I know that one honourable member on his side of the House has received 150 telegrams. I have received something like seventy-five. This shows the concern of meat producers in this country over the action of the Government.

We know that 60 per cent of our meat produced in Australia is exported, 40 per cent going to the local market. There is great concern over the price that is being charged on our local market for meat but when we look at the inflation that has taken place, meat is relatively no dearer today than it was some 4 or 5 years ago. We still have the second lowest meat prices in the world. The way to bring benefits to our local market is to step up production in this country. An increase of 10 per cent in beef supplies over a 3 months period in New South Wales alone would result in a 4 per cent fall in cattle prices at our main market, Homebush. We should not be denigrating and knocking this industry. We should be promoting it and increasing its production. We cannot do away with supply and demand and with increased supply there is no doubt whatever that the price of meat on our local market would come down. I support the amendment that is to be moved by the honourable member for New England. I deplore any attack made on this great meat industry which has been developed over many years with great expertise and with great amount of capital.

Mr MALCOLM FRASER (Wannon) (9.27)—There is some difficulty in knowing how to conduct this debate on behalf of the Opposition because we do not really know on what basis to conduct it. There are two possibilities: One is that the Minister for Immigration (Mr Grassby), the honourable member for Riverina, misled the House when he introduced the legislation, because the Prime Minister (Mr Whitlam) said something which contradicts what the Minister said. The other possibility is that it is not a question of misleading the House but a question of the Minister just not knowing what it is all about. It is difficult to make up one's mind. I would be grateful if the Minister could enlighten the Opposition as to whether in fact he did not know what it was all about or whether in fact he did not know that the Prime Minister at the same time as he was speaking in this House was giving a different version to the Press Gallery, or whether he hoped that the Prime Minister's Press conference would not come to the notice of honourable members in this House and that he could get away with misleading the Parliament and all honourable members in it. There is no other alternative.

Mr Duthie—What did he say?

Mr MALCOLM FRASER—The Prime Minister or the Minister?

Mr Duthie—The Prime Minister.

Mr MALCOLM FRASER—What they both said is entirely different. The Prime Minister made a statement outside the House in the forum that he regards as important, the forum where he announces the Government's decisions. He was not prepared to do it in this Parliament. He is the first Prime Minister in 25 years who has not treated this Parliament with some degree of respect and he tries to bluster his way through it by saying that he gives members an opportunity to ask questions. That is not what people on this side of the House complain of. They complain of the fact that this Prime Minister makes his policy announcements outside this Parliament and the result is that in this instance within the very same hour the Minister who would like to be the Minister responsible for primary industries but who is the Minister irresponsibly representing the Minister for Primary Industry (Senator Wriedt) makes an entirely different statement inside this House. Who is
right? One statement is made under parliamentary privilege in this place and the other is made under the privilege and auspices of the Australian Press.

Mr Duthie—What did he say?

Mr MALCOLM FRASER—I think it would be a good idea to know what the Minister said and what the Prime Minister said. I will read them both and in this way we will know quite clearly where the difference lies. The Minister for Immigration said:

The purpose of this Bill is to impose a charge on meat exported from Australia in order to recoup the cost to the Government of export meat inspection.

That is the purpose of the Bill, nothing else. There is nothing more in the Bill about that. The Bill does not explain it. It leaves it wide open. The Government could use the money for anything it likes. One assumption, which is completely legitimate, is that the Government could use a surplus of $31m for some of its other social programs if it wanted to do so, so far as this Bill is concerned, because there is no restriction. It is a levy on meat. But then the Prime Minister said:

As already announced by the Treasurer Cabinet has decided to withdraw export incentives from meat. In addition, in order to recoup the cost of the Government's contribution to the brucellosis and tuberculosis eradication campaign Cabinet has agreed that the proposed export charge on beef and veal be increased from 1c per lb to 1.6c per lb.

That is what the Prime Minister said. I think that the Prime Minister might at least have told his Minister. If he did tell his Minister his Minister might at least have told this Parliament because the Minister said only that the funds to be collected are to cover the export meat inspection services. Therefore there is confusion. What does the Government want the money for? Originally it said it wanted 1c per lb for export meat inspection services but now it has brought in a Bill which seeks to impose a levy of 1.6c per lb. This will raise very considerably increased funds, funds far in excess of that amount which would be required to pay for the inspection services. No explanation is given to this Parliament—an explanation which does not lie with the statements of the Minister for Immigration who is at the table and who irresponsibly represents his colleague in another place. He just has a different view and a different explanation. I think it is worth noting that not one word of what the honourable member for Riverina said before 2 December concerning rural industries has come to be true. Five hundred million dollars at 3 per cent, was it not? Where has that gone? And a 10 per cent rate of interest on farmers' overdrafts is what we are going to see before Christmas. The honourable member for Riverina promised $300m at 3 per cent.

Mr DEPUTY SPEAKER (Mr Luchetti)—Order! I think the honourable member should return to the Bill.

Mr MALCOLM FRASER—with great respect, Mr Deputy Speaker, I think that this is highly relevant to the Bill because we are told by this Government in the Budget Speech and by the Minister for Immigration that one thing is going to happen and then the Prime Minister in the same hour is saying something quite different to the Press and that is completely, categorically and irrefutably proved. I would refer to the same quality of statements by the honourable member for Macarthur (Mr Kerin), whose position I understand would be one of some difficulty, because earlier this year I was with him at a meeting of a group of agricultural technologists. He said, firstly, that there was no difference between Pitt Street and Collins Street farmers and all other farmers and secondly—

Mr DEPUTY SPEAKER—Order! The honourable member must return to the Bill. Some private views expressed by the honourable member for Macarthur outside this place are not being debated. I ask the honourable member to debate the Bill.

Mr MALCOLM FRASER—Mr Deputy Speaker, it is relevant to the Bill to point out how statements have been made which have been thoroughly misleading and that this is a general pattern. That is what I am relating to the Bill. I submit with great respect, Mr Deputy Speaker, that it is entirely proper that that kind of analogy, that line of argument should be permitted to be led in this place. If it is not going to be led it will circumscribe the arguments that can put in this place in a way that would shackle the Opposition as has never occurred before in the whole history of this Parliament. So with the greatest possible respect, may I continue to say that just as this Parliament has either been misled or misinformed by a Minister who did not know what the circumstances were in relation to this Bill, so too were a group of people in Melbourne misled by the honourable member for Macarthur who would have believed what he said. I have not the slightest doubt about that. He said that there was no real
difference—I agreed with him and there was not an argument between us—between Pitt and Collins Street farmers and that you could not make a valid distinction. We did not argue about that. But the one point on which the honourable member for Macarthur did disagree with me was when I said that the Government was going to use this as a smoke-screen under which to remove all depreciation allowances which are available to the farming community. The honourable member for Macarthur made it plain that he thought that would not happen, and of course it has.

Mr DEPUTY SPEAKER—I will ask the honourable member to resume his seat unless he proceeds to discuss the Bill.

Mr MALCOLM FRASER—Mr Deputy Speaker, a central point in this Bill is that this Parliament has been misled. If we are not allowed to lead arguments which suggest that that is a habit of Government spokesmen in relation to primary industries, I submit with great respect that the Opposition is being shackled and is not being allowed the proper rights of debate and argument which ought to be available to the Opposition. I have mentioned quite plainly how the Prime Minister and the honourable member for Riverina have said 2 entirely different things. The House is indebted to the Deputy Leader of the Australian Country Party who has pointed out in plain terms that the Government is going make a very heavy profit out of this legislation. The requirement over the period of operation of the measure is a little under $55m. At 1c per lb an amount of $69m will be collected giving a profit of about $15m. That is not a bad profit.

It would be worth while getting the restrictive trade practices legislation or the Government's own prices tribunal on to the activities of the Government in that regard. Because of the tax of 1.6 per lb, which this Bill provides for, the total levy amounts to $85m which is over $30m more than is required to cover the cost of inspection services. The honourable member for Eden Monaro (Mr Whan) said when the Deputy Leader of the Country Party had originally made these points that he was going to answer them but when the honourable member did get up to speak he studiously evaded the points and gave no answer at all concerning the profit which the Government will make out of the producers of meat as a result of this legislation. It is a shabby and shoddy trick which the Government is seeking to play.

