# AUSTRALIA

**TWENTY-NINTH PARLIAMENT**

**FIRST SESSION: FIRST PERIOD**

**Governor-General**

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

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

## Second Whitlam Ministry

(From 12 June 1974)

<table>
<thead>
<tr>
<th>Position</th>
<th>Minister</th>
<th>Party</th>
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</thead>
<tbody>
<tr>
<td>Prime Minister</td>
<td>The Honourable Edward Gough Whitlam, Q.C.</td>
<td>Liberal (Labor)</td>
</tr>
<tr>
<td>Deputy Prime Minister and Minister for Overseas Trade</td>
<td>The Honourable James Ford Cairns</td>
<td>Democratic Labor Party</td>
</tr>
<tr>
<td>Minister for Minerals and Energy</td>
<td>The Honourable Reginald Francis Xavier Connor</td>
<td>Australian Labor Party</td>
</tr>
<tr>
<td>Minister for Social Security</td>
<td>The Honourable William George Hayden</td>
<td>Australian Labor Party</td>
</tr>
<tr>
<td>Leader of the Government in the Senate, Attorney-General and Minister for Customs and Excise</td>
<td>Senator the Honourable Lionel Keith Murphy, Q.C.</td>
<td>Australian Labor Party</td>
</tr>
<tr>
<td>Treasurer</td>
<td>Senator the Honourable Donald Robert Williesee</td>
<td>Democratic Labor Party</td>
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<tr>
<td>Minister for Services and Property and Leader of the House</td>
<td>The Honourable Frank Crean</td>
<td>Australian Labor Party</td>
</tr>
<tr>
<td>Prime Minister in Matters Relating to the Public Service</td>
<td>The Honourable Frederick Michael Daly</td>
<td>Australian Labor Party</td>
</tr>
<tr>
<td>Minister for Repatriation and Compensation</td>
<td>Senator the Honourable John Murray Wheeldon</td>
<td>Australian Labor Party</td>
</tr>
<tr>
<td>Minister for Urban and Regional Development</td>
<td>The Honourable Thomas Uren</td>
<td>Australian Labor Party</td>
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<tr>
<td>Postmaster-General</td>
<td>Senator the Honourable Reginald Bishop</td>
<td>Australian Labor Party</td>
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<tr>
<td>Minister for Housing and Construction</td>
<td>The Honourable Leslie Royston Johnson</td>
<td>Australian Labor Party</td>
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<tr>
<td>Minister for Transport</td>
<td>The Honourable Charles Keith Jones</td>
<td>Australian Labor Party</td>
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<tr>
<td>Minister for Health</td>
<td>The Honourable Douglas Nixon Everingham</td>
<td>Australian Labor Party</td>
</tr>
<tr>
<td>Minister for Manufacturing Industry</td>
<td>The Honourable Keppel Earl Enderby, Q.C.</td>
<td>Australian Labor Party</td>
</tr>
<tr>
<td>Minister for the Capital Territory</td>
<td>The Honourable Gordon Munro Bryant, E.D.</td>
<td>Australian Labor Party</td>
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<tr>
<td>Minister for the Environment and Conservation</td>
<td>The Honourable Moses Henry Cass</td>
<td>Australian Labor Party</td>
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<tr>
<td>Minister for Aboriginal Affairs</td>
<td>Senator the Honourable James Luke Cavanagh</td>
<td>Australian Labor Party</td>
</tr>
<tr>
<td>Minister for Foreign Affairs in Matters Relating to Papua New Guinea and Minister for Defence</td>
<td>The Honourable William Lawrence Morrison</td>
<td>Australian Labor Party</td>
</tr>
<tr>
<td>Minister for Tourism and Recreation, Vice-President of the Executive Council and Minister Assisting the Treasurer</td>
<td>The Honourable Francis Eugene Stewart</td>
<td>Australian Labor Party</td>
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</tbody>
</table>
MEMBERS OF THE HOUSE OF REPRESENTATIVES

TWENTY NINTH PARLIAMENT—FIRST SESSION: FIRST 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 McCabon Sinclair

Adermann, Albert Evan ................................................................. Fisher (Qld)
Anthony, Rt Hon. John Douglas .................................................. Richmond (N.S.W.)
Armitage, John Lindsay ............................................................... Chifley (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.)
Bonnett, Robert Noel ...................................................................... Herbert (Qld)
Bourchier, John William ............................................................... Bendigo (Vic.)
Bowen, Hon. Lionel Frost .............................................................. Kingsford Smith (N.S.W.)
Bryant, Hon. Gordon Munro, E.D. .................................................. Wills (Vic.)
Bunney, Melville Harold ............................................................... Canning (W.A.)
Cadam, Alan Glyndwr ..................................................................... Mitchell (N.S.W.)
Cairns, Hon. James Ford .................................................................. Lalor (Vic.)
Cairns, Hon. Kevin Michael Kiernaa .............................................. Lilley (Qld)
Calder, Stephen Edward, D.F.C. .................................................... Northern Territory
Cameron, Hon. Clyde Robert .......................................................... Hindmarsh (S.A.)
Cameron, Donald Milner ............................................................... Griffith (Qld)
Cass, Hon. Moses Henry ............................................................... Maribyrnong (Vic.)
Child, Gloria Joan Liles .................................................................. Henry (Vic.)
Chipp, Hon. Donald Leslie ............................................................. Hotham (Vic.)
Clayton, Gareth ............................................................................... Isaacs (Vic.)
Coates, John .................................................................................... Denison (Tas.)
Cohen, Barry .................................................................................. Robertson (N.S.W.)
Collard, Frederick Walter .............................................................. Kalgoorlie (W.A.)
Connolly, David Miles .................................................................... Bradfield (N.S.W.)
Connor, Hon. Reginald Francis Xavier ............................................ Cunningham (N.S.W.)
Cope, Hon. James Francis .............................................................. Sydney (N.S.W.)
Corbett, James ............................................................................... Maranoa (Qld)
Cream, Hon. Frank ......................................................................... Melbourne Ports (Vic.)
Cross, Manfred Douglas .................................................................. Brisbane (Qld)
Daly, Hon. Frederick Michael .......................................................... Grayndler (N.S.W.)
Davies, Ronald ................................................................................ Braddon (Tas.)
Dawkins, John Sydney ................................................................. Tangney (W.A.)
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.)
Elicott, Robert James, Q.C. ............................................................ Wentworth (N.S.W.)
Enderby, Hon. Keppel Earl, Q.C. .................................................... Canberra (A.C.T.)
England, John Armstrong, E.D. .................................................... Calare (N.S.W.)
Erwin, Hon. George Dudley ........................................................... Ballarat (Vic.)
Everingham, Hon. Douglas Nixon .................................................. Capricornia (Qld)
Fairbairn, Hon. David Eric, D.F.C. .................................................... Farrer (N.S.W.)
Fisher, Peter Stanley ....................................................................... Mallee (Vic.)
FitzPatrick, John .............................................................................. Darling (N.S.W.)
Forbes, Dr the Hon. Alexander James, M.C. ..................................... Barker (S.A.)
Fraser, Hon. John Malcolm ............................................................ Wannon (Vic.)
Fry, Kenneth Lionel ....................................................................... Fraser (A.C.T.)
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.)
Gunn, Richard Townsend ............................................................... Kingston (S.A.)
Hayden, Hon. William George ....................................................... Oxley (Qld)
Members of the House of Representatives

Hewson, Henry Arthur
Hodges, John Charles
Holten, Hon. Rendle McNeilage
Howard, John Winston
Hunt, Hon. Ralph James Dunnet
Hurstford, Christopher John
Hyde, John Martin
Innes, Urquhart Edward
Jacobi, Ralph
James, Albert William
Jarman, Alan William
Jenkins, Henry Alfred
Johnson, Leonard Keith
Johnson, Hon. Leslie Reyston
Jones, Hon. Charles Keith
Katter, Hon. Robert Cummin
Keating, Paul John
Kelly, Hon. Charles Robert
Keogh, Leonard Joseph
Kerin, John Charles
Kilren, Hon. Denis James
King, Hon. Robert Shannon
Klugman, Richard Emanuel
Lamb, Anthony Hamilton
Lloyd, Bruce
Luchetti, Anthony Sylvester
Lucas, Philip Ernest, C.B.E.
Lusher, Stephen Augustus
Lynch, Hon. Phillip Reginald
MacKellar, Michael John Randal
Macphie, Ian Malcolm
McKenzie, David Charles
McLeay, Hon. John Eiden
McMahon, Rt Hon. William, C.H.
McVeigh, Daniel Thomas
Martin, Vincent Joseph
Mathews, Charles Race Thorson
Milar, Percival Clarence
Morris, Peter Frederick
Morrison, Hon. William Lawrence
Mulder, Allan William
Nicholls, Martin Henry
Nixon, Hon. Peter James
O'Keefe, Frank Lionel
Oldmeadow, Maxwell Wilkinson
Patterson, Hon. Rex Alan
Peacock, Hon. Andrew Sharp
Reynolds, Leonard James
Riordan, Joseph Martin
Robinson, Eric Laidlaw
Robinson, Hon. Ian Louis
Ruddock, Philip Maxwell
Scholes, Gordon Glen Denton
Sherry, Raymond Henry
Sinclair, Hon. Ian McCallon
Snedden, Rt Hon. Billy Mackie, Q.C.
Staley, Anthony Allan
Stewart, Hon. Francis Eugene
Street, Hon. Anthony Austin
Sullivan, John William
Thorburn, Ray William
Uren, Hon. Thomas
Viner, Robert Ian
Wallis, Laurie George
Wentworth, Hon. William Charles
Whan, Robert Bruce
Whitlam, Hon. Edward Gough, Q.C.
Willis, Ralph
Wilson, Ian Bonython Cameron
Young, Michael Jerome

McMillan (Vic.)
Petrice (Qld)
Indi (Vic.)
Bennelong (N.S.W.)
Gwydir (N.S.W.)
Adelaide (S.A.)
Moore (W.A.)
Melbourne (Vic.)
Hawker (S.A.)
Hunter (N.S.W.)
Deakin (Vic.)
Seulfin (Vic.)
Burke (Vic.)
Hughes (N.S.W.)
Newcastle (N.S.W.)
Kennedy (Qld)
Blaxland (N.S.W.)
Wakefield (S.A.)
Bowman (Qld)
Macarthur (N.S.W.)
Moreton (Qld)
Wimmera (Vic.)
Prospect (N.S.W.)
La Trobe (Vic.)
Murray (Vic.)
Macquarie (N.S.W.)
Lyne (N.S.W.)
Hume (N.S.W.)
Flinders (Vic.)
Warringah (N.S.W.)
Balaclava (Vic.)
Diamond Valley (Vic.)
Boothby (S.A.)
Lowe (N.S.W.)
Darling Downs (Qld)
Banks (N.S.W.)
Casey (Vic.)
Wide Bay (Qld)
Shortland (N.S.W.)
St George (N.S.W.)
Evans (N.S.W.)
Bonython (S.A.)
Gippsland (Vic.)
Paterson (N.S.W.)
Holt (Vic.)
Dawson (Qld)
Kooyong (Vic.)
Barton (N.S.W.)
Phillip (N.S.W.)
McPherson (Qld)
Cowper (N.S.W.)
Parramatta (N.S.W.)
Corio (Vic.)
Franklin (Tas.)
New England (N.S.W.)
Bruce (Vic.)
Chisholm (Vic.)
Lang (N.S.W.)
Corangamite (Vic.)
Riverina (N.S.W.)
Cook (N.S.W.)
Reid (N.S.W.)
Stirling (W.A.)
Grey (S.A.)
MacKellar (N.S.W.)
Eden Monaro (N.S.W.)
Werriwa (N.S.W.)
Gellibrand (Vic.)
Sturt (S.A.)
Port Adelaide (S.A.)
THE COMMITTEES OF THE SESSION

(FIRST SESSION—FIRST PERIOD)

STANDING COMMITTEES

ABORIGINAL AFFAIRS—Mr Cross (Chairman), Mr Clayton, Mr Collard, Mr Dawkins, Mr Hunt, Mr Jarman, Mr Ruddock, Mr Thorburn, Mr Wentworth.

ENVIRONMENT AND CONSERVATION—Dr Jenkins (Chairman), Mr Bouchier, Mr Kerin, Mr Lamb, Mr Morris, (from 15 October 1974), Mr Ian Robinson, Mr Sherry (to 15 October 1974), Mr Wilson.

HOUSE—Mr Speaker, Mr Berinson, Mr Bungey, Mr Donald Cameron, Mr Clayton, Mr Cohen, Mr Holt en LibrAry—Mr Speaker, Mr Cross, Mr Erwin, Dr Klugman, Mr Luchetti, Mr O'Keefe, Mr Wentworth.

PRIVILEGES—Dr J. F. Cairns, Mr Donald Cameron, Mr Drury, Mr Enderby, Mr Innes, Dr Jenkins, Mr Lucock, Mr Scholes, Mr Viner.

PUBLICATIONS—Mr McKenzie (Chairman), Mr Erwin, Mr Hodges, Mr Lamb, Mr Mathews, Mr Millar, Mr Oldmeadow.

ROAD SAFETY—Mr Cohen (Chairman), Mr Bennett, Mr Erwin, Mr Katter, Dr Klugman, Mr McKenzie, Mr Ruddock.

STANDING ORDERS—Mr Speaker, the Chairman of Committees, the Leader of the House, the Deputy Leader of the Opposition, Mr Anthony, Mr BerrinAon, Mr Bryant, Dr J. F. Cairns, Mr Drury, Mr Garland, Mr Sinclair.

JOINT STATUTORY COMMITTEES

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

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

PUBLIC WORKS—Mr Keith Johnson (Chairman), Senator Jessop, Senator Melzer, Senator Poyser, and Mr Bonnett, Mr Garrick, Mr Kelly, Mr Keogh, Mr McVeigh.

JOINT COMMITTEES

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

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

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

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

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

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

SELECT COMMITTEES

SPECIFIC LEARNING DIFFICULTIES—Mr Mathews (Chairman), Mr Cadman, Dr Gun, Mr Innes, Mr McVeigh, Mr Oldmeadow, Mr Wilson.
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—L. M. Barlin and I. C. Cochran
Serjeant-at-Arms Office—D. M. Piper

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: FIRST PERIOD)

Aboriginal Land Fund Act 1974 (Act No. 159 of 1974)—
An Act to assist Aboriginal Communities to acquire Land outside Aboriginal Reserves.

Aboriginal Loans Commission Act 1974 (Act No. 103 of 1974)—
An Act relating to the Provision of Financial Assistance for certain Purposes conducive to the Advance-ment of the Aboriginal People of Australia.

Adelaide to Crystal Brook Railway Act 1974 (Act No. 85 of 1974)—
An Act to approve an Agreement between the Australian Government and the Government of South Australia relating to the Construction of a Railway from Adelaide to Crystal Brook, and for other purposes.

Aged or Disabled Persons Homes Act 1974 (Act No. 115 of 1974)—

Aged Persons Hostels Act 1974 (Act No. 131 of 1974)—
An Act to amend the Aged Persons Hostels Act 1972.


An Act relating to the Provision of certain Equipment for a Domestic Airline.

Appropriation Act (No. 1) 1974–75 (Act No. 94 of 1974)—
An Act to appropriate certain sums out of the Consolidated Revenue Fund for the service of the year ending on 30 June 1975.

Appropriation Act (No. 2) 1974–75 (Act No. 95 of 1974)—
An Act to appropriate a sum out of the Consolidated Revenue Fund for certain expenditure in respect of the year ending on 30 June 1975.

An Act to appropriate Moneys out of the Consolidated Revenue Fund for the purpose of Urban Public Transport.

Arbitration (Foreign Awards and Agreements) Act 1974 (Act No. 136 of 1974)—
An Act to approve Accession by Australia to a Convention on the Recognition and Enforcement of Foreign Arbitral Awards, to give effect to that Convention, and for related purposes.

Asian Development Fund Act 1974 (Act No. 54 of 1974)—
An Act to Authorise certain Contributions by Australia to the Asian Development Bank for the purposes of an Asian Development Fund.

Australian Development Assistance Agency Act 1974 (Act No. 137 of 1974)—
An Act relating to the Provision by Australia of Aid for Developing Countries.