Mr Duthie—It is a lie. It is a lie what you have just said.

Mr MALCOLM FRASER—I object to those words and I would ask that they be withdrawn.

Mr DEPUTY SPEAKER (Mr Luchetti)—I ask the honourable member to withdraw them.

Mr Duthie—It is a falsehood.

Mr MALCOLM FRASER—I do not regard that as a withdrawal and I ask the honourable member to withdraw it unequivocally.

Mr Duthie—It is a withdrawal and I will not take it any further.

Mr Scholes—I raise a point of order. Is the honourable member for Wannon entitled to remain standing when another person is complying with your ruling, Mr Deputy Speaker?

Mr Grassby—The Leader of the Australian Country Party has just come into the House so he should keep quiet.

Mr MALCOLM FRASER—The terrier from Riverina has woken up at last. No man has betrayed his electors more.

Mr Grassby—From the Brutus of Australian politics that is a compliment and I would like it recorded.

Mr DEPUTY SPEAKER—I ask the honourable member for Riverina to resume his seat. I ask the honourable member for Wannon to be seated. The honourable member for Wilmot will assist proceedings by withdrawing his remark.

Mr Duthie—I withdraw and say that it is a falsehood.

Mr MALCOLM FRASER—In case one doubts that this House was misled let me read the words again. The Minister for Immigration said:

The purpose of this Bill is to impose a charge on meat exported from Australia in order to recoup the cost to the Government of export meat inspection.

That is all, nothing else. We would be happy to provide funds for that purpose. We are not arguing about that aspect, but outside the House the Prime Minister, who no doubt could assist this debate if he were prepared to come
into the House and say what his Government intends instead of announcing it outside, has said:

In addition, in order to recoup the costs of the Government's contribution to the brucellosis and tuberculosis eradication campaign—

That is quite a different matter and not related to the meat inspection services at all—

Cabinet has agreed that the proposed export charge on beef and veal be increased from 1c per lb to 1.6c per lb.

He either did not tell the honourable member for Riverina or the honourable member for Riverina misled this House or did not know what he was doing. The House can make up its own mind on this, but it needs to understand that on the basis that the Government has stated and which it has set down to collect money for meat inspection services it needs $55m at the most. From the tax, which is established in this Bill, it will be collecting almost $70m—a profit of $15m. With a tax of 1c per lb the Government would gain a profit of $15m. However if the tax is 1.6c per lb on beef and veal, as established by this legislation, which the Opposition will not permit in this House or in the Senate, the funds collected will be $85m, which will result in a cool profit of almost $31m. For what purpose will that be used? It has been suggested that it will be used for brucellosis and tuberculosis eradication campaigns, but the cost of those campaigns is borne largely by the States and at the most $6m to $7m would be required from the Commonwealth. In these circumstances this Parliament is owed an explanation.

The Prime Minister has made one too many speeches outside the Parliament and has allowed the Minister for Immigration to mislead the House or unwittingly show that he does not know what the situation is all about. If this is allowed to continue, the Government will soon move into a period of decay. It is worth noting that for a long while the primary producers of Australia have provided this country with cheap food. For more than 10 years food prices in Australian shops have stayed much below the general level of increase in average earnings. We have had a situation in which there have been forced sales as a result of drought and low prices and in which sheep numbers have fallen by more than 40 million in 3 to 4 years. In these circumstances, when farmers debts have increased to $2,000m or more, farmers need better prices to be able to pay off some of that debt, as a substitute, if you like, for the $500m at 3 per cent which the honourable member for Riverina wished to provide but whose Government would not allow him to provide. Higher prices and better returns are needed so that the farming community can get out of the debt which low prices and drought have forced it into and so that farmers can also pay the iniquitous 9 to 10 per cent interest rates which are being imposed by the present Government.

If the Government does not interfere with this great industry we may see the present beef herds rising from 28 million or 29 million to 40 million by 1976 or 1977 and probably to 50 million by 1980. Markets are available overseas if there is the inducement in Australia to expand. This country will be better off and more secure. Areas now undeveloped will be opened up if this is allowed to occur. It would be one of the best decentralising forces possible. In these circumstances we hope that the Government will be sensible in relation to the meat industry.

One other matter bears some relevance to this Bill. We should demand that the Minister for Immigration give a categorical guarantee that there will not be amending legislation within a week to increase this tax, as some Government supporters want, to a punitive level of 12c per lb which is basically, as I understand it, the kind of tax recommended by Government members of the Joint Parliamentary Committee on Prices—a tax that would bring in something like $160m to $170m a year additional revenue to the Government and which, at the same time, they would hope would force down the price of meat and keep it off the export market. We need a guarantee from the Minister that that kind of tax will not be introduced. As a personal view, I do not believe that this legislation should be proceeded with until we have that guarantee.

Mr DEPUTY SPEAKER (Mr Luchetti)—I call the Minister for Immigration representing the Minister for Primary Industry. He will close the debate.

Mr GRASSBY (Riverina—Minister for Immigration) (9.45)—in reply—The honourable member for Wannon (Mr Malcolm Fraser)—

Mr Gilles—Mr Deputy Speaker, I rise on a point of order. The honourable member for Forrest was on his feet before the Minister rose to close the debate.
Mr Grassby—No he was not.

Mr DEPUTY SPEAKER—Order! I did not see the honourable member for Forrest rise. If he did so, he is entitled to be called.

Mr Drummond—I was on my feet.

Mr Grassby—Mr Deputy Speaker, I draw your attention to the fact that there have been 5 Opposition speakers and only 2 Government speakers. Under the rules and forms of this Parliament it is certain that—

Mr Sinclair—that you can close a debate.

Mr Grassby—I have not finished. Contain yourself. I am taking a point of order. I rose before the honourable member for Forrest. According to the rules and forms of this House it was the turn of a speaker from this side of the chamber. There have been 5 speakers in succession from the Opposition side of the chamber. I submit that I was called and I should, in fact, have the right to speak at this time.

Mr Malcolm Fraser—Mr Deputy Speaker, speaking to the point of order—

Mr DEPUTY SPEAKER—There is no need for a point of order. The honourable member for Riverina raised a point of order on procedure. I disallow that point of order. The honourable member for Forrest had risen and I think it is proper that he should be called.

Mr Scholes—Mr Deputy Speaker, I take the point of order that I was also on my feet and the call is due to this side of the House.

Mr Malcolm Fraser—Speaking to the point of order, Mr Deputy Speaker, there is a deliberate attempt by the Minister and the Government to prevent the Opposition speaking to this Bill.

Mr Grassby—There have been 5 speakers from the Opposition and 2 from the Government side. This is unprecedented. I suggest in justice—

Mr DEPUTY SPEAKER—Order! I ask the honourable member for Wannon and the Minister to resume their seats. I did not call the honourable member for Corio because I did not see him. I call the honourable member for Forrest and he will be heard.

Mr DRUMMOND (Forrest) (9.49)—Mr Deputy Speaker—

Motion (by Mr Nicholls) proposed:
That the question be now put.

Mr Sinclair—Jackboots again.

Mr DEPUTY SPEAKER—I ask the honourable member to resume his seat. The question is:
That the question be now put.
The House will divide.
(The bells being rung)

Mr Malcolm Fraser—Mr Deputy Speaker, I object to the Minister for Immigration quite falsely saying into the microphone that I have broken my word. This is utterly untrue. He was saying this to the Acting Leader of the House. He has no right to do this under the privilege of this Parliament in a way whereby he hopes it will go out over the air unheard and unnoticed by honourable members. This is typical of the things we have come to expect from the Minister.

Mr DEPUTY SPEAKER—Order! The words were not heard by the Chair.

Mr Malcolm Fraser—They would have been heard over the air and the Chair should notice.

Mr Anthony—I rise to order. I am wondering whether the Government would reconsider this decision. With all due respect, the honourable member for Corio was jumping. I thought he should have had the call because the call should have gone to the Government side of the House. You did not see him, Mr Deputy Speaker. You called the honourable member for Forrest, which was right. I think it is improper that the Government should be gagging one of its own supporters as well as people on this side of the House. Perhaps, having respect for the Parliament, the Government will reconsider the situation.

Mr DEPUTY SPEAKER—Order! The Leader of the Country Party will resume his seat.

The House divided.

(Mr Deputy Speaker—Mr A. S. Luchetti)

| Ayes | 58 |
| Noes | 49 |

Majority 9
Meat Export Charge Bill

18 September 1973 REPRESENTATIVES 1207

AYES
James, A. W.
Jenkins, H. A.
Johnson, Keith
Johnson, Les
Jones, Charles
Keating, P. J.
Keogh, L. J.
Kerin, J. C.
Lamb, A. H.
Martin, V. J.
Mathews, C. R. T.
McKenzie, D. C.
Morris, P. F.
Morrison, W. L.
Mulder, A. W.
Oldendorf, M. W.
O’Dwyer, F.
Reynolds, L. J.
Riddon, J. M.
Stoles, G. G. D.
Stewart, F. E.
Thorburn, R. W.
Tren, T.
Wallis, L. G.
Whan, R. B.
Willis, R.

Tellers: Hansen, B. P. Nicholls, M. H.

NOES
Jarman, A. W.
Katter, R. C.
Kelly, C. R.
Kings, R.
Lloyd, B.
Lucey, P. E.
Lynch, P. R.
MacKellar, M. J. R.
Mainey, D. W.
McLeavy, J. E.
Me Veigh, D. T.
Nixon, P. J.
O’Keefe, F. L.
Peacock, A. S.
Robinson, Eric
Robinson, Ian
Sinclair, I. MacC.
Street, A. E.
Turner, H. B.
Viner, R. I.
Whitton, R. H.
Wilson, I. B. C.

Tellers: England, J. A.
Giles, G. O’H.

PARIS
Wentworth, W. C.
Forbes, A. J.
McMahon, W.
Garland, R. V.
Foon, E. M. C.
Staley, A. A.
Snedden, B. M.

Question so resolved in the affirmative.

Original question resolved in the affirmative.

Bill read a second time.

Mr DEPUTY SPEAKER (Mr Luchetti)—Is it the wish of the House to proceed to the third reading forthwith?

Mr Sinclair—No.

In Committee
Clauses 1 to 5—by leave—taken together, and agreed to.

Clause 6.

(2) The rate of the charge is—

(a) in respect of meat to which this section applies, being meat included in a prescribed class of such meat—such rate, being less than 1.6 cents for each pound of meat exported, as is prescribed in respect of that class of meat; and

(b) in respect of any other meat to which this section applies—1.6 cents for each pound of meat exported.

Mr SINCCLAIR (New England) (9.57)—I move:

In clause 6 (2) omit ‘1.6 cents’ (twice occurring), substitute ‘1 cent’,

I think it is indicative of the attitude of the Government that the amendment I have moved is in an area which still remains without any explanation of a statement made outside this House to the Press at a gathering which was in no way responsible to the electorate, that 0.6c had been added to the undertaking given by the Treasurer (Mr Crean) in his Budget Speech. The Minister for Immigration (Mr Grassby), who is representing the Minister for Primary Industry (Senator Wriedt) in this chamber, has been gagged by the Deputy Government Whip. The Prime Minister (Mr Whitlam) should recognise that his supposed answer at question time yesterday, that he intends to ensure that the Press have an adequate opportunity to examine him and that the people in this place already have such an opportunity, is not the only concern that the Opposition has. We on this side of the Parliament believe that major statements of Government policy must be made in this House, particularly when the Parliament is sitting. A significant change has been made to the undertakings given in the Treasurer’s Budget Speech, a change which relates to a matter not even referred to by the Minister in his second reading speech. Not only was it not referred to but it is completely contradictory to the undertaking he gave that the purpose of the Bill ‘is to impose a charge on meat exported from Australia in order to recoup the cost to the Government of export meat inspection’.

The statement made by the Prime Minister was the only explanation, and that is not good enough. Accordingly, it is the Opposition’s intention to revert the contribution made to the figure contained in the Treasurer’s Budget Speech. On this side of the House there is no objection to the principle that an industry which is profitable should pay a cost relating to the actual costs incurred in accordance with the undertaking given to cover the cost of export meat inspection. Indeed there are ancillary costs to which the honourable member for Eden-Monaro (Mr Whan) referred—the cost of providing adequate meat inspectors. Indeed, costs could well cover the additional...
schools which I initiated to ensure that there were adequate meat inspectors. But it is no use coming into this Parliament and adding to the costs which have been explained to the House a supplementary charge for another item altogether and expecting us just to pass it without one word of advice, with the Minister himself being gagged by his Deputy Whip, denying this Parliament an opportunity at the proper time of telling us what it is all about. The Minister can get up now in the Committee stage and give us his explanation—how belated that is. The time for this House to be given the information was surely during the second reading speech and at the time the measure was first introduced. It is of no use for the Government to come to us now and say: 'Oh, we forgot. We just did not believe that there would be any misunderstanding.' The Prime Minister apparently thought the Press might misunderstand it. The Prime Minister apparently thought that what he said outside this House would be propagated through the mass media and that we would pick it up somehow. That is not good enough. This Parliament cannot be denied an opportunity to hear major policy matters—

The CHAIRMAN—I suggest that the honourable member should return to the clause which is under consideration.

Mr SINCLAIR—The question before us is that the word '1c' should be the operative payment for the levy applicable to meet export charges.

The CHAIRMAN—It is not at this stage.

Mr SINCLAIR—It is, Mr Chairman.

The CHAIRMAN—You have not moved your amendment.

Mr SINCLAIR—I have. I moved it in the first words I uttered when I stood to my feet. I am sorry if the noise in this chamber was excessive but the first words I moved covered the full clause of the amendment.

The CHAIRMAN—You said: 'The question I will be moving'.

Mr SINCLAIR—Accordingly, I am saying that this Parliament cannot be denied an explanation by the Minister at the proper time, at the introduction of the measure, telling this Parliament the reason for the increase.

The CHAIRMAN—Order! The honourable member is not in order in debating the manner in which the second reading debate was conducted. That is what he is doing at the moment and has been doing ever since he started his speech.

Mr SINCLAIR—Mr Chairman, perhaps I should draw your attention to the text of my amendment which is that the words '1.6 cents' twice occurring should be substituted by the words '1 cent'. The reason for the change is that there has been no explanation to the Parliament of the increase from 1c to 1.6c—

The CHAIRMAN—Order! If the honourable gentleman will recall, he was talking about the manner in which the second reading speech was presented by the Minister, which is not the clause before the Committee. I do not want to interrupt the Committee stage of the Bill but I think that the clause should be debated.

Mr SINCLAIR—Mr Chairman, with great respect, the reason for the amendment is that we have not been given an explanation of the 1.6c. This is a Budget Bill. It implements an undertaking by the Treasurer that a charge would be levied to cover meat inspection charges—a charge which would be at the rate of 1c per lb. That we accept. The Bill does not provide for a 1c per lb levy; it provides for a 1.6c per lb levy. This Parliament must be told at the proper place and the proper time if there are significant policy decisions. A significant policy decision is the increase in the meat export levy, an increase of 0.6c per lb which as I explained at an earlier stage of the debate, will yield $16m odd over the next 33 months on the projection of the Bureau of Agricultural Economics of meat to be exported over the period. It will yield that additional $16m above the cost that one can assess at present rates of expenditure of meat inspection services.

It is not acceptable that that additional impost be placed on the meat exporters without an explanation at the proper time and the proper place. It is for that reason that this amendment has been moved. The Opposition believes that this is the only way in which we can register with the Prime Minister, the Minister for Immigration and the Treasurer, our concern that the place in which policy statements should be made is the Parliament. If policy statements are not made in the Parliament we will use every available parliamentary procedure to ensure that the original undertakings in accordance with those given to this House are implemented. It is for that reason that I have moved the amendment standing in my name.
Mr GRASSBY (Riverina—Minister for Immigration) (10.4)—The amendment springs from the same dishonesty of intent by the Opposition in this matter as has exemplified the entire debate. There have been 6 speakers from the Opposition; there have been 2 from the Government. The Opposition has been completely dishonest in its entire approach. It did not oppose the measure. It does not really oppose the measure but it is using it as a vehicle for propaganda. A major statement of policy in this matter was made by the Treasurer (Mr Crean) in his Budget Speech of 21 August. This is what he said:

The Government has also decided to recoup from the beef industry the expenditure incurred in the campaign to eradicate bovine brucellosis and tuberculosis.