Australian Shipping Commission Act 1974 (Act No. 83 of 1974)—

Australian Tourist Commission Act 1974 (Act No. 82 of 1974)—

Banking Act 1974 (Act No. 132 of 1974)—
An Act to amend the Banking Act 1959–1973, and for purposes connected therewith.

Banks (Housing Loans) Act 1974 (Act No. 143 of 1974)—
An Act to provide Funds to enable Banks to make additional Loans for Housing, and for purposes connected therewith.

Broadcasting and Television Act 1974 (Act No. 55 of 1974)—

Canberra Water Supply (Googong Dam) Act 1974 (Act No. 34 of 1974)—
An Act relating to the Construction of a Dam on the Queanbeyan River in New South Wales and the Supply of Water from that Dam for use in the Australian Capital Territory, and for purposes connected therewith.

Commonwealth Banks Act 1974 (Act No. 81 of 1974)—

Commonwealth Electoral Act (No. 2) 1973 (Act No. 38 of 1974)—
An Act relating to the Distribution of the States into Electoral Divisions.

Companies (Foreign Take-overs) Act 1974 (Act No. 141 of 1974)—

Compensation (Australian Government Employees) Act 1974 (Act No. 92 of 1974)—
The Acts of the Session

Conciliation and Arbitration (Organizations) Act 1974 (Act No. 89 of 1974)—
An Act to amend the Law relating to Conciliation and Arbitration.

Customs Act 1974 (Act No. 28 of 1974)—

Customs Act (No. 2) 1974 (Act No. 120 of 1974)—
An Act to amend the Customs Act 1901–1973, as amended by the Customs Act 1974.

Customs Tariff 1974 (Act No. 117 of 1974)—
An Act relating to Duties of Customs.

Customs Tariff (No. 2) 1974 (Act No. 118 of 1974)—
An Act relating to Duties of Customs.

Customs Tariff Validation Act (No. 2) 1974 (Act No. 119 of 1974)—
An Act to provide for the Validation of certain Collections of Duties of Customs in accordance with Customs Tariff Proposals, and for related purposes.

Customs Tariff Validation Act (No. 3) 1974 (Act No. 163 of 1974)—
An Act to provide for the Validation of Collections of Duties of Customs under Customs Tariff Proposals.

Dairy Adjustment Act 1974 (Act No. 166 of 1974)—
An Act to provide Financial Assistance in connexion with Dairy Adjustment Programs.

An Act to provide for Increases in certain Defence Force Retirement and Death Benefit Pensions.

Defence Service Homes Act 1974 (Act No. 125 of 1974)—

Delivered Meals Subsidy Act 1974 (Act No. 108 of 1974)—

Election Candidates (Public Service and Defence Force) Act 1974 (Act No. 59 of 1974)—
An Act relating to Members of the Public Service and the Defence Force who become Candidates for election to the Legislative Assembly for the Northern Territory and similar Bodies for other Territories, and for related Purposes.

An Act to make provision for Protection of the Environment in relation to Projects and Decisions of, or under the control of, the Australian Government, and for related purposes.

Estate Duty Assessment Act 1974 (Act No. 130 of 1974)—
An Act to amend the Law Relating to Estate Duty.

Evidence Act 1974 (Act No. 31 of 1974)—

Excise Act 1974 (Act No. 29 of 1974)—

Excise Tariff Act 1974 (Act No. 121 of 1974)—
An Act relating to Duties of Excise.

Export Finance and Insurance Corporation Act 1974 (Act No. 122 of 1974)—
An Act to establish an Export Finance and Insurance Corporation.

An Act relating to Grants for the purpose of providing Incentives for the Development of Export Markets.

Extradition (Foreign States) Act 1974 (Act No. 21 of 1974)—

Financial Corporations Act 1974 (Act No. 36 of 1974)—
An Act relating to Corporations engaged in certain Financial Operations.

Glebe Lands (Appropriation) Act 1974 (Act No. 35 of 1974)—
An Act to appropriate the Consolidated Revenue Fund for purposes connected with the Purchase by Australia of certain Lands at Glebe in the State of New South Wales.

Handicapped Persons Assistance Act 1974 (Act No. 134 of 1974)—
An Act to provide for Assistance by Australia towards the Provision of Facilities for Handicapped Children, Disabled Persons and certain other Persons.

Health Insurance Act 1973 (Act No. 42 of 1974)—
An Act providing for Payments by way of Medical Benefits and payments for Hospital Services and for other purposes.

Health Insurance Commission Act 1973 (Act No. 41 of 1974)—
An Act to constitute a Health Insurance Commission and for purposes connected therewith.

An Act to provide Payments by Australia in respect of the Provision of Assistance for Homeless Persons and for certain other Persons.
The Acts of the Session

Housing Agreement Act 1974 (Act No. 102 of 1974)—
An Act relating to Financial Assistance to the States for the purpose of Housing.

An Act to impose a Tax upon Incomes.

An Act to amend the Law relating to Income Tax.

Income Tax Assessment Act (No. 2) 1974 (Act No. 126 of 1974)—
An Act to amend the Law relating to Income Tax.

Income Tax (Bearer Debentures) Act 1974 (Act No. 128 of 1974)—

Income Tax (Dividends and Interest Withholding Tax) Act 1974 (Act No. 27 of 1974)—
An Act to impose Income Tax upon certain Dividends and Interest derived by Non-residents and by certain other Persons.

Income Tax (International Agreements) Act 1974 (Act No. 129 of 1974)—

International Development Association (Further Payment) Act 1974 (No. 142 of 1974)—
An Act to approve the making by Australia of a further Payment to the International Development Association.

International Monetary Agreements Act 1974 (Act No. 22 of 1974)—
An Act to authorize Australia to Subscribe for Additional Shares of the Capital Stock of the International Bank for Reconstruction and Development.

Judges’ Pensions Act 1974 (Act No. 162 of 1974)—
An Act to amend the Judges’ Pensions Act 1968–1973 in relation to certain Persons who are or have been Judges of the Supreme Court of Papua New Guinea.

Julius Dam Agreement Act 1974 (Act No. 72 of 1974)—
An Act relating to an Agreement between Australia and the State of Queensland in respect of the Construction of a Dam, to be known as the Julius Dam, on the Leichhardt River.

King Island Shipping Service Agreement Act 1974 (Act No. 149 of 1974)—
An Act relating to an Agreement between Australia and Tasmania in respect of Financial Assistance to Tasmania in connexion with a Shipping Service to King Island.

Liquefied Gas (Road Vehicle Use) Tax Act 1974 (Act No. 76 of 1974)—
An Act to impose a Tax on the use, for the purpose of propelling Road Vehicles, of Liquefied Gas.

Liquefied Gas (Road Vehicle Use) Tax Collection Act 1974 (Act No. 77 of 1974)—
An Act relating to Taxation imposed on the use, for the purpose of propelling Road Vehicles, of Liquefied Gas.

Live-stock Slaughter Levy Act 1974 (Act No. 111 of 1974)—

Live-stock Slaughter Levy Collection Act 1974 (Act No. 112 of 1974)—

Loan Act 1974 (Act No. 144 of 1974)—
An Act to Authorize the Raising and Expenditure of Moneys for Defence Purposes.

An Act to authorize the Raising of a certain sum of Money and to authorize Australia to make certain Moneys available to the Australian Industry Development Corporation, and for purposes connected therewith.

An Act to authorize the Raising of a certain sum of Money and to authorize Australia to make certain moneys available to the Australian National Airlines Commission, and for purposes connected therewith.

Loans (Qantas Airways Limited) Act 1974 (Act No. 98 of 1974)—
An Act to authorize the Raising of a certain sum of Money and to authorize Australia to make certain Moneys available to Qantas Airways Limited, and for purposes connected therewith.

Local Government Grants Act 1974 (Act No. 100 of 1974)—
An Act to grant Financial Assistance in relation to Local Governing Bodies.

Marginal Dairy Farms Agreements Act 1974 (Act No. 49 of 1974)—
An Act to amend the Marginal Dairy Farms Agreements Act 1970.

National Health Act 1974 (Act No. 37 of 1974)—
An Act to amend the National Health Act 1953–1973 in relation to Registered Organizations.

National Roads Act 1974 (Act No. 52 of 1974)—
An Act to grant Financial Assistance to the States in relation to the Construction and Maintenance of National Roads.

Nitrogenous Fertilizers Subsidy Act 1974 (Act No. 78 of 1974)—
Northern Territory (Administration) Act 1974 (Act No. 30 of 1974)—
   An Act to amend the Northern Territory (Administration) Act 1910–1973, and for other purposes.

Nursing Homes Assistance Act 1974 (Act No. 147 of 1974)—
   An Act to provide Financial Assistance in respect of Nursing Homes.

Papua New Guinea Act 1974 (Act No. 56 of 1974)—

Papua New Guinea Act (No. 2) 1974 (Act No. 161 of 1974)—
   An Act relating to Papua New Guinea.

Papua New Guinea Loan (International Bank) Act 1974 (Act No. 87 of 1974)—
   An Act to approve the Guarantee by Australia of the Discharge of the Obligations of the Government of Papua New Guinea under a Loan Agreement made with the International Bank for Reconstruction and Development, and for purposes connected therewith.

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

Parliament Act 1974 (Act No. 165 of 1974)—
   An Act to determine the site of the New and Permanent Parliament House, and for other purposes.

Parliamentary Papers Act 1974 (Act No. 33 of 1974)—


Petroleum and Minerals Authority Act 1973 (Act No. 43 of 1974)—
   An Act to establish a Petroleum and Minerals Authority.

Petroleum (Submerged Lands) Act 1974 (Act No. 57 of 1974)—

Post and Telegraph Act 1974 (Act No. 61 of 1974)—
   An Act to amend the Post and Telegraph Act 1901–1973 and certain Regulations under that Act.

Post and Telegraph Rates Act 1974 (Act No. 60 of 1974)—

Prices Justification Act 1974 (Act No. 47 of 1974)—

Public Works Committee Act 1974 (Act No. 48 of 1974)—

Queensland Grant (Bundaberg Irrigation Works) Act 1974 (Act No. 113 of 1974)—
   An Act to amend the Queensland Grant (Bundaberg Irrigation Works) Act 1970.

Queensland Grant (Clare Weir) Act 1974 (Act No. 123 of 1974)—
   An Act to grant Financial Assistance to Queensland in connexion with the Construction of a Weir on the Burdekin River near Clare.

Queensland Grant (Proserpine Flood Mitigation) Act 1974 (Act No. 116 of 1974)—
   An Act to grant Financial Assistance to Queensland for the purpose of Flood Mitigation Works in relation to the Proserpine River.

Queensland Grant (Ross River Dam) Act 1974 (Act No. 71 of 1974)—
   An Act to grant Financial Assistance to the State of Queensland in connexion with the Construction of the Second Stage of the Ross River Dam in that State.

Remuneration Tribunals Act 1974 (Act No. 80 of 1974)—

Repatriation Act (No. 2) 1974 (Act No. 24 of 1974)—
   An Act to amend the Repatriation Act 1920–1973, as amended by the Repatriation Act 1974, and to appropriate the Consolidated Revenue Fund for the purpose of certain payments resulting from those amendments.

Repatriation Acts Amendment Act 1974 (Act No. 90 of 1974)—
   An Act Relating to Repatriation and related matters.

Representation Act 1973 (Act No. 40 of 1974)—

River Murray Waters Act 1974 (Act No. 146 of 1974)—

Roads Grants Act 1974 (Act No. 53 of 1974)—
   An Act to grant Financial Assistance to the States in relation to Roads other than National Roads.

Seamen’s Compensation Act 1974 (Act No. 93 of 1974)—
   An Act to increase certain Amounts of Compensation payable to and in respect of Seamen.
The Acts of the Session

Seamen's War Pensions and Allowances Act (No. 2) 1974 (Act No. 25 of 1974)—

Senate (Representation of Territories) Act 1973 (Act No. 39 of 1974)—
An Act to provide for the Representation in the Senate of the Australian Capital Territory, the Jervis Bay Territory and the Northern Territory of Australia.

Service and Execution of Process Act 1974 (Act No. 96 of 1974)—

Sewerage Agreements Act 1974 (Act No. 73 of 1974)—
An Act relating to Agreements between Australia and the States of Victoria, Queensland and Western Australia in respect of the Provision of further Financial Assistance for Sewerage Works in those States.

Social Services Act (No. 2) 1974 (Act No. 23 of 1974)—
An Act relating to Social Services.

Social Services Act (No. 3) 1974 (Act No. 91 of 1974)—
An Act relating to Social Services.

An Act to grant Financial Assistance to the States in relation to the Aboriginal People of Australia.

States Grants Act 1974 (Act No. 84 of 1974)—
An Act to amend the States Grants Act 1973 to grant additional Financial Assistance to the State of Tasmania.

States Grants (Advanced Education) Act 1974 (Act No. 140 of 1974)—

States Grants (Beef Cattle Roads) Act 1974 (Act No. 74 of 1974)—
An Act to amend the States Grants (Beef Cattle Roads) Act 1968.

States Grants (Capital Assistance) Act 1974 (Act No. 106 of 1974)—
An Act to grant Financial Assistance to the States in connexion with Expenditure of a Capital Nature and to Authorize the Borrowing of Certain Moneys by the Australian Government.

States Grants (Dwellings for Pensioners) Act 1974 (Act No. 160 of 1974)—
An Act to grant Financial Assistance to the States in connexion with the Provision of Self-contained Dwellings for certain Pensioners.

States Grants (Fruit-growing Reconstruction) Act 1974 (Act No. 157 of 1974)—
An Act relating to an Agreement between Australia and the States with respect to the Provision of further Assistance to Persons engaged in Fruit-growing.

States Grants (Housing Assistance) Act 1974 (Act No. 101 of 1974)—
An Act to Authorize Advances to the States of Financial Assistance in connexion with Housing and to Authorize the Borrowing of Certain Moneys by the Treasurer.

An Act to provide Financial Assistance to the States for Purposes connected with Nature Conservation.

States Grants (Schools) Act 1974 (Act No. 110 of 1974)—
An Act to increase the Financial Assistance payable to the States in relation to Schools.

States Grants (Soil Conservation) Act 1974 (Act No. 150 of 1974)—
An Act to provide Financial Assistance to the States for Purposes connected with Soil Conservation.

States Grants (Special Assistance) Act 1974 (Act No. 107 of 1974)—
An Act to grant Financial Assistance to Queensland and South Australia.

An Act relating to the Grant of Financial Assistance to the States in Connection with Technical and Further Education.

States Grants (Universities) Act 1974 (Act No. 75 of 1974)—
An Act relating to the Grant of Financial Assistance in Connexion with Universities.

States Grants (Universities) Act (No. 2) 1974 (Act No. 139 of 1974)—

An Act relating to Financial Assistance to the States for the purpose of Urban Public Transport.


Statute Law Revision Act 1974 (Act No. 20 of 1974)—
An Act for the purposes of Statute Law Revision.

An Act relating to the Stevedoring Industry.
Structural Adjustment (Loan Guarantees) Act 1974 (Act No. 155 of 1974)—
An Act to authorize the giving of Guarantees on behalf of Australia in respect of Loans made for the purposes of Structural Adjustment in Industry.

Tarloola to Alice Springs Railway Act 1974 (Act No. 86 of 1974)—
An Act to Approve an Agreement between the Australian Government and the Government of South Australia relating to the Construction of a Railway from Tarloola to Alice Springs, and for other purposes.

Taxation Administration Act 1974 (Act No. 133 of 1974)—

Trade Practices Act 1974 (Act No. 51 of 1974)—
An Act relating to certain Trade Practices.

Transport (Planning and Research) Act 1974 (Act No. 50 of 1974)—
An Act to make Provision with respect to Planning and Research in connexion with Transport.

Universities Commission Act 1974 (Act No. 79 of 1974)—

An Act to provide Financial Assistance to the States for Purposes connected with Urban and Regional Development.

Urban Public Transport (Research and Planning) Act 1974 (Act No. 46 of 1974)—
An Act to make Provision with respect to Research and Planning in connexion with Urban Public Transport.

Wheat Export Charge Act 1974 (Act No. 64 of 1974)—
An Act to impose a Charge in respect of Wheat and Wheat Products exported from Australia.