The amount to be recouped in 1973-74 will be approximately $6m. Details will be announced by the Minister for Primary Industry in due course.

Actually the Prime Minister (Mr Whitlam) took the opportunity to make the announcement. He made it himself, not the Minister for Primary Industry (Senator Wriedt), because he thought it was a very important matter. So the major policy statement has been made. It is a simple story. But of course when we listened to the Deputy Leader of the Country Party, the honourable member for New England (Mr Sinclair), when he opened the proceedings this evening on this measure, we heard him debase the currency of protest. As a matter of fact, he and his colleagues in the last 6 months have probably told more untruths than Ananias and he was put out of hell for telling lies. We have heard every day, in relation not only to this amendment but also to every other matter before the Parliament honourable members of the Country Party cry wolf. But of course when we go into the countryside and look at the change this year compared with last year we find that their wolves are miserable, scrappy pussycats without much substance or stomach. So the honourable member for New England debased the currency of the debate tonight with terms like ‘imbecile’ and other terms of endearment.

The CHAIRMAN—Order! The Minister must come back to the clause.

Mr GRASSBY—I am coming back exactly to this amendment because it is associated with the arithmetic which was put forward earlier and the arithmetic is as false as the intention. Let me just deal precisely with the arithmetic of this Bill, which incidentally is designed, as we announced and as was very clearly stated, to recoup to the Government the cost of meat export inspections and also, of course, the expenditure on the brucellosis and tuberculosis eradication campaigns. I have just indicated when it was said and where it was said. I cannot help it if the members of the Opposition are both deaf and dumb in remarkable combination.

Mr Sinclair—I rise to order. I appreciate the leniency with which you are treating the Minister at the table, Mr Chairman, but surely the amendment is not within the terms of the statement now being made by the Minister.

The CHAIRMAN—The Minister is dealing with matters relating to the amounts of money which will be raised by the Bill.

Mr Sinclair—You would not permit me to talk on that.

The CHAIRMAN—I permitted you completely to talk to the amount of money. I would not let you refer to the manner in which the original second reading speech was given. I think that was quite correct of me. I did not interrupt you once when you spoke about the amounts of money. I ask the Minister to make sure that he keeps within the terms of the clause.

Mr GRASSBY—I am grateful for the intervention of the Chair because there has been irresponsibility tonight. I want to point out that the charge of 1c per lb to recoup meat inspection costs was calculated on the following basis: Estimates were made for each of the years from 1973-74 to 1975-76 of meat inspection costs and of meat export levels and shipped weight. Annual averages of these figures were calculated with an estimated total cost over the 3 years of $57.2m. The average cost of meat inspection was estimated at $19m a year. Meat exports were estimated at 5,960 million lb for 1973-74 to 1975-6 or an average of 1,987 million lb a year. As the charge was to operate from 1 October 1973 to 30 June 1976 it was necessary to recover inspection costs for the full 3 years—36 months—by a charge on meat exports over the 33 months.

Hence, to calculate a unit charge the total meat inspection cost for 3 full years was divided by the estimated volume of meat exports over 33 months. This calculation resulted in the 1c per lb charge. The 0.6c per lb charge on beef and veal exports to recoup Government expenditure on the campaign for
the eradication of brucellosis and tuberculosis over the 3 years 1973-74 to 1975-76 was calculated in a similar way to meat inspection charges. This time the cost of $21.9m for the campaign in 3 full years—that is, 36 months—was divided by the estimated volume of beef and veal exports in the 33-month period. The resulting figure was 0.6c per lb. The export charge on meat to recover the expenditure by the Government on inspecting meat and eradicating disease from livestock represents a charge for the service. The charge is imposed on the exporter. Accordingly, it becomes a part of his normal costs of exporting, the sum total of which he has to take into account when negotiating prices with his overseas customers.

The honourable member for Corangamite (Mr Street) referred to the fact that he had had many telephone calls from companies who were wondering where they stood. I hope that he will be able to explain the position. I have had, I might say, rather more concern for the producers who in the past were not done the honour of having services provided for which there was to be a complete utilisation of money and complete accountability.

I pointed out in my second reading speech:

The cost of export meat inspection has grown rapidly in recent years rising from $5.3m in 1968-69 to $11.4m in 1972-73. A significant part of this increase can be attributed to the need to expand the inspection staff to meet requirements of overseas countries.

This matter was canvassed particularly well, I thought, by the honourable member for Eden-Monaro (Mr Whan) and the honourable member for Macarthur (Mr Kerin). I might say that a point was made also— it was quite a valid one—by the honourable member for Paterson (Mr O'Keefe) who referred to duplications of the service. But let us be quite clear—members of the Committee should understand this—that overseas consumers, not Australian consumers, have been subsidised from Consolidated Revenue.

Mr King—I rise to take a point of order. Earlier, Mr Chairman, you ruled against the Deputy Leader of the Country Party on the ground that he was a little off the amendment that he had moved. You have allowed the Minister for Immigration to wander all around the countryside and even to make excuses to his own constituents as to why he has increased the levy.

The CHAIRMAN (Mr Scholes)—Order! I have listened to the honourable gentleman's speech. The word 'little' with respect to the remarks of the Deputy Leader of the Country Party is nearly a misrepresentation of what I said. The Minister is talking about the financial aspects of the Bill which are the reasons for the amendment and the basis of the clause. The amendment seeks to alter the amount of money involved. I think the Minister is talking within the general latitude given at the moment. When he was off the track, I called him to order.

Mr King—With all respect, you did not give the same leniency to the mover of the motion, and I think you should have.

The CHAIRMAN—Order! If the honourable gentleman is not satisfied with the manner in which the Chair is conducting the affairs of the Committee, at the appropriate time—on this occasion when I called the Minister to order—he should take such action as he considers fit. He is not entitled to take action by hindsight.

Mr GRASSBY—May I sum up briefly in this way: Overseas consumers have been subsidised, as I have said, from Consolidated Revenue. Local consumers bear the cost of meat inspected for local consumption as State authorities impose inspection fees on wholesalers in respect of meat destined for the local market. So in fact we, as Australian consumers, pay. But this measure is designed to make the exporters—the overseas market—pay. The overseas market can well bear to do so. That is the whole thrust of the Bill. Its provisions are just. They are right. Opposition members do not really oppose the legislation. What they are trying to do is to use this opportunity to their own advantage. They have debased the debate. They have rejected the arithmetic. They have not even displayed any responsibility in the language they have used. Because of their conduct, I move:

That the question be now put.

Question put.

The Committee divided.

(The Chairman—Mr G. G. D. Scholes)

Ayes . . . . . . 55
Noes . . . . . . 49

Majority . . . . . . 6
AYES

Armitage, J. L.
Ashley-Brown, A.
Barnard, L. H.
Beazley, K. E.
Bennett, A. F.
Bernison, J. M.
Birrell, F. R.
Bowen, Lionel
Bryant, G. M.
Cameron, Clyde
Cass, M. H.
Cootes, J.
Cohen, B.
Collard, P. W.
Conner, F. X.
Cream, F.
Davies, R.
Dowley, P.
Duthie, G. W. A.
Enderby, K. E.
Everingham, D. N.
FitzPatrick, J.
Garrick, J. R.
Grassby, A. J.
Gun, R. T.
Hayden, W. G.
Huffman, C. J.
Innes, L. E.

AYES

Armitage, J. L.
Ashley-Brown, A.
Barnard, L. H.
Beazley, K. E.
Bennett, A. F.
Bernison, J. M.
Birrell, F. R.
Bowen, Lionel
Bryant, G. M.
Cass, M. H.

Question so resolved in the affirmative.

Question put:

That the words proposed to be omitted (Mr Sinclairs amendment) stand part of the question.

The Committee divided.

(The Chairman—Mr G. G. D. Scholes)

AYES

Jacobi, R.
Jenkins, H. A.
Johnson, Keith
Johnson, Les
Jones, Charles
Keating, P. J.
Keogh, L. J.
Kerin, J. C.
Lamb, A. H.
Martin, V. J.
Mathews, C. R. T.
McKenzie, D. C.
Morris, P. F.
Morrison, W. L.
Mulder, A. W.
Olshamond, M. W.
Olley, P.

NOES

Adermann, A. E.
Anthony, J. D.
Bennett, R. N.
Bourchier, J. W.
Bury, L. E.
Calder, S. E.
Cameron, Donald
Chipp, D. L.
Cooke, N. M.
Corbett, J.
Cramer, Sir John
Drummond, P. H.
Dwyer, N.
Edwards, H. R.
Erwin, G. D.
Fairbairn, D. E.
Fisher, P. S.
Fraser, Malcolm
Gordon, J. G.
Graham, B. W.
Hallett, J. M.
Hammer, D. J.
Hawson, H. A.
Hofsten, R. McN.
Holten, R. D.
Hunt, R. J. D.

NOES

Adermann, A. E.
Anthoni, J. D.
Bennett, R. N.
Bourchier, J. W.
Bury, L. E.
Calder, S. E.
Cameron, Donald
Chipp, D. L.
Cooke, N. M.
Corbett, J.
Cramer, Sir John
Drummond, P. H.
Dwyer, N.
Edwards, H. R.
Erwin, G. D.
Fairbairn, D. E.
Fisher, P. S.
Fraser, Malcolm
Gordon, J. G.
Graham, B. W.
Hallett, J. M.
Hammer, D. J.
Hawson, H. A.
Hofsten, R. McN.
Holten, R. D.

PAIRS

Cairns, J. F.
Daly, F. M.
Cross, M. D.
Fulton, W. J.
Klugman, R. E.
Patterson, R. A.
Shetty, K. E.
Whitlam, G. E.

PAIRS

Cairns, J. F.
Daly, F. M.
Cross, M. D.
Fulton, W. J.
Klugman, R. E.
Patterson, R. A.
Shetty, K. E.
Whitlam, G. E.

Wentworth, W. C.
Forbes, A. J.
Kilien, D. J.
McMahon, W.
Garland, R. V.
Fox, E. M. C.
Staley, A. A.

Wentworth, W. C.
Forbes, A. J.
Kilien, D. J.
McMahon, W.
Garland, R. V.
Fox, E. M. C.
Staley, A. A.

Forbes, A. J.

Questions as resolved in the affirmative.

Remainder of the Bill—by leave—taken as a whole.

Mr SINCLAIR (New England) (10.29)—The Bill refers in clause 7 again to 1c per lb. The purpose of the amendment which we have just discussed has been in part covered by the answer given by the Minister for Immigration (Mr Grassby). The 1c per lb referred to in clause 7, of course, is partly covered by the explanation given by the Minister. No apology has been given to this Parliament for the statement being made outside the Parliament and I think that it needs to be said that the reason for the moving of our earlier amendment and for my rising to speak on this clause is that
we regard this as a matter of principle. We are not objecting to the 1c per lb referred to in clause 7. I refer specifically to the Budget Speech of the Treasurer (Mr Crean).

The Government has decided to impose a charge on the export of meats to recoup from the meat industry the substantial expenditure incurred by the Government for the benefit of the industry on export meat inspection services.

Without labouring the point that speech is almost an exact replica of the words which were used by the Minister for Immigration when introducing the Bill. The Minister said:

The purpose of this Bill is to impose a charge on meat exported from Australia in order to recoup the cost to the Government of the export meat inspection.

He continued:

From 1 October 1973 to 30 June 1976 the charge will be 1c per lb on meat exports. The charge is expected to yield $14m in 1973-74.

There is no point in the Minister's arithmetic unless he is prepared to explain to honourable members why statements are being made outside the Parliament and why the Parliament is being treated with gross discourtesy. This is not a matter of our saying that meat producers and meat exporters are not, in times of reasonable prosperity, entitled to pay reasonable charges levied with respect to services given to them. This is an opportunity when one should expect the Minister to give a reasonable explanation as to the significant changes from the undertaking given by the Treasurer. For that reason the Opposition accepts clause 7 and accepts the charge of 1c per lb. It believes that that is the charge which should be applicable throughout the Bill in accordance with the Treasurer's undertaking.

An explanation of any change must be accommodated, according to an explanation which the Minister has failed to give, with the reason why this House was not treated with the courtesy which it should have enjoyed in being given an explanation of why the charge was to be increased instead of being left in accordance with the Treasurer's Budget speech. This House cannot be denied the opportunity to have explained to it the fundamental policy decisions of the Government or changes in those policy decisions. That courtesy has not been given to this House. It is fortunate that no change has occurred concerning lamb and mutton. On the matter of principle the Opposition believes that the Government at least should have given the Opposition the courtesy of an explanation and a measure of humility as to why a proper explanation was not given when the second reading speech was made.

Mr GRASSBY (Riverina—Minister for Immigration) (10.33)—I would draw attention to the fact again that the Treasurer (Mr Crean) in his Budget speech indicated that there would be a charge on the export of meats to recoup from the meat industry the substantial expenditure incurred by the Government for the benefit of the industry on export meat inspection services. In the next paragraph the Treasurer said that from 1 October 1973 to 30 June 1976 the charge will be 1c per lb on meat exports. He said the charge is expected to yield $14m in 1973-74.

He went on to say:

In addition the Government has also decided to recoup from the beef industry the expenditure incurred in the campaign to eradicate bovine brucellosis and tuberculosis. The amount to be recouped in 1973-74 will be approximately $6m. Details will be announced by the Minister for Primary Industry in due course.

Those details were announced by the Prime Minister (Mr Whitlam) instead. It seems to me that the whole complaint tonight is that the Prime Minister of Australia made the announcement instead of the Minister for Primary Industry (Senator Wriedt). I have not heard any complaints from the Minister for Primary Industry. Obviously, if an announcement is to be made that is of sufficient importance the Prime Minister should make it. That is a very satisfactory position.

I might say again that an underlying suggestion has been made about the facts which I have given. The facts were quite precise, there is no difficulty about them. If the honourable member for New England (Mr Sinclair) will apply himself and leave his abuse outside the chamber he will see that the facts and figures are correct. I wish to make the point also that the revenue which will be raised by the charge and the expenditures on the export meat inspection and the brucellosis and tuberculosis eradication campaign will be shown in the annual estimates for the Department of Primary Industry. All honourable members will have the opportunity to examine these estimates each year when they are presented to the House. That is the entire purpose of the exercise. They are service charges. The Opposition has agreed to them. It now has an argument with the Prime Minister on this matter. But behind all the smokescreen of abuse at the present time, all that we have left of the great roar that began the debate is a pitiful
Meat Export Charge Bill

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whimper. I suggest that it was a very poor way in which to debate a measure which is designed to assist a great industry in the long term—and there is no doubt about that—and also a service which is supported by the industry itself. These charges are understood by the industry. All that we have heard tonight has been a scramble of propaganda, and not very strong propaganda at that. We reject the amendment. The intention was clear. The explanations are detailed, and if they are not able to be understood by the honourable member for New England who is sitting at the table, then I suggest that he should go home to bed and do his homework.

Mr McVEIGH (Darling Downs) (10.36)—I support the ideas which have been advanced by the Deputy Leader of the Australian Country Party (Mr Sinclair). My main reason in rising to participate in this Committee debate is to express my concern at the deliberate attempts by the Minister for Immigration (Mr Grassby), who is sitting at the table, to downgrade the responsibilities of this Parliament. He has sought to reduce the forum of the nation to a circus.

The CHAIRMAN (Mr Scholes)—Order! I suggest to the honourable gentleman that in the Committee stage he should debate the clauses of the Bill and not make a second reading speech.

Mr McVEIGH—I accept your point of view, Mr Chairman.

The CHAIRMAN—It is not a point of view; it is a ruling of the Chair.

Mr McVEIGH—The reason I was advancing this line of argument was the simple fact that nowhere has the Minister told this chamber, and through it the nation, for what purpose this levy of 1c a lb is to be used. The people in my electorate are concerned about this matter. I inform honourable members opposite who do not know anything about the meat industry that a certain abattoir is operated by co-operatives and this involves ordinary shareholders. In order to balance their budget the people who operate the abattoir want to know whether, after the passage of this Bill, they will have to continue to meet the exorbitant charge of $1.35 per quarter hour which at present they have to pay for meat inspection services rendered by the Commonwealth Government. Nowhere has the Minister told us specifically whether the levy of 1c a lb, for which provision is made in the Bill, will cover all the fees of Commonwealth inspectors.