Wheat Products Export Adjustment Act 1974 (Act No. 63 of 1974)—
An Act to authorize the Australian Wheat Board to require the making of certain Payments in respect of the Export of Wheat Products.

Wool Industry Act 1974 (Act No. 65 of 1974)—

Wool Industry Act (No. 2) 1974 (Act No. 152 of 1974)—

Wool Marketing (Loan) Act 1974 (Act No. 58 of 1974)—
An Act to authorize certain Advances to the Australian Wool Corporation and to authorize the Borrowing of certain Moneys by the Treasurer.

Wool Marketing (Loan) Act (No. 2) 1974 (Act No. 153 of 1974)—
An Act to amend the Wool Marketing (Loan) Act 1974.

Wool Tax Act (No. 1) 1974 (Act No. 66 of 1974)—

Wool Tax Act (No. 2) 1974 (Act No. 67 of 1974)—

Wool Tax Act (No. 3) 1974 (Act No. 68 of 1974)—

Wool Tax Act (No. 4) 1974 (Act No. 69 of 1974)—

Wool Tax Act (No. 5) 1974 (Act No. 70 of 1974)—
THE BILLS OF THE SESSION

(FIRST SESSION—FIRST PERIOD)

Audit Bill 1974—
Initiated in the House of Representatives. Second Reading.

Australia Council Bill 1974—
Initiated in the House of Representatives. Second Reading.

Australian Industry Development Corporation Bill 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Book Bounty Bill 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Australian Film Commission Bill 1974—
Passed by the House of Representatives. Returned to the Senate.

Broadcasting and Television Bill (No. 2) 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Broadcasting Stations Licence Fees Bill 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Conciliation and Arbitration Bill 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Conciliation and Arbitration Bill (No. 2) 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Electoral Bill 1974—
Initiated in the House of Representatives. Second Reading

Electoral Laws Amendment Bill 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Health Insurance Levy Bill (No. 2) 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Health Insurance Levy Assessment Bill (No. 2) 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Income Tax (International Agreements) Bill (No. 3) 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Industries Assistance Commission Bill 1974—
Initiated in the House of Representatives. Second Reading.

National Compensation Bill 1974—
Initiated in the House of Representatives.

National Investment Fund Bill 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Northern Territory (Stabilization of Land Prices) Bill 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Phosphate Fertilizers Bounty Bill 1974—
Initiated in the House of Representatives. Second Reading.

Refrigeration Compressors Bounty Bill 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Stevedoring Industry Bill 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Superior Court of Australia Bill 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Television Stations Licence Fees Bill 1974—
Passed by the House of Representatives. Transmitted to the Senate.

Remuneration and Allowances Bill 1974—
Initiated in the House of Representatives. Second Reading.
THE PARLIAMENT CONVENED
TWENTY-NINTH PARLIAMENT—FIRST SESSION

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

PROCLAMATION

Australia
PAUL HASLUCK
Governor-General

By His Excellency the Governor-General of Australia

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

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

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


By His Excellency's Command,

E. G. WHITLAM
Prime Minister
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Tuesday, 16 July 1974

Mr SPEAKER (Hon. J. F. Cope) took the chair at 2.15 p.m., and read prayers.

MEMBER SWORN

Mr Frank Lionel O'Keefe made and subscribed the oath of allegiance as member for the Division of Paterson.

PETITIONS

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

Social Security

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:

That inflation which now besets so many countries today and in Australia is now at the rate of 14.4 per cent per annum is most seriously affecting and making life intolerable for those least able to take corrective action to maintain their position, namely, pensioners and those now retired living on fixed incomes.

Whilst the Australian Government is giving effect to its election policy of making $1.50 per week pension increases each autumn and spring such actions have been completely nullified by the stated rate of inflation.

This fact of life impels your petitioners to call on the Australian Government as a matter of urgency to:

Make a cash loading of $5 per week to those pensioners who have little means other than the present inadequate pension eroded by inflation.

That each autumn and spring the increase in social security pension payments be not less than $3 per week to ensure that within a reasonable period the Government's policy pledge to affix all pensions at 25 per cent of the average weekly earnings be achieved.

In order that money may go to areas of greater need the Tapered Means Test ceilings of income and assets be frozen.

To allay the concern of social security recipients as to their future when in 1975 the means test has been abolished and replaced by a National Superannuation Act that there be an assurance by the Australian Government that the said Act will provide a guaranteed minimum income to social security recipients based on the policy of the Australian Commonwealth Pensioners' Federation and that of the Australian Council of Trade Unions, namely, the payment of 30 per cent of average weekly earnings adjusted from time to time in accordance with figures issued by the Commonwealth Statistician and published quarterly.

And your petitioners, in duty bound, will ever pray.

Petitions received.

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 showeth:

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 basic principles of the existing health scheme, which functions efficiently and economically.

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

by Mr Drury and Mr McLeay.

Petitions received.

Palace Hotel, Perth

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

We the undersigned citizens of Australia do humbly petition the Parliament of the Commonwealth of Australia that it might take such steps as may be necessary either to direct the Commonwealth Banking Corporation to preserve and restore the Palace Hotel or itself acquire the said Palace Hotel, St. George's Terrace, Perth on its present site so as to preserve and restore it in perpetuity.

Further we do humbly petition this honourable Parliament to make such funds as may be necessary available to purchase the entire contents of the said Hotel from the owners thereof.

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

by Mr Bennett.

Petition received.

Television

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:

That the undersigned men and women of Australia believe in a Christian way of life; and that no democracy can thrive unless its citizens are responsible and law abiding.

Your petitioners therefore humbly pray that the members in Parliament assembled will see that the powerful communicator, television, is used to build into the
nation those qualities of character which make a democracy work—integrity, teamwork and a sense of purpose by serving, and that television be used to bring faith in God to the heart of the family and national life.

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

by Mr Bennett.

Petition received.

Whales

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:

(a) That whales are a significant element in the world’s wildlife heritage.
(b) That whales are highly intelligent, highly evolved creatures.
(c) That there is growing international concern at the continued killing of whales for commercial gain.
(d) That synthetic products are able to fully replace all whale products.
(e) That Australia continues to operate a whaling station and to import whale produce.
(f) That Australia supported a proposal to enforce a ten year moratorium on all commercial whaling at the 25th meeting of the International Whaling Commission held in London, June 23-29, 1973.

Your petitioners therefore humbly pray that the members in Parliament assembled will move to immediately revoke all whaling licences issued by the Australian Government and to reimpose a total ban on the importation of all whale produce.

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

by Mr Coates.

Petition received.

Solar Energy Research

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:

(a) That the world’s current major sources of energy are finite and will probably be depleted during the next century.
(b) That atomic energy is currently an unacceptable alternative energy source as it presents problems including radioactive waste, military implications and thermal pollution.
(c) That solar energy is the only acceptable alternative energy source as it is inexhaustible and non-polluting.

Your petitioners therefore humbly pray that the Australian Government will immediately increase the expenditure on solar energy research to an amount comparable with the current expenditure on atomic energy research and will give assurances to maintain solar energy research expenditure at this level, at least, until the year 2000 A.D. and maintain CSIRO control of and responsibility for solar energy research, until an appropriate commission can be established.

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

by Mr Coates.

Petition received.

Television: Pornographic Material

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 we strongly oppose the easing of restrictions on the importation, production in Australia, sale or distribution of pornographic material whether in films, printed matter or any other format.

That any alterations to the Television Program Standards of the Australian Broadcasting Control Board which permits the exploitation of sex or violence is unacceptable to us.

Your petitioners therefore humbly pray that the Government will take no measures to interfere with the existing Television Program Standards or to permit easier entry into Australia, or production in Australia, of pornographic material.

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

by Mr Connor.

Petition received.

Social Security: Pensions

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 a pension scheme for males, bringing up and supporting their children, similar to that which is in operation for females in a similar position, be implemented immediately to alleviate the suffering of the supporting males and their children and whereas in the case of a parent (male or female) working full time and employing a housekeeper, the housekeeper’s total wage should be totally tax deductible.

Your petitioners therefore humbly pray that the Government take steps immediately to rectify this situation.

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

by Mr Jacobi.

Petition received.

Human Rights Bill

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 the Human Rights Bill

(a) Insofar as it attempts to legislate regarding the exercise of religion and religious observances, is in contravention of Section 116 of the Constitution of the Commonwealth of Australia;
Petitions

(b) Will tend to deprive free Australian citizens of religious liberty and freedom of worship, and parents and guardians of the right to choose the moral and religious education of their children in that:

(1) The Government could introduce regulations as to the time, place and manner in which people may manifest their religion and beliefs.

(2) The Bill excludes the recognition of the family as the natural and fundamental group unit of society, and its right to protection by society and the State.

(3) The Bill does not explicitly recognise the liberty of parents, and when applicable, legal guardians, to ensure the religious and moral education of their children.

Your petitioners therefore humbly pray that the House not proceed with the Human Rights Bill.

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

by Mr Hodges.

Petition received.

Industrial Solar Energy

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 the world’s supply of fossil fuel is limited, and that research into alternative sources of energy is urgent.

That nuclear energy is a source of dangerous pollution, and contains inherent threats to the very existence of mankind.

That solar energy is increasingly acknowledged as a possible alternative, and deserves the type of research for which Australia’s size and climate are particularly suited.

That the problems of harnessing solar energy could well be solved if efforts comparable with our atomic energy research were applied to it.

Your petitioners therefore humbly pray that the Government will reduce its current spending on atomic energy research, and urgently set aside sufficient funds for meaningful research into industrial solar energy, and take whatever steps may be necessary to see that this research is begun with the shortest possible delay.

by Mr Hurford.

Petition received.

Whales

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 whale is an endangered species and should be protected by international agreement.

That whalemeat and all other whale products should be excluded from all Australian manufactured goods.

That no whale products should be imported into Australia.

Your petitioners therefore humbly pray that the Government will form appropriate legislation to protect the whale from commercial exploitation.

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

by Mr McLeay.

Petition received.

MR SPEAKER

Mr SNEDDEN (Bruce—Leader of the Opposition)—Mr Speaker, may I welcome you back after your illness last week. I am sure you look fitter and will be more tolerant.

MORTGAGE TAX DEDUCTIBILITY SCHEME

Mr SNEDDEN—Did the Minister for Housing and Construction say in a Press statement on 2 May 1974 that the mortgage tax deductibility scheme proposed by the Government would provide $250 a year to one million families? Does this indicate a minimum cost of this scheme of $250m a year? How does he reconcile this with the cost estimate of $120m given in this House on 21 March 1974? Has the cost estimate of the proposed scheme been reviewed by the Government and if so, what is the present estimate? How much of the difference was error in estimating and how much arose from increased interest rates on home loans?

Mr LES JOHNSON—This is a complex matter; it needs some explanation. The right honourable gentleman and his colleagues have been good enough to give me the opportunity to deal with it in a discussion on a matter of public importance which will follow question time and I will be pleased to talk about the matter during that debate.

CYPRUS: COUP D’ETAT

Mr MORRIS—Has the attention of the Prime Minister been drawn to reports of the attempted assassination of Archbishop Makarios? What is the current situation in Cyprus? Will the Australian Government request the United Nations to intervene on behalf of the legitimate government of Cyprus in support of steps already taken by the Turkish and Canadian governments? Are the 35 Australian policemen stationed on the island safe?

Mr WHITLAM—The situation in Cyprus is still confused. It would be inappropriate to state what the government’s intentions are at this stage. As far as we can tell—we have to
rely on media reports—Archbishop Makarios may be alive. The only Australian representatives on the island are the 3 dozen members of the police force drawn from both mainland Territories and all States except Queensland. They are all safe.

GOVERNMENT ECONOMIC MEASURES

Mr WENTWORTH—My question is directed to the Prime Minister. Does he recall that during the course of the recent election campaign he made no mention whatsoever of the drastic and, indeed, draconian economic measures which the Government has subsequently found to be necessary? Does he also recall that during his first telecast after the election claiming victory he gave notice of these measures showing that they were in his mind all along? Will he consult with his colleague, the Minister for Services and Property, to see whether there can be included in the coming legislation some provision against such obtaining of votes by false pretences?

Mr WHITLAM—The economic matters which I raised and which I touched on in response to other people during the election campaign and the telecast which I made after the Government’s confirmation in office dealt with a program for dealing with inflation. There is no single, simple or popular measure for dealing with inflation. That has been the experience throughout the democratic world not only in Australia but also in all comparable countries. On the second matter of electoral malpractice, I would believe that the honourable gentleman is a greater practitioner and expert and could raise those matters himself.

NURSING HOMES

Mr HURFORD—My question is for the Minister for Social Security. When will regulations be introduced to make increased benefits available for nursing home patients and when will legislation be brought to this House on the subject? Is it a fact that the delay in increasing these benefits is due not only to the imminence of new awards for those working in nursing homes but also more particularly to the forcing of the double dissolution? As this double dissolution was forced by the Opposition parties, does this not lay bare the deceit of those Opposition members who have attempted to make cheap political capital out of the difficulties of nursing homes—difficulties which they promoted?

Mr HAYDEN—We are taking steps to increase the nursing home subsidies, effective on 1 August, and in the Budget session of Parliament amendments to the National Health Act will be effected to remove any possible doubt about the effect of regulatory changes to allow these increases. The second matter which the honourable member mentioned is quite correct: Had it not been for the sudden double dissolution, bed day subsidies for nursing homes would have been increased in the May period or perhaps a little earlier. The evidence is quite clear because I was able to produce the figures during the election campaign—

Mr McMahon—I rise on a point of order, Mr Speaker. That is quite different from what the Minister wrote to me.

Mr SPEAKER—Order! The Chair is not responsible for any personal communications between the right honourable gentleman and the Minister.

Mr HAYDEN—I do not remember talking to the right honourable member, but I might have been kidding him. The facts are that had it not been for the double dissolution, bed day subsidies for nursing homes would have been increased substantially. Accordingly, it is correct for the honourable member to indicate that had it not been for the reckless behaviour of the Opposition, nursing homes which are in financial difficulties today would not have been in financial difficulties. The responsibility for these difficulties can be laid squarely at the door of the Opposition. Not only did the Opposition cost the Australian community millions of dollars merely to confirm the present Government in office and the policies it carries out, but also it stood in the way of nursing homes receiving some millions of dollars in increased subsidies. Their financial difficulties, I repeat, can be laid squarely at the door of people such as the honourable member for Sturt, who was as responsible as anyone in this House for standing in the way of increased subsidies for nursing homes.

Mr Donald Cameron—On a point of order, Mr Speaker, is it in order for the Minister to tell lies?

Mr SPEAKER—Order! The honourable member for Griffith will withdraw that remark.

Mr Donald Cameron—I withdraw it.
AUSTRALIAN WOOL CORPORATION

Mr SINCLAIR—Will the Minister representing the Minister for Agriculture advise the House what steps have been taken by the Government to implement the assurance given by the Minister for Agriculture when he was Minister for Primary Industry immediately before the election that a Labor Government would stand by the Australian Wool Corporation in its operation of the reserve price scheme? Will he also assure the House that there will be no wilful political interference by the Government in the commercial judgment by the Australian Wool Corporation as to what level and to what degree wool will be acquired by the Corporation in the operation of this reserve price scheme?

Dr PATTERSON—If my memory is right, I understand from the assurance given by the Minister for Agriculture that borrowings of about $34m by the Australian Wool Corporation had been guaranteed, if needed. This is additional to the $13m which is held in trust and to which, of course, the Wool Corporation has access, plus any cash surplus which it also has. I assume that the honourable member has asked this question because of the increased buying by the Corporation, particularly yesterday. I can tell the honourable member that the Government is concerned about the increase in buying and the fluctuation in price. Apparently there are quite a number of reasons for this which are being looked at very thoroughly. The 130,000 bales that it is hoped will be sold this week are, as the honourable member would know, bales of wool which it was hoped would be disposed of in the last season which ended on 30 June. There has been a lot of industrial unrest on the waterfront. There is still industrial unrest on the Sydney waterfront. At the same time the approaching holiday season on the Continent apparently has an effect on woolbuying. I assure the honourable member that all these causes—if they are causes—are being studied carefully.

I think I am right in saying that next Thursday discussions will be held between officials of the Department of Agriculture and the Treasury and Mr A. C. B. Maiden, the Chairman of the Australian Wool Corporation. That meeting will be followed by a meeting between the Treasurer, the Minister for Agriculture and, I would think, also Mr Maiden, in an endeavour to find out as soon as possible the reasons for the fluctuations in wool prices. I give the honourable member an assurance that the Government is fully behind the Wool Corporation and the principles it is following. There is no problem in that respect. We have to find out what is causing the changing conditions. As far as I know, they are difficult to explain unless, as I suggested, they are related to industrial unrest and conditions on the Continent.

LAND PRICES

Mr KERIN—I direct my question to the Minister for Urban and Regional Development. Has the Premier of New South Wales agreed to the establishment of a land commission in that State? What stage have negotiations reached? Are the terms and conditions being discussed the same as those agreed to by other States, some time ago? Has the Minister seen reports that the average cost of a block of land in New South Wales is now $20,000, whereas the cost of a similar block in South Australia now rarely exceeds $5,800? Further, is it a fact that moneys allocated in the 1973-74 Budget for the south-west corridor of Sydney remain unspent?

Mr UREN—The Premier of New South Wales, Sir Robert Askin, has not communicated with the Prime Minister accepting proposals for land commissioner or land boards in New South Wales. I read in the Press this morning that Sir Robert had indicated that the New South Wales Government would be accepting the Commonwealth's proposal. The position is that in the last Budget an allocation of $28m was set aside for the acquisition of land through land commissions and in growth centres in New South Wales. The New South Wales Government did not agree to our proposals. In fact, it was not very co-operative in its discussions with us. It was only after the Government of Victoria, through the Premier, Mr Hamer, agreed to the proposal to establish a land board in Victoria that the Premier of New South Wales started to change his tune. Prior to the elections an agreement was made between the Deputy Premier of New South Wales, Sir Charles Cutler, and myself that we would enter into negotiations to try to alleviate the situation of spiralling land prices, particularly urban land prices, in New South Wales. The New South Wales Cabinet decided that Sir John Fuller would enter into negotiations with me. We have had two 3-hour discussions at which we have set
down our policy and our program. The program is similar to the program we suggested 18 months ago and again prior to the elections. To date there has been no reply from the New South Wales Government.

It is true that the average price of a block of land in Adelaide is $5,000. We have entered into an agreement with the South Australian Government concerning land commissions. We have also entered into an agreement with respect to Monarto. Last financial year alone we made available $8.2m for Monarto and $8m for land commissions in South Australia. The average price of land in Sydney is $20,000. The Australian Government believes that the only way——

Mr Sinclair—How much is paid in interest charges?

Mr Anthony—Why do you not compare it with Canberra?

Mr UREN—By way of interjection, the Leader of the Country Party asks: "Why do you not compare it with Canberra?" The situation is that the average price at which land is being sold in Canberra at present is $5,400. I use the figures contained in the report of April 1970 presented by the National Capital Development Commission. The figures show that as a result of the progressive attitude that the National Capital Development Commission was then taking in developing land, the average price at which it was able to sell an unrestricted block in Canberra was $3,000. The price of land had been reduced from the 1962 level of $4,500 a block to $3,000 a block. This was a reduction of one third while the price of land in New South Wales rose by 150 per cent.

The trouble was that the then Government, under Prime Minister Gorton, changed its policy. Not only was that policy changed but also in the credit squeeze of 1970 that Government restricted finance for servicing land in Canberra. Consequently, the price of land in Canberra sky rocketed until this Government came to power. In only 2 places in Australia is the price of land being stabilised. The first is South Australia as the result of co-operation between the State Labor Government and the Australian Government, and the second is the Australian Capital Territory where land prices have been stabilised under the administration of the Department of the Capital Territory.

In regard to the Campbelltown corridor, discussions have been held with the New South Wales Government. As honourable members know, we propose to develop the land at Holsworthy and we wish to do so in co-operation with the New South Wales Government as part of the Campbelltown corridor. As a parcel deal, what we have sought is to acquire the whole of the Camden estate. That would be part of the development of the Campbelltown corridor. We have said also that if the New South Wales Government is to enter into an agreement to set up a development corporation——I might say that a great deal of progress has been made in discussions with the New South Wales Government on this aspect—we would require that Government to acquire all land which is now non-urban, before it is re-zoned. If the New South Wales Government agrees to that proposal, we will set up a development corporation for the Campbelltown corridor. As far as I am concerned, Sir Robert Askin is just using his statement as a gimmick for the 2 by-elections to be held in New South Wales next Saturday. Until such time as he communicates his comments to the Prime Minister, we will take not much notice of the New South Wales Government.

MOTOR VEHICLE INDUSTRY

Mr GILES—I address my question to the Minister for Labor and Immigration. Did his Department, in its evidence to the motor industry hearing before the Industries Assistance Commission, warn that severe unemployment in Adelaide, Launceston, Albury, Geelong and Ballarat would result from Government decisions causing even modest reductions in activity in the motor industry? Does he agree with these expert views put forward by his own Department?

Mr CLYDE CAMERON—My Department did give evidence and expressed some disquiet about what would happen if there was a large scale reduction in motor vehicle output, and I think it was right.

EDUCATION

Mr OLDMEADOW—Is the Minister for Education aware that a number of Victorian government schools which were promised library and art/craft buildings have now been advised that these will be seriously delayed? Has there been any delay in money being supplied by the Australian Government through the Australian Schools Commission for capital works? Has the Victorian Government spent all the Schools Commission money granted to it by the Australian Government?
Mr BEAZLEY—The honourable gentleman will be aware that I do not know all the expectations which the Victorian Government may or may not have raised in regard to government schools. I can say, however, that in the first quarter of this year the Victorian Government asked for $8.5m of its so-called Karmel money. It could have got more. It received the full $8.5m that it asked for. In the first quarter it spent $6.4m. In the second quarter is asked for $7.5m, and got it.

I should explain 2 things to the honourable gentleman. While the Commonwealth over many years has provided library grants for the construction of libraries I do not know of the position of art/craft centres, as they would come under the general funding being provided by the Australian Government. The Victorian Government will not supply information about the state school libraries and it is alone among the State governments in refusing to do this. I can say that in May 1973, after a number of years under our predecessors and a short period of time under ourselves, about 39½ per cent of eligible Catholic schools in Victoria and 74 per cent of eligible non-government non-Catholic schools had received their library grants. The figures in regard to government schools are undisclosed. But there is a general pattern which is quite disastrous for government schools. I might give the instance of Queensland. At the same time in Queensland 11.6 per cent of eligible government schools had received their libraries, as did 45.6 per cent of Catholic schools and 66 per cent of non-government non-Catholic schools.

In fairness to the Victorian Government I want to explain that it complains about the earmarking of grants. The Victorian Government is eligible for $53m of capital which it can draw more or less at the rate that it decides. An amount of $28m is available for general building grants. But the Victorian Government complains that it cannot build new schools out of the money made available to it and it wants a discussion about this with the Australian Schools Commission.

Mr Sinclair—I rise to order. Whilst much of this information is of considerable interest to the House, I point out that the average length of replies to questions during question time today has been about 5 minutes. I suggest that if Ministers wish to make replies to this extent they should make statements rather than provide the information in this form.

Mr SPEAKER—No point of order is involved. I remind the Deputy Leader of the Australian Country Party that it was his interjection which lengthened the answer given by the Minister for Urban and Regional Development to a previous question.

Mr BEAZLEY—I finish on this point, Mr Speaker. I think it is important to the Victorian Government. The Schools Commission would have a discussion with officers of the Victorian Department. But I point out that if the State is granted very substantial capital sums to upgrade defective schools this action ought to release funds of the Victorian Government to build new schools. So I am not quite able to see the point about the complaint that is being made about an absence of funds.

NURSING HOME BENEFITS

Mr CHIPP—I ask the Minister for Social Security a question and so give him an opportunity to correct a misleading answer which he gave to this House when he was replying to a question about nursing home benefits asked by the honourable member for Adelaide. By way of short preamble I remind the Minister that there are a great number of nursing homes in which there are thousands of elderly and sick people who are on the verge of bankruptcy. I also remind the Minister that massive wage increases for nurses and massive cost increases because of the inflationary policies of the Government have made the position of these homes intolerable. I ask the Minister simply this: Will he show his bona fides and credibility to this House by agreeing to back-date those nursing home benefits to 1 July or 1 June? If he does this, I give a guarantee that we on this side of the House will expedite such legislation.

Mr HAYDEN—As far as I could follow the syntax of the honourable member, it sounded as though the patients were going broke rather than the nursing homes. But the fact is, I repeat, that the nursing homes find themselves in this financial difficulty because of the political opportunism of the Opposition. If it had not forced an election the nursing homes would have received increased bed-day subsidies at a much earlier date. The situation is that I have really cut corners. I have taken a very liberal interpretation of the relevant law—a more liberal interpretation than has ever been taken before. I am using regulations to increase these benefits. I am doing this from the earliest date which we
believe is reasonable and possible; and that is 1 August this year. If anyone is in trouble because nursing home benefits cannot be introduced at an earlier date, let him blame honourable members opposite; let him blame the honourable member for Hotham who was as excited and as enthusiastic as anyone to bring on the last election.

Mr Ian Robinson—Mr Speaker, I raise a point of order. Is it correct for the Minister for Social Security to reflect on the Opposition when he, on 4 July last—4 days before this Parliament met—told a deputation—

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

Mr Ian Robinson . . . that he could not increase the fees under the present law?

Mr SPEAKER—Order! The honourable member knows that no point of order is involved.

Mr HAYDEN—The fact that I have increased the subsidies shows that someone was wrong somewhere, and I suggest that it was not I. Let the honourable member have a look at himself. If anyone is worried about inflation affecting the living standards of the more needy people in the community—if I can take up the emotional strains used by the honourable member for Hotham—and if anyone is concerned about the most dependent people in society, the pensioners, then I remind honourable members that it was the honourable member for Hotham who was responsible for the social security proposals of the Opposition. Its proposal was to increase pensions in accordance with movements in the cost of living and not in accordance with movements in average weekly earnings. If we as a government had followed that policy the standard rate of pension today would be some $3 below the current amount and a sum in the hundreds of millions of dollars would have been saved at the pensioners’ expense. That is the sort of policy for which the Opposition is responsible.

Mr Chipp—Mr Speaker, I raise a point of order. I know your previous rulings on this matter, but I put this to you: As soon as question time ends thousands of people tune off. The Minister is deliberately misrepresenting Opposition policy on cost of living indexed increases in pension. May I have the opportunity during question time—

Mr SPEAKER—Order! The honourable member for Hotham will resume his seat. No point of order is involved.

Mr HAYDEN—I thank the honourable member for Hotham for the interjection as it gave me an opportunity to pick up a piece of paper which is relevant and which shows that if the Liberal program had been followed the standard rate of pension would be $2.80 a week less than it currently is. My Department, at my request, carried out a calculation—

Mr Gorton—Point of order—

Mr HAYDEN . . . which shows that the Opposition—

Mr Gorton—Point of order—

Mr HAYDEN . . . would have saved $175m at the pensioners’ expense if—

Mr Gorton—Point of order—

Mr SPEAKER—Order! No more business will be conducted in the House until honourable members come to order. I call the right honourable member for Higgins.

Mr Gorton—I take a point of order, Mr Speaker. I heard the honourable member for Hotham say that if the Government would backdate the benefit for pensioners to 1 July or 1 June the Opposition would support it. Is the Minister prepared to give that undertaking?

Mr SPEAKER—Order! There is no point of order involved. The Minister is entitled to answer the question in the way he thinks fit.

Mr HAYDEN—Let me conclude the point. The rate of pension for married couples would be only $40 a week instead of $45.50. That would be a saving of $5.50 a week at the pensioners expense. Let me come back to the question of nursing home subsidies. The Government outlaid $26m to provide these increased nursing home subsidies. It was a very generous amount. We responded as quickly as we could. We will introduce the increased benefits as quickly as we can. It is rather strange to find members of the Opposition, now that the election is out of the way, telling us that we should spend more money in the public sector when, during the election campaign, they were stringently lecturing us on the need to cut back on public expenditure. They should remove the contradiction between what they proposed in the election campaign and what they are saying now. They are easy spenders now that the election is over. They are scarcely credible or responsible.
POST OFFICE CHARGES

Mr DUTHIE—I direct my question to the Minister representing the Postmaster-General. In view of the disturbing story that postal and telecommunication charges are heading for a massive increase, will the Postmaster-General and the Government consider the fact that already business is falling in thousands of post offices, especially in country towns? As it is an axiom in private business that customers must be encouraged to pass through the front doors and that reduced prices in certain commodities are a method of retaining those customers, why does the Post Office not do likewise? Why is there a frenzy to increase postal charges and frighten customers away? Why does the Post Office not do the sensible thing and reduce some charges to increase business in post offices, to create goodwill which is rapidly melting away, and to give hope to postal staffs whose future advancement will suffer through the business decline?

Mr LIONEL BOWEN—I ask the honourable member to be a little patient until such time as the Vernon Committee report is available to the Parliament.

Mr Corbett—When will that be?

Mr LIONEL BOWEN—It will be within the next fortnight. When honourable members look at that report it will be obvious to them that the Post Office has been subservient to Treasury domination for a long time. No doubt as a result of the recommendations, which I am pleased to say have been applauded by the Opposition, that there be statutory corporations, the corporations will be freed from what we might term bureaucratic control and they will be able to implement efficient programs which will overcome the problems that the honourable member has mentioned.

QUESTIONS

Mr KATTER—My question is addressed to you, Mr Speaker. I preface it by quoting from Erskine May's 'Parliamentary Practice'. In relation to oral answers by Ministers it says:

An answer should be confined to the points contained in the question, with such explanation only as renders the answer intelligible, though a certain latitude is permitted to Ministers of the Crown—

It then goes on to say:

and supplementary questions, without debate or comment, may, within due limits, be addressed to them, which are necessary for the elucidation of the answers that they have given.

I respectfully submit, Mr Speaker, that almost every answer given to every question last week required a supplementary question for elucidation. I ask you, Mr Speaker: In the interests of restoring at least some suggestion of democracy in this House—taking into account the fact that you have stated often that you cannot dictate to a Minister how he answers a question—would you dictate to Ministers that they should answer the questions and give the information requested? Would you also agree that the answers given last week, particularly by the Prime Minister, showed complete contempt for and arrogance towards the people on this side of the House and the people they represent?

Mr SPEAKER—if the honourable member for Kennedy would care to come around to my suite I would show him the text of rulings given by my predecessors which are in line with the rulings I have given in regard to answers to questions.

INVENTIVENESS IN INDUSTRY

Mr REYNOLDS—My question is addressed to the Minister for Manufacturing Industry. Has the Government in mind any additional measures to promote inventiveness in industry? If so, will such organisations as the Inventors Association of Australia be consulted about such proposed measures before legislation is finally drafted?

Mr ENDERBY—The honourable member's interest in the cause of inventors and the need to give encouragement to inventors is well known. The Government has under consideration a revised scheme for giving assistance to inventors and I hope that it will lead to action quite soon. Consultation with the Inventors Association will certainly be part of what we do. Consultation will be held before any legislation is introduced.

TERRORIST ACTIVITIES

Mr DRURY—I ask the Prime Minister whether the Government is taking appropriate action to counter any violence arising from terrorist activities in this country. Will he assure the House that the Government will not allow the Palestine Liberation Organisation to establish an information centre in Australia?

Mr WHITLAM—The Government certainly is taking action to obviate any terrorist activities. That was made plain last year in respect
of Croatian terrorists. There has been no application by the Palestine Liberation Organisation to open an office in Australia. Any such application, of course, would certainly be scrutinised in the context of any possible terrorism. I will take the opportunity to say that there have been reports in the newspapers—I have no doubt they are correct—that an invitation was extended to the PLO by a member of the Australian Labor Party. I hasten to assure honourable members that this was done without the knowledge or approval of the Government.

BUILDING SUPPLIES IN CANBERRA

Dr GUN—Has the Minister for Housing and Construction seen a report in the Press that there has been an unexpected drop in the past 2 weeks in consumer demand for building supplies in Canberra? Is this the general trend throughout Australia or is it merely restricted to the Australian Capital Territory? Can the Minister say whether any slackening of private sector demand for building materials is indicated by information reaching his Department? If so, are the public housing authorities geared to take advantage of this slackening immediately?