In an earlier debate the Minister said that the new boy got his finger caught in the tart. The old boy has well and truly got his finger burnt in the tart this time. The amount involved in inspection services for an abattoir in my electorate is $343,000 a year, and earlier in this debate the Deputy Leader of the Country Party and honourable member for New England detailed the margins of profit on which the abattoir operates. This Government seeks to rip from the profits anything that will allow business people to create employment and further the cause of decentralisation. It is crystal clear that the Minister and those who sit behind him know nothing about this matter because they have refused to participate in this debate. We want to know why this tax has been thought out and applied in this way in defiance of what the Budget document says. The Prime Minister says one thing outside the House.

The CHAIRMAN (Mr Scholes)—I suggest to the honourable gentleman that he come back to the clause. He is starting to debate the question which I asked the Deputy Leader of the Country Party not to debate on the previous clause. The matter to which the honourable member is referring is a matter with reference to the previous clause with which we have already dealt.

Mr McVEIGH—Will the Minister please tell this Parliament whether the operators of killing works have to continue to pay overtime, meet laundry expenses and provide clerical assistance and writing material for the present Commonwealth inspectors? These are the little things that we are concerned about.

Mr Keating—They are little, all right.

Mr McVEIGH—They would be about the size of the mentality of some of those who sit opposite. Will the Minister please tell this Parliament where he stands on these important matters so that the people who create job opportunities can have their fears allayed about what this tax is to be applied to and whether its purpose is to pay this account and that account?

Mr KING (Wimmera) (10.42)—I rise to support my colleague, the honourable member for Darling Downs (Mr McVeigh). Like him, I am very confused as to the intentions of the Government in relation to this matter. I wish to direct my remarks to clause 7 of the Meat Export Charge Bill. Very seldom does one have a debate as full as this one with so little explanation from the Government side. This is one of the weakest defences of a Bill that
I have ever heard in the 16 years I have been in this place. Tonight we have seen an exercise by a Minister trying to defend his actions rather than trying to explain to the Parliament of the nation and particularly to meat producers what it all means. What I want to know is what is going to happen to the 1c that will be collected under this clause? Is it separate from the amount to be collected as referred to in clause 6, namely 1.6c per lb. We do not have any clear indication about what will happen to the 0.6c per lb other than an assumption that it could be consumed in the brucellosis campaign.

The Minister for Immigration (Mr Grassby) several times tried to explain parts of the Budget Speech (Mr Crean). What the Treasurer said is very clear. Only 2 lines of it really count. He said that from 1 October 1973 to 30 June 1976 the charge will be 1c per lb on meat exports and that the charge is expected to yield $14m in 1973-74. What will happen? Does it mean will the Government earmark specifically certain amounts of money or not? Is the Minister prepared to tell us this?

Mr Fisher—He does not know.

Mr King—I think you are quite right. I am sure he does not know. He is very confused about it, and so are we. I think we knew more about the Bill before the Minister introduced it or tried to explain it to the Parliament. He has us completely confused, as he has many people outside this place. The honourable member for Eden-Monaro (Mr Whan) referred to meat inspectors. What is the intention of the Government? Will this charge cover meat inspectors at a Commonwealth level, or is the Government making any arrangements to include inspectors for home consumption meats? This is a very important point because it is the wish of many sections of the community that we should get these 2 types of inspectors closer together to save costs and various other things. Not a mention of this point was made by the Minister.

The Chairman (Mr Scholes)—Order! It being 10.45 p.m., in accordance with the order of the House, I shall report progress.

Progress reported.

Adjournment

Brisbane Airport

Mr Speaker—Order! I propose the question:

That the House do now adjourn.

Mr Donald Cameron (Griffith) (10.47) —Thank you Mr Speaker. I speak tonight on behalf of the Brisbane suburbs of Hendra, Ascot, Hamilton, Doomben, Eagle Farm, Bulimba, Balmoral, Hawthorne, Norman Park, Merthyr, New Farm, Teneriffe and Newstead. I would like to point out that this is the third occasion in a row on which I have tried to seek out the presence of that ignorant Minister for Civil Aviation (Mr Charles Jones). One moment ago that man was in the House. But he has left this House as an indication of his contempt for the people of those suburbs in the city of Brisbane. I find this sad because on 2 occasions last week I advised the Minister's office that I was to speak on this subject and tonight in this Parliament during those many divisions we had I advised him again. But the Minister has seen fit to walk out not in contempt of me but in contempt of the citizens of Brisbane. What a discourteous ignorant man he is, and a contemptible man at that.

Mr Speaker—Order! The honourable member should not refer to a Minister as contemptible.

Mr Donald Cameron—I withdraw my statement that he is contemptible.

Mr Speaker—That is a personal reflection. The honourable member should know better than that.

Mr Donald Cameron—I do. I withdraw it. But it is understandable that I should be upset after informing the Minister on so many occasions that I intended to speak on this matter tonight. The recent decrease in the use of Moreton Bay in Brisbane by big jets as a landing approach towards Brisbane has meant that 13 unlucky Brisbane suburbs and at least 50,000 citizens are taking the full blast and brunt of screaming jet engines. It is unfortunate that at this time the Minister, who is southern-based in the city, town or whatever he wishes to call it——

Mr Keogh—I rise on a point of order.

Mr Donald Cameron—I would like to hear from someone on the other side of the House.

Mr Keogh—My point of order is this: I do not think the honourable member fully withdrew the insulting remarks that he made about the Minister for Civil Aviation. He did not withdraw the word 'ignorant'. I think that is a gross insult. I believe it should be withdrawn.
Mr SPEAKER—Order! The word ‘ignorant’ is not unparliamentary.

Mr DONALD CAMERON—He is ignorant, ignorant, ignorant, if you like to know. The blatantly political postponement of the resitting—

Mr Keogh—On a point of order, did you, Mr Speaker, rule that the word ‘ignorant’ should be withdrawn? The honourable member repeated it.

Mr SPEAKER—No.

Mr DONALD CAMERON—I will say it again in case the honourable member for Bowman who does not care—

Mr SPEAKER—Order! I ask the honourable gentleman to get on with his speech. Honourable members are carrying on like a pack of school kids.

Mr DONALD CAMERON—The blatantly political postponing of the re-sitting of the Brisbane airport, which the Coombs report admits the Liberals planned to start constructing in 1973, exposes as a myth the claim that Labor cares about pollution and the quality of life. More particularly it highlights the thinking that if one does not live in Sydney or Melbourne one is considered politically expendable. It is a pity the Minister walked out because I would like to hear whether he believes that Brisbane is politically expendable. Since I spoke on 2 occasions last week I have been told that the Government made a specific request to the Coombs task force that the Brisbane Airport be included in its report so that it could be discreetly axed. The Minister has an obligation to confirm or deny the truth of this. Mr Speaker, you are a man of democracy and will understand why I am personally upset that the Minister who has had many occasions to confirm or deny these allegations has seen fit once again to run from the concern which I express on behalf of 50,000 Brisbane citizens.

Mr SPEAKER—Then do not send him a Christmas card.

Mr DONALD CAMERON—Thank you, Mr Speaker. I will not send him a Christmas card and I am quite sure that no one in Queensland will do so either because he has been nothing but a disaster since his appointment. The Minister continues to seek asylum in the confines of his office and has refused three opportunities to explain what the Government is or is not doing in Brisbane. It is a shameful display of discourtesy and blows to pieces yet another Australian Labor Party myth—open Government. The promise of the construction of a new international terminal instead of the beginning of noise relief is an insult to the intelligence of a city of nearly 1 million people. I will continue to speak on every day that it is possible to do so about the Brisbane Airport, until the Minister informs the Parliament of the Government’s intentions. On the previous 2 occasions on which I have spoken I made references to when the Minister was but an Opposition member. Let me spell it out once again because I see the honourable member for Bowman (Mr Keogh) and the honourable member for Lilley (Mr Doyle) present in the chamber tonight.