Mr LES JOHNSON—I did see a report of some remarks attributed to the President of the Canberra Timber Merchants Association which may be the ones to which the honourable gentleman is referring. They were to the effect that some slack was emerging in the building industry in the Australian Capital Territory. I might say that I am not responsible for housing in the Australian Capital Territory. Nevertheless, it does not come as any surprise to me to learn that there may be some early evidence of the Government's policy of achieving a moderate abatement in the building industry taking effect.

There is, of course, always a tendency for people to cry wolf prematurely. In fact, I might add that representatives of the various sections of the building industry have been calling for well over 12 months for relief and additional funds for the building industry. Of course, if we had heeded and acted upon those requests the moderate abatement sought certainly would not have been achieved. It is interesting to note that in Canberra there is no unemployment of consequence. In fact the June figures show that in the skilled building and construction industry there were 3 people unemployed and 56 vacancies. The figures for the whole of Australia indicate that we had the best employment figures in this industry since 1965. I would not be surprised if there is some added evidence of materials becoming excessively available throughout Australia.

In the final part of his question the honourable gentleman asked me about the capacity of the public sector to take up the slack. Already the Government has announced its intention to provide this year $235m under the Commonwealth-State Housing Agreement, compared with $218m provided last year. The Prime Minister, at the Premiers Conference, indicated that the Government would be prepared to review the progress of the housing authorities at a later stage this year to see whether they had an added capacity. If it were shown that they had, there would be a very real likelihood of additional funds being made available.

TERMINATION OF PREGNANCY CLINICS

Mr RUDDOCK—Has the Minister for Health been approached for assistance and has he offered financial support for the establishment of what has been called in the Parramatta Press a clinic to carry out walk-in walk-out pregnancy terminations? If support is forthcoming, is such support of such clinics part of Government policy?

Dr EVERINGHAM—The answer to the 2 parts of the honourable member's question is no.

NATURAL GAS

Mr FRY—The Minister for the Capital Territory will be well aware that many residents of the Australian Capital Territory have been severely inconvenienced in the last couple of weeks through a shortage of liquefied petroleum gas. Can the Minister tell us whether it is the Government's intention to extend a spur line to bring natural gas to the Australian Capital Territory from the proposed pipeline which will pass very near the Australian Capital Territory in the vicinity of Gunning? Can the Minister indicate when this pipeline might materialise?

Mr BRYANT—I discussed the matter of the pipeline and Canberra's access to it with the Minister for Minerals and Energy a week or so ago. He is quite agreeable to the proposition which the honourable member puts forward. The construction of a spur line will be part of the program. I understand that it will be a
couple of years before the pipeline nears the stage where we would be able to link into it, but I could not give an undertaking as to the actual time involved. However, I will say this: Private enterprise has failed signalty in the past in keeping up a supply of this sort of fuel to the Australian Capital Territory. Whenever there is a crisis anywhere, either in the trade unions or in the industry, in relation to the supply of fuel we are the first victims of it. Therefore the time has come when the Government must give serious consideration to ensuring the public supplies of gas, petrol and other forms of fuel support.

PERSONAL EXPLANATIONS

Mr SNEDDEN (Bruce—Leader of the Opposition)—In the course of a debate in this House last Thursday the Minister for Services and Property (Mr Daly) said, as recorded at page 153 of Hansard:

The man who has moved this motion—the Treasurer at that time—gave pensioners an increase of 50 cents. He is a man who is greatly concerned about inflation.

The Minister referred to me and alleged that, as Treasurer, I had granted an increase of 50c a week to pensioners. This allegation was made repeatedly during the recent election campaign. There was no opportunity for me then to name particularly the person who was making the allegation because it was made just in the broad and appeared in advertisements. But now that the honourable gentleman has stated it explicitly, I am given the opportunity to put the record straight. I introduced Budgets into this House in 1971 and 1972. I wish to quote a small part of each of those Budget Speeches so as to make it perfectly clear that the statement made by the Minister is totally without foundation and that anybody who repeats it does so deliberately, knowing he is continuing to propagate an untruth. One paragraph from the 1971 Budget Speech reads:

The Government has pursued its policy of assisting those most in need. There will be higher pensions for those who are wholly or substantially dependent on their pensions. The standard rate pension payable to single people and widows with children is to be increased by $1.25 to $17.25 a week. The married rate of pension will rise by $1.00 a week for each person to give a married couple who are both pensioners a combined maximum pension of $30.50 a week.

That was contained in my 1971 Budget speech. In the 1972 Budget speech delivered on 15 August 1972, I had these words to say:

Last April—

That is, between the August 1971 Budget and the August 1972 Budget—

the standard rate of pension was increased by $1.00 a week and the rate for a married pensioner couple by $1.50. When introducing these measures I then said I was anticipating what would normally have been part of our budget measures.

The Government now proposes that the standard rate of age, invalid and repatriation service pension payable to single people and the pension payable to widows with children be increased to $20.00 a week—that is, by a further $1.75. This brings to $4.50, or 29 per cent, the increase in the standard rate pension since March 1971.

In other words, during the period of about 17 months between 2 Budgets while I was Treasurer, the pension was increased by an amount of $4.50 a week, not by 50c. As I said earlier, any person, anywhere, including members of this House, who propagates a lie ought to be nailed as a liar.

Mr DALY (Grayndler—Minister for Services and Property)—Mr Speaker, I wish to make a personal explanation.

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

Mr DALY—Yes. It is true that I said the other night what the right honourable gentleman stated I said. I accept the fact that he was Treasurer from, I think, 23 March 1971 to 2 December 1972. But it is not correct to say that the right honourable member did not support increases in pensions of only 50c a week. For instance, in 1955-56 and 1956-57 he voted for Budgets which did not increase the pension at all. It stayed at $8 a week. He voted for an increase of 75c a week in the Budgets of 1957-58 and 1958-59. In 1959-60 and 1960-61 the right honourable member supported the miserable increase of only 50c a week and between 1961 and 1963, whilst he was a member of the Government, the pension did not move from $10.50 a week. Between 1963 and 1965 the right honourable member voted for an increase in pensions of only 50c a week for single and married people. The present Leader of the Opposition supported an increase between 1965 and 1967 of only $1 for single people and 75c for married couples. Similarly, between 1967 and 1969 he supported pension increases of only $1 a week in the single rate and 75c a week in the married rate. So, right down through the years we can see the shabby and deplorable record of assistance to pensioners by the Leader of the Opposition and those behind him.
Mr GARLAND (Curtin)—Mr Speaker, I wish to make a personal explanation.

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

Mr GARLAND—Yes, Mr Speaker. Last Thursday at page 152 of Hansard the Leader of the House (Mr Daly) is reported as having referred to me. He misrepresented me when he said:

The honourable member for Curtin (Mr Garland) gave notice that on general business Thursday No. 20 he would move as follows:

That this House believes the Government has failed the nation in the management of the national economy by failing to control inflation causing loss of public confidence by failing to exhibit concern for the future and causing hardship to many by raising the spectre of widespread unemployment and by denying Australians an equitable share in national economic growth by failing to reform the taxation system.

The Leader of the House went on to protest about that notice of motion and actually said that as this motion had been put in as No. 20 it would not be debated until after the next election. He implied—indeed, he said—that I had put that motion in with such a low priority that it came in only at No. 20. I think you will agree, Mr Speaker, that it is a worthwhile motion. I put the motion in as soon as I possibly could in order to have it debated in this House as soon as possible. There is no question of my giving it No. 20 priority; that is the order of business made under the Standing Orders. Indeed, the Leader of the House, if he wishes, is in the position of providing time to enable that valuable motion to be debated earlier. If he wishes me to debate it earlier, if he provides time for the necessary machinery and will bring in the Government numbers to assist in suspending Standing Orders, I shall be ready to move the motion at half an hour's notice.

AUSTRALIAN DRIED FRUITS RESEARCH COMMITTEE

Dr PATTERSON (Dawson—Minister for Northern Development and Minister for the Northern Territory)—Pursuant to section 18 of the Dried Fruits Research Act 1971, I present the second annual report of the Australian Dried Fruits Research Committee for the year ended 30 June 1973.

AUSTRALIAN DAIRY PRODUCE BOARD


AUSTRALIAN PIG INDUSTRY RESEARCH COMMITTEE

Dr PATTERSON (Dawson—Minister for Northern Development and Minister for the Northern Territory)—Pursuant to section 16 of the Pig Industry Research Act 1971, I present the second annual report of the Australian Pig Industry Research Committee for the year ended 30 June 1973.

AUSTRALIAN CHICKEN MEAT RESEARCH COMMITTEE

Dr PATTERSON (Dawson—Minister for Northern Development and Minister for the Northern Territory)—Pursuant to section 16 of the Chicken Meat Research Act 1969, I present the fourth annual report of the Australian Chicken Meat Research Committee for the year ended 30 June 1973. An interim report of the Committee was presented to the House on 17 October 1973.

AUSTRALIAN TOBACCO BOARD

Dr PATTERSON (Dawson—Minister for Northern Development and Minister for the Northern Territory)—Pursuant to section 26 of the Tobacco Marketing Act 1965-1973, I present the eighth annual report of the Australian Tobacco Board regarding the operation of the Act for the year ended 31 December 1973, together with financial statements and the Auditor-General's report on those statements.
NATIONAL HEALTH AND MEDICAL RESEARCH COUNCIL

Dr EVERINGHAM (Capricornia—Minister for Health)—For the information of honourable members I present the report of the National Health and Medical Research Council on acupuncture.

MEDICAL RESEARCH ENDOWMENT ACT

Dr EVERINGHAM (Capricornia—Minister for Health)—Pursuant to section 9 of the Medical Research Endowment Act 1937, I present the annual report on work done under the Act during the year ended 31 December 1972.

PUBLIC WORKS COMMITTEE

Mr LIONEL BOWEN (Kingsford-Smith—Special Minister of State)—For the information of honourable members I present the report of the Interdepartmental Committee on the Review of the Public Works Committee Act, dated June 1974.

SUSPENSION OF STANDING ORDERS

Mr CHIPP (Hotham) (3.14)—I move:

That so much of Standing Orders be suspended as would prevent the House debating the present problem of nursing home benefits and the Opposition policies on social welfare.

Mr Speaker, when any honourable member is on his feet in this House, at some stage or other undue emphasis is given to a point. In the heat of debate sometimes things are said which are not meant. Ministers are capable of this human failing as well as anybody. Therefore, if a Minister is on his feet and says something misrepresenting the Opposition or some other person, that is excusable and part of the game here. But when a Minister, as the Minister for Social Security (Mr Hayden) did today, sets up a pathetic Dorothy Dixer with the honourable member for Adelaide (Mr Hurford) and then proceeds to misrepresent me and other members of the Opposition and, indeed, the policies of the Opposition which are in black and white for him to read, that becomes a serious matter.

I am in sympathy with the Leader of the House (Mr Daly), once having occupied that position myself, and do not facetiously move for the suspension of Standing Orders. But when we are on the air at question time thousands of people are listening, and for those thousands of people to hear the Minister deliberately misrepresent people and parties is a serious matter calling for a serious response. The Minister said 2 things which were deliberately misleading and deliberately untruthful. The first was the extraordinary statement that it was the Opposition parties which delayed the increase in benefits to nursing homes. The Minister wants to lay at our door the blame for the horrific dilemma, involving financial and other problems, in which nursing homes find themselves now, because we dared call a general election. I was confounded when I heard the Minister say that. Did he expect anybody in this House to believe him? Is it true that no increases were paid to anybody during the period between the time this House rose for the double dissolution and the time it resumed? Will the Minister stand up and say that in the interregnum he was powerless to grant increases in nursing home rates? The Minister for Social Security made that cheap gibe at me, saying that I am interested only in the proprietors of nursing homes and not the people in them.

Mr Hayden—When did I say that?

Mr CHIPP—You implied it. The reason we raised this matter today was that we do care about the people in nursing homes—the people who are sick and the people who are elderly. There are thousands of them in this country who, at the moment, are in some danger of literally being thrown out into the street. Because of the Minister’s policies, or lack of policies, or his lack of concern, many nursing homes in Victoria have closed already. I have personally visited nursing homes in Brisbane—in the Minister’s own State—which are next to having to close because of bankruptcy. I am not talking about only the privately owned nursing homes. There are hundreds of magnificently run nursing homes in this country operated by religious and philanthropic institutions which have had to meet the massive rise in costs since this Government took office. In that time they have not received any increase in nursing home benefits. The Minister for Social Security will correct me if I am wrong; but, if my memory serves me correctly, no increase has been given in nursing home benefits since we left office.

Mr Wilson—That is correct.

Mr CHIPP—There has been no increase since January 1973. In 18 months of mismanagement of the economy, with wage rises
of 30 per cent and 40 per cent being demanded and being granted, and being supported by this Government, the Government has not seen fit to increase nursing home benefits. One asks why? I suggest that the reason is that the Government believes that there is no place in our society for the privately run nursing homes, whether they be privately owned or conducted by a philanthropic or religious organisation. The Government wants to destroy them. The Government wants to take over such institutions in its obsessive zeal for nationalising and socialising everything. One can respect Government supporters for being socialists, but one has nothing but contempt for them if they are going to make the aged and the ill suffer for the birth of their ill-gotten policies. As I said at question time, if the Minister is fair dinkum, instead of coming into this House trying to take a cheap political trick by getting a lightweight from Adelaide to ask a question about increasing nursing home benefits, he will backdate the nursing home benefits increase to 1 June. Every honourable member on this side of the House would support that proposal.

Mr SPEAKER—Order! As the honourable member is aware, when an honourable member is speaking to his motion for the suspension of Standing Orders a lot of latitude is allowed. I do not think the honourable member had better go too far in debating the matter. The honourable member should simply give the reasons why he wants Standing Orders suspended.

Mr CHIPP—Thank you, Mr Speaker, for the latitude you have given me. When the Minister for Social Security replies, I ask him to simply say yes or no to my question: Will he backdate these benefits to 1 June or will he keep on with this charade in which he has been indulging?

The Minister for Social Security made an even more serious misrepresentation when speaking of our policies on social welfare. The Opposition's policies on social welfare have been available since about the first or second week of May in a booklet entitled 'The Way Ahead'. It comprises 138 pages of progressive, exciting policies of the Liberal and Country Parties. They are policies of which I personally am proud and of which every honourable member on this side of the House is proud. On the question of pensioners, the Minister said deliberately that we, the Opposition, will not accept the index of average weekly earnings but we will tie our increases to the cost of living index. The difference might not be apparent to people listening to this debate, but to the students of parliamentary Hansard that is a gross misrepresentation. The Minister for Social Security knows that if increases in pensions were geared to cost of living increases—the consumer price index—they would be less than if they were geared to average weekly earnings increases. The Opposition concedes that point. But at no stage has the Opposition said that it would gear the increases to the cost of living index. The Opposition says that in future adequate financial assistance will be provided to the aged, the disadvantaged, etc., and will in future be adjusted automatically every half year to changes in living standards. At the time I held a Press Conference in this building I deliberately said that we did not commit ourselves to an index but would wait for the Henderson Committee report in November.

Mr Cohen—You did not let yourself do anything.

Mr CHIPP—if the honourable member for Robertson, who interjects, wants to go to the many pensioners in his electorate and commit himself to tying pensions to average weekly earnings he could find himself in diabolical trouble within 6 months. If the Government gears pensions to average weekly earnings——

Mr Cohen—It has.

Mr CHIPP—the Government has done so. If the honourable member is obsessive about that, as he is, and there is unemployment, which there will be under the Government's policies, and there is a decrease in average weekly earnings—there could be a period of stagflation, which I am sure is around the corner, with increased unemployment, lower average weekly earnings and increased costs—then pensioners will be in the horrific position of bearing the brunt of the Government's maladministration. Let the honourable member for Robertson then explain that to the hundreds or thousands of pensioners in his electorate, rather than making the kind of interjection he does.

The Opposition's policies are responsible. We are determined not to allow pensioners to suffer because of inflation. We are determined to make sure that they do receive justice. The Minister for Social Security can hand out thousands of dollars under the Australian Assistance Plan. He can squander money on political patronage all over the country. The
Minister for Tourism and Recreation (Mr Stewart) can hand out $1,000 here and $1,000 there for any kind of lightweight sports meeting. But, for some reason or other, the Minister for Social Security cannot bring himself to backdate to 1 June, as the Opposition wants, this increase in nursing home benefits to keep the aged and the sick inside homes.

Mr SPEAKER—Is the motion seconded?

Mr LLOYD (Murray) (3.23)—I second the motion. I think the attitude of the honourable member for Robertson (Mr Cohen) who has been interjecting during this debate, indicates that he shows no real concern for the people presently in nursing homes. The reason why Standing Orders should be suspended to allow this matter to be debated is to expose to the Australian public the deliberate policy of the Minister for Social Security (Mr Hayden) since this Government came to office. That policy has been to squeeze and to bankrupt private and religious nursing homes and also private and religious aged persons homes in this country. This has been a deliberate policy of this Government since January 1973.

The Government has created chaos in the nursing home industry. One can witness this by the almost daily Press reports of the concern it is causing old people who are not sure whether they will continue to have a bed. The Government has now realised that it cannot continue with its policy of completely changing the order of our society in this way. The Government is now trying to cover up its backtracking on this matter by throwing up the red herring that if it were not for the double dissolution these increases would have been made earlier. What a sham this is, because the Government has made no attempt to increase nursing home benefits in the 18 months that it has been in power. The last increase in nursing home benefits was made by the previous Liberal-Country Party Government in 1972 and commenced on 1 January 1973. At that time a pensioner in one of these nursing homes, after paying all that was required in order to be in that nursing home, still had $3 a week spending money. That was the gap between what he had to pay and the benefits he received. What is the situation now, 18 months later, forgetting about the short time required for the double dissolution? In that 18 months the present Government has attempted nothing and at the present time the pensioner is over $30 a week behind in the level of payments due to him from the Government. This creates problems for relatives and others who show concern for these pensioners. It is of no use for the Government to say that it is not aware of the increased costs in our society. The Government claims great credit for what it has done for pensioners even though the percentage of average weekly earnings that a pensioner receives is lower now than it was in December 1972 when the Opposition parties left office. At that time it was 20 percent of average weekly earnings. So much for the Government's great call for a benefits level of 25 per cent of average weekly earnings.

Another reason why Standing Orders should be suspended is that this will enable us to expose to the Australian public that what is now being offered is not only too late but also too little. In private nursing homes in Victoria the present weekly charge is $136.50. It is of no use for the Minister or the Government to say that there is an exorbitant charge because that charge was basically set by the Minister's own Department. It has to be. The new allowance that the Minister has so proudly announced will still leave a payments gap in private nursing homes in Victoria of $13.60 a week. In other words, a pensioner will still be behind. The relatives of the pensioners will still be concerned about whether or not they will be able to continue to pay.

Mr BOURCELIER—That is after taking all their pension.

Mr LLOYD—That is right—after taking all the pension and not allowing for the inevitable increases that will take place in nursing home charges in the near future because of the inflation which is being led by this Government's own policies. If the Minister is genuine in saying that he wants to do something to put pensioners ahead of charges in nursing homes, not only should this increase be backdated, as the honourable member for Hotham has mentioned and challenged the Government to do, but also it should be not an increase of $29 a week but an increase of $45 a week. That is the minimum that is required to put pensioners ahead, particularly in private nursing homes in Victoria. That sum would allow a pensioner only $2.40 a week spending money, which is virtually nothing nowadays and which allows nothing at all for the increased costs which inevitably will occur before the Government, if one can judge by the past when it took 18 months to do anything, gets round to granting another increase. The third
reason for calling for the suspension of Standing Orders is to put the record straight with regard to the Opposition's policy about which the Minister has tried to mislead the Australian public. The honourable member for Hotham has shown quite clearly our positive policy.

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

Mr HAYDEN (Oxley—Minister for Social Security) (3.28)—It is quite remarkable how an Opposition can be extremely generous. This Opposition is much more generous in opposition than it was in government. I have no doubt that, if the position were to be reversed and the Opposition were to be in government again, it would be equally as austere in what it did in any area of welfare services as it was austere in those areas as a government up to 1972. What I think we ought to bear in mind—we should not lose sight of it at all; it is important—is that this system of setting fees and the system of establishing nursing home subsidy rates are pretty much systems which were introduced by the last Liberal-Country Party Government.

For instance, we inherited the system of setting of fees. I would be the first to agree that it has serious unevenness about it, and that it has led to some injustices and some anomalies. We are constantly exploring ways of improving it. We have done a lot in the time that we have been in office. Instead of maintaining the permanent state of conflict and siege that distinguished the role of the Liberal-Country Party Government of 1972 in its association with private nursing homes, we have established a working party arrangement with nursing homes and a number of important innovations have come out of that working party arrangement which have led the whole system of administration to be greatly improved. But room exists for a lot more improvement. I would be the first to admit that. After all, it took a period of 20 years for the government of the Liberal and Country parties to make the improvements that it made to the nursing home industry. We have had approximately 18 months only to try to rectify those defects. We have made a lot of advances. There are still many more to be made.

Let us look at the system of bed day subsidy for nursing homes. For God's sake, we do not want to take any credit or responsibility for that subsidy. We do not want to take any of the blame for it. The Liberal-Country Party Government introduced the crazy system of variable rates of nursing home bed day subsidies. Let us look at the effect of nursing home bed day subsidies as a result of the differential formula that the Liberal-Country Party government introduced in about 1972. We inherited a situation that led to all sorts of misunderstandings, tensions, irritability and resentment in the nursing home industry as between the various States. For instance, before this recent increase the total bed day subsidy payable in Queensland was $37.80. Honourable members and members of the public would no doubt be aware that the subsidy consists of 2 amounts. The first is the basic rate benefit which is paid as a flat amount across the whole of Australia. That sum was $24.50 a week until the increase that we proposed. The second part of that subsidy is what is called an additional benefit which varied—this is important—between $10.50 in Queensland and $22.40 in Victoria. I hope that the honourable member for Hotham (Mr Chipp) will not suggest that the private nursing home industry is happy about that system. The industry is not. Those subsidies have caused all sorts of resentments. The industry regards that system as a heritage of injustice from Liberal-Country Party government days and it is looking to the Labor Government to rectify that situation. We are working in that direction now. In the meantime, we are saddled with this anomalous situation.

Let us look at the effect of these increased subsidies. In Victoria, the total benefit has risen from $46.90 a week to $75.95 a week. That, incidentally, was an increase of more than $29 a week. If we add to that sum the standard rate of pension and supplementary assistance provided by the Australian Government on behalf of all taxpayers, we find that this Government contributes nearly $106 a week to private nursing home patients. That is the position in Victoria. The contribution scales down dramatically to $82.50 in New South Wales and $70.60 in Queensland. Queensland still lags a long way behind the other States. I repeat that those amounts include the sums which are paid by the Australian Government by way of supplementary assistance. These are the sorts of outlays—totalling $26m, I repeat—for which the Australian Government is responsible.

We have substantially increased the amount of subsidy. The Department of Social Security
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has carried out a survey which has indicated that the amounts of subsidy that we are paying now will be sufficient, taken together with pension and supplementary assistance payments, to meet the cost of private nursing home fees and to allow $4 a week in spending money for patients in at least 70 per cent of nursing homes in Australia. Now, $4 a week is more than the $3 a week about which the honourable member for Murray (Mr Lloyd) spoke but I do not think that the sum involved is worth quibbling about. The point that should be made strongly here is that we cannot expect the Australian taxpayer to meet the full cost of every private nursing home in Australia or to meet the standard of opulence and gold plating that occurs in those homes in this country. There must be a good, high quality standard to which we should adhere. That is what we are doing. Let us not score the cheap political points that the honourable member for Hotham and the honourable member for Murray in their inchoate way were trying to make. Let us remember that the last Liberal-Country Party Government suffered such financial pressures and such financial distress because of some unattractive features in the private nursing home industry that it introduced these restrictions. We are merely carrying on formulae which we inherited. We did not introduce them. We are carrying them on.

I think that, by and large, the private nursing home industry overall is in a fair better state today. I am not talking about the state that existed before the last Liberal-Country Party Government introduced the fee justification system. I am talking about the position subsequent to that because we must bear in mind that it was a good industry for an investor or an entrepreneur to be involved in. But in many cases it was not such a hot industry to be in if you were on the other end of the system as a patient. Let me qualify that. The people in the private nursing home industry have always been and still are thoroughly dedicated people. But there were some people whose intentions were mainly monetary; they were concerned with the reward that they could get out of the system. There were people, entrepreneurs, who were obtaining bridging finance at as much as 13 per cent and 15 per cent—the rate of interest would be a lot more in current day terms—to invest in their nursing homes. They were saying to others: 'You come into our nursing homes as a proprietor and we will guarantee that you will be repaid this amount, that you will be paid a servicing fee. We will act as consultants and advisers for you and we will fill every bed in your nursing home'. That is the sort of growth industry that the nursing home industry had become and that is why the Liberal-Country Party Government took the action it did. So do not let us try to score cheap points on programs that we continued but which we did not innovate.

I would like to mention a few other factors, particularly the efforts of the honourable member for Hotham to restore lost standing and prestige with the private nursing home industry. He knows, as I know, that the representatives of the private nursing home industry sent out a circular in which they said that they had met the honourable member for Hotham and that he did not know anything about the situation in the industry. The honourable member knows as well as I know that one of the principal executive officers of the private nursing home industry, who is a member of the Liberal Party, said that the honourable member for Hotham knew nothing about the industry and that when they met the honourable member he did not know what they were talking about and they did not know what he was talking about. So the honourable member is trying to regain lost standing and influence with the industry without any effect at all.

Finally I would like to refer to trying to backdate subsidy rates for private nursing homes or for any nursing homes. It is not a simple matter to do this, as was suggested by the honourable member for Hotham. There have been many fee increases in the period since the last election. How does the honourable member propose to relate the subsidies to all of these complex adjustments which have taken place?

Mr Wilson—Who is paying the increased fee?

Mr HAYDEN—The fees are increased by way of a fees justification system which was introduced by the honourable gentlemen's Government in 1972. It is not based on what is a proper and efficient economic unit but merely to cover the cost of what are often quite inefficient institutions. Finally there have been substantial and frequent wage adjustments in the period just prior to and since the election. In my opinion it would be impossible to backdate the subsidy increases which we
have proposed. These increases are generous. They are consistent with the very generous approach which we have adopted to social welfare. The fact that we cannot backdate the subsidies, the fact that private nursing homes are being deprived and have been deprived of this money and that they may find themselves in financial distress is solely the responsibility of members of the Liberal and Country parties who as a matter of abject political opportunism rushed this country needlessly into an election at great cost to the community only to confirm this Government in office and only to confirm the policies we carried out but to the distress, I repeat, of private nursing homes and the unfortunate patients in those homes.

Mr SPEAKER—Order! The time allotted for the debate has expired.

Question resolved in the negative.

HOUSING IN AUSTRALIA

Discussion of Matter of Public Importance

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

The failure of the Government to implement policies which will encourage home ownership and ensure that the Australian community is adequately housed and the home building industry preserved.

I call upon those members who approve of 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 McLEAY (Boothby) (3.39)—The Opposition believes that it has the universal support of the Australian people in proposing this matter of public importance. Since Labor was elected in 1972, and more especially since the beginning of this year, home seekers and the housing industry generally have come under direct attack as a result of this Government’s policies.

The Minister for Housing and Construction (Mr Les Johnson) at the inaugural meeting of his Advisory Council held in Canberra in April, stated:

The supply of housing is stretched to its limit. To attempt to produce more will only inflate its price even further.

The Minister’s policies have certainly succeeded in halting the supply of housing. Production is not even being maintained at the May level, and by December will be almost at a standstill. Good builders are going into liquidation every week and, no matter what the Minister says to the contrary, unemployment in the building industry is now quite significant.

As recently as 4 July the Minister was given up to date statistics at a meeting in Sydney with representatives of some of Australia’s largest project builders. He was warned at that meeting that unless there is an early and significant easing of the Government’s credit squeeze the housing industry is about to collapse. He was supplied with precise details of the number of living units of all types completed and projected by this group of 23 builders which included such large builders as the L. J. Hooker Corp., Lend Lease, Parkes and Pettit & Sevitt. For the January-June period only 2,135 living units had been completed, and for the current 6-month period the projection of the combined resources of the group is only 1,169 houses or units.

The Minister was also told of the retrenchment of over 40 building trade apprentices in New South Wales alone—he may call this a re-structuring movement within the industry or something of this sort; we call it unemployment—which is a clear sign that the Government’s policies have gone too far and are inflicting permanent damage. For every apprentice dismissed there must be at least two tradesmen put off. If the Government waits for the official statistics to be compiled and released, 3 months from now, it will then be too late to save this important industry. It needs action now. The only action the Minister proposes is to set up a parliamentary inquiry into the cost of housing, which is simply an inquiry into the cost of his own failures. There is no need for an inquiry into the self evident fact that his administration has been a period of disaster for the building industry.

Young people and those on low to medium incomes without a home have virtually no hope of building or buying a house or unit while the Government pursues its present policies. Home building costs have risen dramatically in the last 12 months—nearly 40 per cent in South Australia, Victoria and Queensland, and nearly 50 per cent in Western Australia, and over 50 per cent in the Northern Territory. On a weekly basis this represents an average increase of $125 a week, and builders are no longer able to control the cost structure of their product.
Not only are the Government’s policies causing severe damage to the industry; they are also grossly inflating the price of housing and eating into the accommodation available to low income and needy families. So much for the Minister’s predictions to that Advisory Council meeting. Compared with May 1973, the May 1974 statistics show a continuing 20 per cent decline in building approvals—the number of approvals in the public sector was down 28 per cent—and yet the total value for this reduced number of dwelling has actually risen by $35m for the month. The Opposition believes that the Government’s policies of tighter and dearer finance and greatly increased costs and prices will certainly reduce the demand for housing pressures on resources. However it will also permanently debar a large section of the community from ever owning a home or even securing a reasonable standard of accommodation, which we believe is every Australian’s legitimate aspiration.

The only worthwhile part of the Government’s so-called housing policy is the proposal for re-scheduling of loan payments which was a policy produced by the Opposition parties earlier this year and adopted or stolen by the Government. The Government’s commitment to abolish the Liberal-Country Party home savings grants scheme will adversely affect thousands of young and not so young home buyers. When elected to Government we shall re-introduce this scheme and improve it to include single people. We shall also lift the limit on the present value of eligible homes and abolish all age restrictions. We shall also establish a Housing Guidance Bureau to inform home seekers on housing and housing finance. In contrast to the Government’s policies the thrust of our housing policy is designed to help those who need it most—young couples and single people seeking their first home and new home owners in the first years of paying off their loans when the financial burdens are heaviest on the family budget.

The main proposal in the Government’s housing policy is its interest deductibility scheme, which question was ducked by the Minister at question time.

The scheme is in our view highly discriminatory. It will not benefit those without homes, nor those who have paid off the early part of their mortgage, nor those near the end of their payments.

It will not benefit people renting flats or houses. It will discriminate against families with children as compared with those without children. The Government has stated that its scheme will cost $120m a year. Yet on 30 April the Minister said that one million home owners would benefit by $250 a year. Does he remember making that statement? In other words, it would cost $250m a year. In one breath he has more than doubled the cost of the Government’s interest subsidy scheme. At a time of high inflation the Government plans to pump an extra $250m into an already overheated economy. All it will do is selectively return some of the extra cost of Labor’s high interest rates on home mortgages. On 30 June this year at Surfers Paradise the Prime Minister (Mr Whitlam) announced:

The flow of finance to building has been reduced and the price of costly houses has tended to drop. He did not define a costly house and did not even refer to what is happening to the non-costly houses or to the rental market. This is supposed to be a Labor Government. What does it matter to the traditional Labor supporter if a $90,000 house drops to $80,000? He is not looking for a mans’on. He is looking for help from a Government he was misguided enough to believe would assist him to own his own home. What is the position now? If he does not own a home his chances of ever owning one are receding every day. If he is paying off his home the mortgage repayments are rising rapidly and the day when he will have paid off the loan is disappearing towards infinity. That is not a housing policy. It is a design for despair for young tenants and a sure prescription for social division between the housing haves, the housing have-nots and the housing never-will-haves.