The Coombs task force report requested by the present Labor Government spelt out very clearly that the previous Government intended spending $1m this year on the Brisbane Airport, approximately $13m next year and approximately $18m the year later. Honourable members in this time of inflation might say: ‘What is $32m—but a drop in the bucket’. But the truth is that the previous Government was at last beginning to begin. At last it was starting to do something about providing Brisbane with a new airport. Unfortunately we had a change of government. The Labor Party regards north of the New South Wales border as being totally expendable. Every time in the past when honourable members opposite have prattled on about the quality of life, people outside—particularly the young—have believed that the Labor Party was a party that cared. Its attitude on this occasion indicates that its words have had but a hollow ring, that the quality of life as judged by the Labor Party is something that is measured more by the capacity of a particular area to produce votes and win seats in this House than by a concern for the welfare of the people of that area. I take this opportunity to remind you, Mr Speaker, because I know you like this job, that your job is imperilled because of the closed mind and ignorance of the present Minister.

The honourable member for Lilley (Mr Doyle) won his seat by only 35 votes at the last election. He has told me that he hopes to do better next time. He has assured me that he has spoken to the Minister for Civil Aviation on this subject. Let me assure the Parliament
that the honourable member Lilley stands condemned by the Minister's inaction. The Minister's inaction indicates that the Minister regards the honourable member for Lilley as a man of little worth. If the Minister cared about him he would be doing something. It is unfortunate that the honourable member for Lilley, who does not have any personality problems, will be sacrificed on the altar of progress at the next election. I assure him—through you, Sir—that he will pay the price for the Minister's inaction and for the way in which the Government has continued to ignore the city of Brisbane while it has been poised on the verge of progress. We have waited for long enough—

Mr SPEAKER—Order! The honourable gentleman's time has expired.

Mr DOYLE (Lilley) (10.57)—The abusive wailings of the honourable member for Griffith (Mr Donald Cameron) and the rantings of some of his colleagues in the Liberal Party in areas around Brisbane are empty and reek of political overtones. For 23 years under Liberal-Country Party governments—

Mr Donald Cameron—I raise a point of order, Mr Speaker. There is a standing order which states that members of this Parliament shall not read prepared speeches.

Mr DOYLE—It is not necessary for me to read a prepared speech. For 23 years, under Liberal-Country Party governments, Brisbane was a forgotten city insofar as airports are concerned. We know that in Perth, Launceston, Sydney and Melbourne massive amounts of money were expended on the modernising and building of airports, but the previous Liberal-Country Party governments forgot all about Brisbane and did not spend one cent on modernising or updating the airport at Eagle Farm.

Mr Cooke—When was the terminal rebuilt?

Mr DOYLE—I do not intend to worry about replying to interjections from honourable members opposite, as I have only a couple of minutes in which to put my case. An advisory committee, which consisted of representatives of the Brisbane City Council, the Queensland Government and the Commonwealth Government, was set up to examine the matter. It brought down a report in January 1972. Whenever I hear members of the Liberal Party, particularly the honourable member for Griffith, speak about the Brisbane Airport I am quite convinced that they have not read the report and consequently do not know what it contains. Whenever they make statements, as the honourable member for Griffith did this evening, about the construction of the runways and the terminal facilities at the airport not going according to schedule, I am fairly convinced that they have not taken the time or been interested enough to read the report and to investigate just what it tells people who are so interested. I hope I will not be in breach of the Standing Orders in quoting from it.

According to the report that was handed down in January 1972, which was when a Liberal-Country Party government was in office at the Federal level, the construction of the runways at the Brisbane Airport is not due to commence until mid-1976. That just shows that the honourable member for Griffith does not know what he is talking about. The previous Government intended to take their homes from working people who live in the areas of Cribb Island, Nudgee Beach and a section of Nudgee and to try to force them away from their properties without giving them adequate compensation. The present Government has acted differently. It is taking positive steps to protect the interests of the people concerned. There is no evidence whatsoever to substantiate the claim made by the honourable member for Griffith that the present Government is retarding the development of the airport. The acquisition of land is proceeding. That is being done in accordance with the timetable set out in the report to which I have referred.

The Government is, of course, concerned about reducing the noise level. It is also concerned about the environment. The construction of an airport of the size of the one proposed for Brisbane has necessitated ecology studies being carried out. An environmental impact study had to be concluded. A scale model of the proposed airport was built at the University of Queensland in order that the engineers who will be associated with the building of the airport might know what effect the flooding that occurs in Brisbane from time to time will have on this area. I do not know whether the Liberal-Country Party Government intended to race in and build an airport without carrying out the necessary studies—

Mr SPEAKER—Order! It being 11 o'clock, in accordance with the resolution of the House, the House stands adjourned until 11.30 a.m. tomorrow.

House adjourned at 11 p.m.
ANSWERS TO QUESTIONS UPON NOTICE

The following answers to questions upon notice were circulated:

Commonwealth Financial Assistance:
Sewerage Facilities in Urban Areas
(Question No. 64)
Mr Lynch asked the Minister for Urban and Regional Development, upon notice:
(1) Has the Government received any requests from State Governments for Commonwealth financial assistance in providing sewerage facilities in urban areas?
(2) If so, (a) what is the (i) nature and (ii) amount of each request and (b) what action has been taken as a result of each request.

Mr Uren—The answer to the honourable member’s question is as follows:
(1) The Prime Minister wrote to all the Premiers last December requesting information on the extent of Federal assistance required by the principal water and sewerage authorities to enable them to embark promptly and economically on an uninterrupted program to provide services to all the premises in their area by 1978.
(2) (a)
(i) The States generally requested assistance in overcoming the sewerage backlog (i.e. reducing the number of unsewered properties). However, the major problem, particularly in the capital cities, is the treatment of sewage, and all States require funds for this purpose. South Australia also faces a major problem, as the quality of its water supply continues to deteriorate, and a major part of any funds allocated by the Commonwealth to the State would be spent on water treatment. In all cases, sewerage cannot be looked at in isolation; water supply and drainage are essentially related factors in any attempts to reduce the sewerage backlog problem.
(ii) In the replies received from the States, there was considerable variation in the requests for financial assistance. Some States restricted their requests to sewerage only, whilst others made allowance for both water supply and drainage in preparing their budget. Some States also made an allowance for cost escalation, whilst others did not. It appears that elimination of the sewerage backlog in the major urban areas (population 60,000 and over) will require funds of the order of $800m, rising to $1,000m if urban areas of less than 60,000 population are included. This is in addition to what the municipal utilities authorities can provide from their likely resources.
(b) As there has been considerable variation in the replies received from the States, and time has not allowed more complete information to be obtained, emphasis has been placed on the first year (1973-74) of the period in mind. The Australian Government has offered the States assistance totalling $30m in 1973-74 towards elimination of the sewerage backlog in the principal urban areas. The funds will be provided for specific projects approved by the Australian Government. The distribution between States is as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>11.2m</td>
</tr>
<tr>
<td>Victoria</td>
<td>9.3m</td>
</tr>
<tr>
<td>Queensland</td>
<td>3.1m</td>
</tr>
<tr>
<td>South Australia</td>
<td>1.6m</td>
</tr>
<tr>
<td>Western Australia</td>
<td>3.8m</td>
</tr>
<tr>
<td>Tasmania</td>
<td>1.0m</td>
</tr>
<tr>
<td>Total</td>
<td>30.0m</td>
</tr>
</tbody>
</table>

There will be further discussions with the States on the development of programs for future years.

Visa Applications
(Question No. 770)
Mr Lynch asked the Minister for Immigration, upon notice:
How many visa applications for entry into Australia has he rejected.

Mr Grassby—The answer to the honourable member’s question is as follows:
Centralised statistics on visa applications are not maintained by my Department.

Campbell Committee Report
(Question No. 701)
Mr Garland asked the Treasurer, upon notice:
(1) What is the estimated additional income tax which will be raised in assessments of the recipients of increases in salaries as a result of the Campbell Committee’s Report, accepted by the Government on 28 May 1973.
(2) Were these increases in salaries between 21 and 24 per cent.
(3) Was the recommendation that an independent committee be set up to review university’s staff salaries regularly (a) agreed to, (b) not agreed to or (c) deferred.
(4) What will be the cost to the Commonwealth of these increases in salaries in a full year if all the States agree.
(5) Are all increases fully assessable.