Investors are reluctant to build more rental accommodation because of the absurdly high interest rates and the constant threat of Government control over rents. The Government’s policies towards young people and would-be home buyers have now significantly increased the demand from these would-be home buyers for rental accommodation. This in turn is forcing up rent levels and further reducing the capacity of such people to save. The statements of the Treasurer (Mr Crean) are frequently even more difficult to follow than those of the Minister for Housing and Construction. For months the Treasurer has disclaimed that there has been a credit squeeze at all. In a statement released on 28 April
1974 he made the classic statement of all time. It was to this effect:

The flow of housing finance was continuing at a satisfactory level and there was no reason to doubt that that would continue to be so. Similarly, the rate of new lending by the trading banks continued high . . . he personally was keeping a close watch on the situation generally and that of home buyers and small businesses in particular.

By the end of June, it seems, the Treasurer finally discovered that there was a credit squeeze and he actually acknowledged it during a speech to the Australian Finance Conference in Sydney. He said that he thought it may go on for a year or so, which is cold comfort for the home buyers and small businesses he sought to reassure in April. As a result of Government action the permanent building societies have been forced to increase their lending rates 3 times in less than a year, from 8 per cent in July 1973 to 11½ per cent in June 1974. These rates are really hurting those in the middle income group with housing mortgage obligations. It is even worse for those without a home because the Government's policies make it virtually impossible for them to obtain mortgage finance and increased rentals prevent them from saving for a deposit.

The financial position of the middle income earner is deteriorating daily and no doubt all members are receiving representations from desperately worried young couples, as I am. I quote the case of a constituent earning $95 a week this time last year and supporting a wife and 2 children. This year his salary is $118, but his tax has increased from $9.60 to $14.45 a week. His salary has increased by 24 per cent and his income tax has risen by 50 per cent. Last month he may have been two or three dollars in front, but in the meantime the prices of food, clothing, etc. have risen. State taxes have been imposed on gas, hospitalisation, water and other items, as well as the recent savage increases in Commonwealth taxes on other ranges of goods and services he cannot do without. But the final blow for this Mr Average Man is the pressure put on him by this Government in increased interest charges. Assuming that he bought an average priced home through a building society this time last year for $17,000, he would have needed a deposit of $2,000 with the balance at 17½ per cent over 30 years. His repayments, including principal, interest and all charges, were $26 a week. Today they are $36 a week and if he ever pays it off he will have paid $13,000 more in interest than he expected on the original loan.

Every time the interest rate on housing goes up by 1 per cent it costs home buyers an extra $100m dollars a year in repayments. It would be even worse if a person were buying this same house today. His $17,000 house last year is worth approximately $25,000 today. The minimum deposit today is $5,000 and the weekly payments $47. By the end of his 30-year loan term he will have paid $47,000 in interest. This is just not on—$47 a week is half his take-home pay and in any case building societies will only lend according to the applicant's ability to pay. This is not a policy for housing. It is a recipe for renting. It is a life sentence of tenancy for young Australian couples on the average wage—the very people Labor falsely claims to represent.

Today the building societies require a 20 per cent deposit and a maximum repayment figure of 2.3 times annual salary. This limits the average income earner to a mortgage of approximately $13,000 for a house at $16,000. For the Minister's information, there are just none around at that price. Even young people and others on higher incomes can no longer look forward to home ownership. The Government's own agency, the Commonwealth Savings Bank, is the front runner in creating impossible conditions, and the Government deserves the strongest criticism for condoning it. The requirement to borrow from the Commonwealth Savings Bank on a $12,500 home mortgage is that the applicant must have saved at least $2,500 in a one-year period, that is, $48 a week. To borrow $15,000 he must have saved $5,000 in a one-year period—that is $96 a week—and as he must find most, if not all of the balance in cash it is simply impossible for all but the wealthy to achieve a Commonwealth Bank loan. The Commonwealth Savings Bank compares most unfavourably with the private banks in its assistance to home buyers. According to the April statistics, the average of assets of the private banks in housing loans was 34.5 per cent and the figure for the Commonwealth Bank was only 26.5 per cent. So much for the people's bank. The Government is souping money out to interest groups and individuals to minimise public scrutiny of its actions, as the honourable member for Hotham (Mr Chipp) mentioned a moment ago. Thousands of individuals all over Australia are making sacrifices, such as pensioners who never received their promised 25 per cent average
weekly wage pension and home builders and home buyers who will be forced to settle for less than adequate accommodation. With the housing industry on its knees and interest rates on bridging finance at 24 per cent, the Opposition alleges that only the speculators and others who harvest inflation are better off under Labor. We condemn the Government for its inaction, its incompetence and its callous indifference to the housing deficiencies now patentsly obvious to the whole Australian community.

In the moment left to me I say to the Minister for Housing and Construction: 'When you reply, please do not blame the States. They are not responsible for the problems which beset us today'. There can be very few places where the position is worse than here in the Australian Capital Territory. The figures I have are as at June and show that there was a 700 housing unit short-fall in the Australian Capital Territory. Here the Government has absolute powers. Will the Minister please answer the question asked by my Leader (Mr Snedden)? Will he not beat around the bush and not answer as the Treasurer did the other day when he was asked a similar question on the economy?

Mr LES JOHNSON (Hughes—Minister for Housing and Construction) (3.54)—The honourable member for Boothby (Mr McLeay), who has just resumed his seat, should be the last one to talk about beating around the bush. I do not intend to; nor do I intend to blame the States, although I suppose that the States have to accept their share of the blame when it is related to the kind of indifference which Sir Robert Askin has displayed in relation to the offer of Federal money for land. One could certainly attribute some blame to a State which assembles land in an expensive way by taking it over from finance companies when there are other ways and options open for that State authority to engage in the land assembly process.

Mr Wentworth—Mr Speaker, there are only 2 members of the Government Party in the House besides the Minister for Housing and Construction. It is disgraceful, and I direct your attention to the state of the House.

Mr DEPUTY SPEAKER (Mr Martin)—Is the honourable member taking a point of order?

Mr Wentworth—I direct your attention to the state of the House.

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Mr DEPUTY SPEAKER—In future would the honourable member mind doing that when he stands up.

Mr Wentworth—This is unprecedented. Everybody is interested in housing—or they should be—and the Government is absolutely callous and uninterested.

Mr DEPUTY SPEAKER—The honourable member will resume his seat.

Mr Wentworth—I have never seen anything like it. Honourable members opposite have abandoned the Minister and the Treasurer. There are just two of them sitting there. Where are all their supporters?

Mr DEPUTY SPEAKER—Order! It is not competent for any honourable member to attempt to make a joke of the procedures of this House.

Mr Wentworth—I am not making a joke of them.

Mr DEPUTY SPEAKER—There is a proper way of calling the attention of the Chair to the state of the House.

(Quorum formed.)

Mr LES JOHNSON—Mr Deputy Speaker, we have seen an example of hit and run tactics. I thought that it was the intention of the Opposition to raise a matter of urgent public importance. I thought that honourable members opposite would be very anxious to receive the replies from the Government—from me as Minister for Housing and Construction and from the Treasurer. But instead of that we find this attempt to muzzle the Government, to prevent it from giving a reply to the very inept contentions of the honourable member for Boothby (Mr McLeay). He said that it would be my tendency to blame the States for the present trends in housing. I was in the process of commenting that there were probably plenty of things for which one could blame the States but I think that one would be more justified in blaming the people who were in government here for so long and who, in a desperate pre-election bid in 1972, pumped money into the economy at such a rate as could be described only as completely irresponsible. The Treasurer can answer that kind of contention in a better documented way than I can. It is unquestionably the case that the Government which prevailed before the election of this Government in 1972 flooded a record amount of money into housing. I think that the amount was doubled in less than 2
years, the then Government not understand-
ing that there should always be a proper
relationship between money, manpower and
materials.

I am very pleased to see that the honour-
able member for Boothby has found this new
interest in housing. He came here in 1966,
and a study of Hansard shows that he has
made 2 short speeches and has asked one
question on housing. We are pleased to have
him join the ranks of those who have become
concerned about this subject. This matter of
public importance refers to the so-called
'failure of the Government to implement poli-
cies which will encourage home ownership'. I
want to make this comment before I go any
further, and I think that it will interest hon-
ourable members because it is a well-founded,
statistical statement that can stand any exam-
ination. It reflects the census findings on home
ownership in 1961, 1966 and 1971. The figures
show the percentage of home-ownership in
Australia of total home occupancy.

The honourable gentleman who sits opposite
and the Deputy Leader of the Opposition (Mr
Lynch), who occasionally takes a very casual
interest in this subject, seem to regard them-
selves as the great champions of home own-
ership. Let me show the House what their
Party's record is in regard to home ownership.
The census figures show that the incidence of
home ownership in Australia in 1961 was
70.29 per cent. At that time we had a Liberal
Party-Country Party coalition government. In
1966 the figure was 71.39 per cent. By 1971
it had fallen dramatically to 68.78 per cent.
So much for the great concern and the croco-
dile tears shed about home ownership. The facts
are that there was a rapid rate of degenera-
tion in home ownership. I ask the honourable
member for Boothby whether he is prepared
to challenge the figures of the Commonwealth
Statistician. Is he prepared to challenge this
authentic, properly documented contention that
home ownership deteriorated to this very
serious degree in the years that his Party was
in government? Succeeding speakers may take
the chance to answer that question.

The recent decision to increase bank de-
posit and loan rates by 2 per cent was a
recognition by the Government of the reality
of the pressures forcing the open money
market to push up interest rates. Interest
rates are rising throughout the world and, de-
spite the attempts of the Government to iso-
late loans for housing from the general inter-
est rate structure, the broad plateau of inter-
est rates has risen. Unfortunately, interest
rates for housing are at a similar level to this
overall rate. I do not know whether the hon-
ourable member for Boothby knows much
about this matter. He may do. He should
understand that in respect of so many of our
lending institutions there is a process which
involves borrowing short and lending long.
That is to say that when lending institutions
make money available they do not always have
it, and the money is being turned over. I
would not be surprised if the honourable
member for Boothby, like many of his col-
leagues sitting opposite, has the tendency to
seek the highest possible interest on his in-
vestment that he can get at any time. That is
the kind of thing that is happening in Aus-
tralia. There is a turnover in investment by the
lending authority—whether it be a bank, a
building society or anything else. Automatic-
ally there is a rise in interest rates for borro-
wers when there is a rise in interest rates for
lenders.

Honourable gentlemen opposite are hover-
ing around like a lot of black crows looking
for some pickings from any unfortunate trend
in the housing industry, hoping that they can
score some miserable marks from this situa-
tion, dissociating themselves from the fact
that they swamped the market with money
and contributed to this situation which the
Government is now seeking to arrest. Hope-
fully, the proposed Financial Corporations
Bill will give the Government more control
over non-bank lending institutions such as
finance companies and building societies. One
wonders why the previous Government did
not do something about this kind of thing
and bring down legislation to control the fin-
ce companies and the fringe banking insti-
tutions, which must be conceded as leading
the field in the upward movement of interest
rates. But the previous Government took no
action at all. There appears to be either com-
plete indifference by the parties opposite to
the Government's proposal, or complete hos-
tility.

The New South Wales Government has con-
tributed to the rising interest rate charged
by finance companies for housing loans by a
decision to remove the existing ceiling rates
of hiring charges prescribed under the Hire
Purchase Act. The Australian Government
does not regard that as a helpful move. In a
Press statement on 5 June the Acting Premier of New South Wales, Sir Charles Cutler, revealed this move, which undoubtedly has increased the capacity of finance companies to push their interest rates to new levels, thus drawing away from building societies and bank depositors' funds and forcing the building societies and banks to increase both their deposit interest rate and the interest rate at which they lend out money to home seekers. If the New South Wales Government had retained the ceiling rates on interest offered by finance companies there would have been far less pressure on the building societies and the banks to compete for available funds with the finance companies. Can the Opposition say what solutions it would bring to bear in this global situation of ever increasing interest rates? Has the Opposition any panacea for this problem? Are honourable members opposite like the crow I spoke about, just looking for some way of exploiting the situation—not in the interests of home seekers but for their own miserable petty political advantage?

Let me talk about mortgage tax deductibility, as I was invited to do this morning by the Leader of the Opposition.

The Leader of the Opposition, in his question to me earlier today, was basing his assumption on a false premise. There is nothing unusual about that. What he said concerns me, so I want to comment on his false premise. During the election campaign I said that the scheme for housing interest to be tax deductible would cost an estimated sum of $120m per annum and that about one million home owners would benefit.

Mr McLeay—That is $250 each.

Mr LES JOHNSON—Yes. I contrasted that with what the previous Government was spending under the home savings grant scheme, which was about $20m a year. The offer we are making represent a relative improvement. I also said that a home buyer on the average weekly earnings of about $120 a week would benefit by roughly $250 a year in the form of a tax rebate on his housing interest payments. The Leader of the Opposition fails to recognise that the scheme is a graduated one which gives a depreciated rebate as a home buyer's income rises. Thus it is incorrect to say that every one of the one million home owners will receive the full $250 a year because some on lower than average incomes will receive more.

Mr McLeay—Oh, you do not think that it will cost $120m?

Mr LES JOHNSON—There are many on incomes higher than the average who will receive much less than $250 a year. The honourable member for Boothby said 'Oh', with great amazement. I take it that he did not understand this. Did he think that everybody would get the same? If he did, that staggered me, because most of the constituents to whom I have spoken have a thorough understanding of this. I am sorry about any backwardness being displayed.

The total annual cost was supplied to me by the Treasury, as was the estimated number of home buyers who would benefit. It is a total misconception on the part of the Leader of the Opposition if he believes that every one of the one million home owners will receive $250 a year; this figure applies only to the average wage earner. I hope that that bit of confusion on his part is now corrected. However, there is no doubt that if the Opposition had taken over the Treasury bench the home buying public would have suffered greatly by the loss of this $120m because the Opposition said during the election campaign that it intended to abandon the proposed tax deductibility scheme and to retain instead the obsolete home savings grant scheme which would benefit only about 40,000 people at an estimated cost of approximately $21m a year. Does the Opposition claim that the mortgage tax deductibility scheme is not one important way of offsetting the impact of higher interest rates? Does the Opposition deny that this is one way of helping the home buyer to meet his increased housing repayments? Revised figures just made available to me by the Treasury now put the number of families who will benefit from the scheme at 1.4 million and the annual cost at $130m. But these very late figures in no way detract from the force of my argument that only those on average weekly earnings will gain the greatest benefit of $250 a year.

I regret that I am unable, because of the disruption prompted by the Opposition, to answer the other questions, but I would like the House to know that building approvals, commencements and completions recorded
by the end of the current financial year will indicate a very fine performance in Australian housing.

Mr Sinclair—You are joking.

Mr LES JOHNSON—If the honourable member likes to give me an extension of time I will give the precise figures. In 1972-73 there were 186,748 housing approvals. The number by the end of July this year is likely to be 183,000.

Mr DEPUTY SPEAKER (Mr Martin)—Order! The Minister's time has expired.

Mr McVEIGH (Darling Downs) (4.19)—Never before has this House listened to such a platitudinous and a meaningless repetition of words as we have heard from the Minister for Housing and Construction (Mr Les Johnson). The Minister in 15 short minutes lost any credibility that he ever had because he failed to alert the Australian people to the fact that he has been completely incapable of fulfilling, in government, the aims and ideals that he had as a member of the Opposition. On 11 October 1972 in this House, as reported on page 2438 of Hansard, the Minister said:

The price of housing could be reduced greatly in Australia if we had a Federal Government that was prepared to take initiatives.

He also said:

I ask the Minister why he and his Government have made such a holy cow of requiring people to have deposits for housing.

What hypocritical words were uttered by the Minister when he was in opposition compared with his action as a Minister. In no sphere of Government activity has the thrust of control been more deliberate than it has been in the field of housing. In 20 months the Australian Labor Party has behaved like an octopus spreading its tentacles to clamp down on the freedoms that have been our rights as Australian citizens. We of the Liberal and Country parties maintain as principle and policy the right of every Australian citizen to be a home owner rather than, as he would be under the Labor Party's socialist policy, a tenant with the State as the landlord. The Minister for Housing and Construction and his colleagues in Cabinet and Caucus, through their economic policy directives, have developed a potency for delivering sledge hammer blows in the field of housing. It is becoming increas-

ingly difficult to obtain finance for housing. If a person can obtain finance, it is impossible to obtain building materials and tradesmen owing to the shortages brought on by the inability of the building industry to increase productivity in the face of fierce government interference and the inability to plan any type of program in the face of strikes, the flames of which are fanned by irresponsible trade union leaders.