Mr Crean—The answer to the honourable member’s question is as follows:
(1) Approximately $17.0m in respect of the 1973-74 income year.
(2) In broad terms, yes.
(3) Consideration of this matter is proceeding.
(4) The recommended salary increases operate from 1 January 1973. A preliminary estimate of the cost to the Commonwealth on account of University academic staff is $14.6m in 1973 and, after allowing for the assumption of full financial responsibility by
the Commonwealth for tertiary education, $30m in 1974. The Australian Government has indicated that it supports the application of the recommended salary increases, as appropriate, to colleges of advanced education; preliminary estimates of the resultant cost to the Commonwealth are $3.9m in 1973 and $11.2m in 1974.
(5) Yes.

Papua New Guinea Residents: Applications for Permanent Residence in Australia
(Question No. 771)
Mr Lynch asked the Minister for Immigration, upon notice:
(1) How many applications for permanent residence in Australia has he received from residents of Papua New Guinea.
(2) How many of these
(a) have been accepted,
(b) have been rejected or
(c) are under consideration.

Mr Grassby—The answer to the honourable member's question is as follows:
Statistics in the form sought are not available. However, during the period 1 January 1973 to 5 September, 1973, 122 applications for right of residence in Australia were received, of which 92 have been approved and 30 are still being considered.

Appeals Against Rejected Entry Permits
(Question No. 772)
Mr Lynch asked the Minister for Immigration, upon notice:
Will he outline the changes which have taken place in the criteria on which appeals by persons against their rejection for entry are determined.

Mr Grassby—The answer to the honourable member’s question is as follows:
All cases are reviewed on a non-discriminatory basis, regardless of race or colour of skin or nationality.
Apart from sponsored dependent family members, for whom the only criteria are health and character, each case is assessed on review on the basis of:
- economic viability
- personal qualities which would enable them to fit into the Australian community
- medical fitness
- character, and
- their sincere intention of making a permanent home in Australia and becoming an Australian citizen.
The possession of qualifications or skills recognised in Australia which would meet a national or community need is also taken into account.

Ambulance Services
(Question No. 822)
Mr Bourchier asked the Treasurer, upon notice:
(1) Does the Government agree that ambulance services are vital and important in respect of the health of the Australian people.
(2) If so, will he give consideration to allowing subscription to and fees for, ambulance services to be a deduction from income tax; if not, why not.

Mr Crean—The answer to the honourable member’s question is as follows:
(1) and (2) The Government, through the Interim Committee of the National Hospitals and Health Services Commission, is examining the requirements for the delivery of health care to the community. Included in this examination is the provision of transport to and from health services. The Government does not wish to pre-empt any recommendation by the, Interim Committee of the National Hospitals and Health Services Commission relating to the provision of ambulance services.

‘New Legislation of the Australian Parliament’
(Question No. 846)
Mr Lloyd asked the Minister representing the Minister for the Media, upon notice:
(1) Can the Minister say who are the principals of Reporter Newspaper Co. and Young Witness Pty Ltd., publishers and printers of ‘New Legislation of the Australian Parliament’.
(2) What arrangement has been made by the Government with these people in respect of material for the publication.
(3) Does the Government provide financial, editorial or other assistance.
(4) Does the Government or the publisher intend to include comment on legislation from Opposition spokesmen.

Mr Morrison—The Minister for the Media has supplied the following answer to the honourable member’s question:
(1) I have been advised that the Reporter Newspaper Co. is registered in New South Wales in the name of Mr Aubur Charles Williams and that the registered office of that company is at 9 Alpaca Avenue, Turramurra. I understand that Mr Williams is the sole proprietor of that company and of the publication called ‘New Legislation of the Australian Parliament’.
(2) My information is that the publishers of that publication draw information from copies of Hansard which are available as a normal press facility. No special arrangements have been made by the Government.
(3) No. According to the editorial in the issues it is published in an entirely private capacity, financed by subscriptions in Australia and from overseas, and by normal advertising support.
(4) As it is published in an entirely independent capacity only the publisher can determine its content.

Environmental Impact Statements
(Question No. 862)
Mr Lynch asked the Minister for the Environment and Conservation, upon notice:
With reference to the answer to my question No. 465 (Hansard, 8 May 1973, page 1844) have the discussions on the development of the detailed procedures to be adopted in the preparation of environmental impact statements yet been completed.
Dr Cass—The answer to the honourable member’s question is as follows:

No. I expect to be in a position to put a submission to the Government in the near future.

Air and Water Pollution
(Question No. 864)

Mr Lynch asked the Minister for the Environment and Conservation, upon notice:

(1) Has he received the report, referred to in his answer to my question No. 277 (Hansard, 27 March 1973, page 759), which he requested from his Department concerning the implementation of the recommendations of the Senate Select Committees on Air Pollution and Water Pollution.

(2) If so, what are the recommendations of the report.

Dr Cass—The answer to the honourable member’s question is as follows:

(1) and (2) A submission on a national water policy which has taken into account the report of the Senate Select Committee on Water Pollution has been prepared and will be considered by the Government in the near future. The report of the Senate Select Committee on Air Pollution is still under review.

Supersonic Aircraft: Atmospheric Effects
(Question No. 865)

Mr Lynch asked the Minister for the Environment and Conservation, upon notice:

(1) What are the relevant agencies, referred to in answer to my question No. 537 (Hansard, 17 May 1973, page 2359), which are investigating Australia’s participation in international atmospheric monitoring programs.

(2) Has he conferred with the Minister for Civil Aviation concerning commercial supersonic flights over the Australian continent.

Dr Cass—The answer to the honourable member’s question is as follows:

(1) Department of Science, Bureau of Meteorology, Department of the Environment and Conservation, Department of Foreign Affairs, The Treasury. The matter has also been discussed in the Australian Environment Council.

(2) I expect a report shortly on the environmental effects of supersonic aircraft from the Australian Advisory Committee on the Environment. I will release the report immediately and discuss it with my colleague the Minister for Civil Aviation.

Environmental Programs: Australian Involvement
(Question No. 866)

Mr Lynch asked the Minister for the Environment and Conservation, upon notice:

(1) Will he outline the extent of the Government’s involvement in the environmental programs being conducted by (a) the World Health Organisation, (b) the Food and Agriculture Organisation of the United Nations, (c) the United Nations Educational, Scientific and Cultural Organisation, (d) the International Atomic Energy Agency, (e) the World Meteorological Organisation and (f) the Intergovernmental Maritime Consultative Organisation.

(2) Will he also outline the extent of the Government’s involvement in the environmental programs being conducted by international organisations not specified in part (1).

Dr Cass—The answer to the honourable member’s question is as follows:

The information requested by the honourable member is quite extensive as the all-embracing nature of the term ‘environment programs’ means that nearly all international organisations are involved in some environmental programs and Australia has been active in many of these. I am arranging for a summary to be made of Australia’s involvement in such programs and will lay the summary on the table for the information of honourable members as soon as it is prepared.

Proposed Multi-purpose Welfare Clinics
(Question No. 881)

Mr Snedden asked the Minister for Social Security, upon notice:

(1) What will be the functions of the proposed multi-purpose welfare clinics in Sydney and Melbourne.

(2) What staffing establishment is proposed for these clinics.

Mr Hayden—The answer to the honourable member’s question is as follows:

(1) and (2) As the honourable gentleman will be aware, the Government has determined that new welfare initiatives should be sponsored under the umbrella of the Australian Assistance Plan. This Plan is now available for full public discussion. Basically it provides ways in which local communities may be helped to establish needed social services according to locally determined priorities, and within a properly integrated social planning system.

The multi-purpose welfare centres originally proposed for Sydney and Melbourne were envisaged as being of a pilot nature, and would have provided one means of experimenting with ways of rationalising local services. On the basis of an overseas study tour by an officer of my Department, it has now been decided that it would not be appropriate to proceed to establish such centres. Any initiatives in this regard should come under the Australian Assistance Plan and result from local community involvement.

The Social Welfare Commission will be examining a great number of proposals for assistance under the Plan and will carefully consider the need for welfare centres in relation to other proposals.