The achievement of the Minister in housing is a cancer on our society. He is forcing young married people to live with their in-laws, thus creating enormous pressures on all and consequent dire results for the future of our society. Hopes of thousands of young Australians who want to buy a home have been shattered in recent months. Permanent building society loans are now beyond their means, bank loans are more difficult to obtain and finance companies are no longer making money available. On an interest rate of 11½ per cent a person borrowing $18,000 over 25 years must now repay the loan at $188 a month as compared with $162 previously. Hopeful home buyers are in a grim position. It is appropriate to compare Australia's interest rates on housing loans at the above rate and higher with the 8 per cent prevalent in America. In fact the Australian rate tops the 11 per cent required in England for this purpose. What a record! Even the socialists opposite surely would not be proud of that. Australia has the highest interest rates among comparable nations.

Obviously the Minister's optimism is infantile if he thinks the Australian people are willing to accept the Labor Party's housing policy. The Government is needling the people. The honourable member for Boothby and I are trying in this debate to hammer a glimmering of sense into the Government's policies. The Government stands accused of aggravating the housing situation by conspiring to restrict credit through high interest rates. I seek leave of the House to incorporate in Hansard a table indicating changes in interest rates to both investors and home loan borrowers between December 1972 and July 1974. It indicates the complete inability of the Labor Government to exercise economic sanity.

Mr DEPUTY SPEAKER—Is leave granted? There being no objection, leave is granted.
(The document read as follows)—

### Changes in Interest Rates—Australia

<table>
<thead>
<tr>
<th>Rate to investors—</th>
<th>December 1972</th>
<th>July 1974</th>
<th>Percentage increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long Term Bond Rate</td>
<td>6.0 per cent</td>
<td>9.5 per cent</td>
<td>+ 58</td>
</tr>
<tr>
<td>Short-term Bond Rate (3 month Treasury Note)</td>
<td>3.9 per cent</td>
<td>10.75 per cent</td>
<td>+175</td>
</tr>
<tr>
<td>Permanent Building Societies (at call)</td>
<td>6.5 per cent</td>
<td>10.0 per cent</td>
<td>+53.8</td>
</tr>
<tr>
<td>Savings Banks (call)</td>
<td>3.75 per cent</td>
<td>3.75 per cent</td>
<td>Nil</td>
</tr>
<tr>
<td>Savings Banks (term)</td>
<td>5.0 per cent</td>
<td>9.0 per cent</td>
<td>+ 80</td>
</tr>
<tr>
<td>Finance Companies (1 year debentures)</td>
<td>6.0 per cent</td>
<td>11-12.5 per cent</td>
<td>+ 96</td>
</tr>
</tbody>
</table>

| Rate to home loan borrowers— | | |
| Permanent Building Societies | 8.0 per cent | 11.75 per cent | + 47 |
| Savings Banks (1st Mortgage only) | 6.25-7.00 per cent | 9.25-10.0 per cent | + 45 |
| Trading Banks (2nd Mortgage Overdraft) | 7.75 per cent | 11.5 per cent | + 48 |
| Finance Companies (3rd Mortgage) | | |
| Finance Companies (Bridging Finance) | 12.0 (est.) | 20.0 (est.) | + 67 |

Mr McVEIGH—It is appropriate also to turn our minds to increases in building costs over recent months due to the Labor Government's fiscal policies. In the year December 1972 to December 1973 the average increase in building costs in the 6 capital cities was $3,574. The effect of building as a component of the consumer price index is also worthy of mention. From March 1973 to March 1974 the combined housing group shows an increase of 11 per cent. This of course has a disastrous effect on the housewife's budgeting. I seek leave to incorporate in Hansard charts indicating these increases and also the increase in the consumer price index for all groups over the same period and the average cost per square for building over the period from December 1972 to December 1973.

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

(The documents read as follows)—

### Consumer Price Index—Housing Group, Weighted Average of Six State Capital Cities

<table>
<thead>
<tr>
<th>Sub-group</th>
<th>March quarter—</th>
<th>Percentage increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1973</td>
<td>1974</td>
<td></td>
</tr>
<tr>
<td>Rent—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Privately owned dwellings(a)</td>
<td>149.7</td>
<td>161.5</td>
</tr>
<tr>
<td>Government owned houses</td>
<td>129.2</td>
<td>146.0</td>
</tr>
<tr>
<td>Home ownership</td>
<td>140.8</td>
<td>159.2</td>
</tr>
<tr>
<td>House price and repairs and maintenance</td>
<td>132.2</td>
<td>152.4</td>
</tr>
<tr>
<td>Local government rates and charges</td>
<td>159.8</td>
<td>173.4</td>
</tr>
<tr>
<td>Housing Group</td>
<td>143.1</td>
<td>158.9</td>
</tr>
</tbody>
</table>

(a) Includes flats.

Compiled at request by the Statistics Group of the Legislative Research Service from 'Consumer Price Index' (various issues) published by the Australian Bureau of Statistics.
CONSUMER PRICE INDEX, ALL GROUPS—SIX STATE CAPITAL CITIES AND CANBERRA
MARCH QUARTER 1973 TO MARCH QUARTER 1974
(Base Index for Each City and for Six State Capital Cities combined: Year 1966-67=100.0)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Six capitals(a)</th>
<th>Sydney</th>
<th>Melbourne</th>
<th>Brisbane</th>
<th>Adelaide</th>
<th>Perth</th>
<th>Hobart</th>
<th>Canberra</th>
</tr>
</thead>
<tbody>
<tr>
<td>1973—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>March</td>
<td>130.4</td>
<td>134.6</td>
<td>127.8</td>
<td>129.4</td>
<td>127.0</td>
<td>127.8</td>
<td>127.5</td>
<td>127.1</td>
</tr>
<tr>
<td>June</td>
<td>124.7</td>
<td>138.8</td>
<td>132.3</td>
<td>133.9</td>
<td>131.6</td>
<td>131.4</td>
<td>130.8</td>
<td>130.9</td>
</tr>
<tr>
<td>September</td>
<td>139.6</td>
<td>144.1</td>
<td>136.8</td>
<td>139.4</td>
<td>136.5</td>
<td>134.4</td>
<td>135.2</td>
<td>135.6</td>
</tr>
<tr>
<td>December</td>
<td>144.6</td>
<td>149.4</td>
<td>141.9</td>
<td>144.0</td>
<td>141.9</td>
<td>138.6</td>
<td>141.1</td>
<td>140.8</td>
</tr>
<tr>
<td>1974—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>March</td>
<td>148.1</td>
<td>152.8</td>
<td>145.2</td>
<td>147.8</td>
<td>145.4</td>
<td>142.1</td>
<td>144.0</td>
<td>145.0</td>
</tr>
<tr>
<td>Percentage Increases—March 1974 onMarch 1973</td>
<td>13.6</td>
<td>13.5</td>
<td>13.6</td>
<td>14.2</td>
<td>14.5</td>
<td>11.2</td>
<td>12.9</td>
<td>14.1</td>
</tr>
</tbody>
</table>

(a) Weighted average of six State capital cities.

Compiled at request by the Statistics Group of the Legislative Research Service from 'Consumer Price Index, March Quarter 1974' published by the Australian Bureau of Statistics.

AVERAGE COMMENCEMENT VALUE AND AVERAGE COST PER 'SQUARE', PRIVATE CONTRACT BUILT HOUSES COMMENCED—CAPITAL CITY STATISTICAL DIVISIONS

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Sydney</th>
<th>Melbourne</th>
<th>Brisbane</th>
<th>Adelaide</th>
<th>Perth</th>
<th>Hobart</th>
<th>Canberra</th>
</tr>
</thead>
<tbody>
<tr>
<td>1972—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>December</td>
<td>16,170</td>
<td>13,549</td>
<td>12,574</td>
<td>13,598</td>
<td>12,589</td>
<td>15,097</td>
<td>18,915</td>
</tr>
<tr>
<td>1973—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>March</td>
<td>16,961</td>
<td>14,050</td>
<td>13,746</td>
<td>13,914</td>
<td>13,449</td>
<td>16,618</td>
<td>19,248</td>
</tr>
<tr>
<td>June</td>
<td>17,395</td>
<td>15,181</td>
<td>14,167</td>
<td>14,560</td>
<td>13,026</td>
<td>16,503</td>
<td>20,795</td>
</tr>
<tr>
<td>September</td>
<td>18,439</td>
<td>16,404</td>
<td>15,363</td>
<td>15,459</td>
<td>14,534</td>
<td>17,335</td>
<td>21,006</td>
</tr>
<tr>
<td>December</td>
<td>19,744</td>
<td>17,378</td>
<td>15,682</td>
<td>16,798</td>
<td>15,177</td>
<td>18,102</td>
<td>21,566</td>
</tr>
<tr>
<td>1972—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>December</td>
<td>1,055</td>
<td>916</td>
<td>988</td>
<td>969</td>
<td>914</td>
<td>1,034</td>
<td>1,123</td>
</tr>
<tr>
<td>1973—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>March</td>
<td>1,066</td>
<td>952</td>
<td>1,019</td>
<td>933</td>
<td>919</td>
<td>1,089</td>
<td>1,124</td>
</tr>
<tr>
<td>June</td>
<td>1,074</td>
<td>1,001</td>
<td>1,090</td>
<td>1,025</td>
<td>915</td>
<td>1,120</td>
<td>1,163</td>
</tr>
<tr>
<td>September</td>
<td>1,178</td>
<td>1,048</td>
<td>1,112</td>
<td>1,060</td>
<td>964</td>
<td>1,172</td>
<td>1,192</td>
</tr>
<tr>
<td>December</td>
<td>1,228</td>
<td>1,102</td>
<td>1,127</td>
<td>1,126</td>
<td>988</td>
<td>1,205</td>
<td>1,260</td>
</tr>
<tr>
<td>Increase—</td>
<td>per cent</td>
<td>per cent</td>
<td>per cent</td>
<td>per cent</td>
<td>per cent</td>
<td>per cent</td>
<td>per cent</td>
</tr>
<tr>
<td>December 1973 on December 1972</td>
<td>16.4</td>
<td>20.3</td>
<td>14.1</td>
<td>16.2</td>
<td>8.1</td>
<td>16.5</td>
<td>12.2</td>
</tr>
</tbody>
</table>

(a) When analysing changes in the average cost of houses and the average cost per square, it should be borne in mind that an average for any particular quarter will be affected by the mix in sizes and costs of houses commenced in that quarter. This mix may not be constant from quarter to quarter. These data are based on final contract price of houses when complete (or estimates of this price) provided by contractors at the time of commencement of work.


Mr McVEIGH—One cannot of course fail to mention that if the value of interest and the cost of land, both of which have suffered staggering and astronomical increases over the same period, were included in the index the result would have been catastrophic. No allowance is made in the index for these items, but the housewife has to meet the costs and in effect she has less net disposable income.

Projections of building costs for the immediate future carried out by reliable quantity surveyors, Rider Hunt and Partners of Melbourne, indicate a percentage increase over the corresponding months from June to December
of last year of a graduated scale from 15 per cent to 20 per cent. What hope have the young couples of ever owning their own homes? No wonder we as a nation have more confidence in the garbage bags than in the Labor Government. The deposit gap has been widened because of the rising prices of real estate—both land and materials. The burden is thus increased on people saving to buy a house. The Labor Government has not implemented policies to assist in this regard. It has crucified the home savings grant and replaced it with a tax deductibility scheme which pleases no one and displease every one.

Let us consider the possibilities of government help in the field of housing to encourage the low income earners to become home owners rather than renters. More money at the present concessional rate of interest or lower should be made available to the States for terminating building societies under the Commonwealth-State housing agreements. I want to stress that these terminating building societies must be controlled by the States, not from the ivory towers of Canberra. Terminating building societies should be encouraged because they allow community co-operation and flexibility in choice of design of home by the purchaser. Deposits in building societies should be encouraged, it appears to me, by allowing a tax rebate to depositors on the investment thus channelling more funds into this needy field.

A 7 per cent tax free investment is marginally better than 10 per cent taxable and would allow building societies to lend at 9 per cent and 10 per cent rather than 12 per cent. Additionally proposed tax deductibility should be assessed on fortnightly rests rather than on the basis of a lump sum refund at the end of the year. One does not need any great imagination to realise that a $10 refund every fortnight is much more effective than a lump sum of $250 at the end of the year.

An argument can be advanced, too, for 100 per cent loans being granted where circumstances warrant it. This would be a most valuable reform. With the growth of mortgage insurance and the associated statistics there can be little argument against 100 per cent loans. Even the Minister said that when he was in Opposition, but he has forgotten about it since he has been in government. The chance of serious loss seems negligible; in 1972-73 the Housing Loans Insurance Corporation paid out only $39,314 for default despite a premium income of $2,369,976 and loans insured of $586,000,000.

It is abundantly clear that under the stop-go economic policies of the present government, consideration will have to be given to lengthening the period of repayment, to vary the mortgages from the fixed rate at present applicable to allow for lower payments in the initial years when income is usually lower and responsibilities greater, and greater repayments in later years when income is higher and responsibilities not as demanding.

There is absolutely no cause for satisfaction in the State/Commonwealth housing relations. Let us have a look at Queensland. There are bigger waiting lists now due to shortages and industrial unrest. In all categories there is a waiting list of 7,880 as opposed to 6,654 last year. Rents have increased. Keeping so many people of all ages frozen out of housing is not only cruel but also emotionally and socially harmful. The Government has enlarged in a few short months the pool of disgruntled and embittered couples. In a final analysis the fundamental cure to better housing is the need to cure inflation. Unless and until this is done, home finance will remain both difficult and expensive. The Government would be much wiser if it spent more money on increasing housing opportunities than it spends on feather bedding militant trade unions.

Mr DEPUTY SPEAKER (Mr Martin)—Order! The honourable member's time has expired.

Mr CREAN (Melbourne Ports—Treasurer) (4.19)—The terms of the matter of public importance are as follows:

The failure of the Government to implement policies which will encourage home ownership and ensure that the Australian community is adequately housed and the home building industry preserved. If I may, I want to quote the figure: relating to dwelling completions in Australia for the complete calendar year 1970 to 1973, which was the first complete year of the Labor Government. In 1970, 161,300 housing units were completed; in 1971, 160,300; in 1972, 160,100; and in 1973, 163,200. So the greatest number of completions in any year in Australia's building history was in 1973. I want also to quote another set of figures which seem to me to indicate basically what the problem is. The latest employment figures by industry in Australia show that there is a total of 4,851,000 people employed in industry. The total number employed in 1969 was 4,174,000.
In other words, there has been an increase in the total number of people employed in industry from June 1968 to April 1974 of more than 700,000 people. If one looks at the figures for the building and construction field, one sees that it has remained almost stagnant in the period from 1968 to the present time. In fact, if it had not been for the entry of females into the building industry it is likely that the number of people employed in that industry would have declined.

I want to emphasise 2 points. My first point is that more houses than ever before are being built, and they are being built with what is virtually a static labour force. The fact that the number of houses completed by the industry has risen from 160,000 or 161,000 to 163,000 in 1973 indicates that the housing section of the building industry has worked almost to its total capacity. While the Opposition might harangue us about the rates of interest that people are paying, the fact is that despite those rates of interest there is still more activity in the housing industry in Australia than ever before. The honourable member for Boothby (Mr McLeay), who led for the Opposition in this debate, has not produced a single fact to gainsay that. He has brought before this House a matter of public importance which has political motives. He harangues us about our inability to implement policies which encourage home ownership. I simply say that there is as much home ownership now as there ever has been in Australia. As in so many other areas of the economy, the real problem basically is a shortage of skilled labour and a shortage of materials. Pumping more money into the industry does not solve the problem at all. I refer to the absurd situation which arose 2 years ago when applications for new commencements reached 250,000, which was a 50 per cent higher demand than was within the capacity of the industry to satisfy. What sense is there in giving people finance for houses when they cannot have them built? What happened several years ago was that it was easier to get finance than it was for the industry, because of either labour shortages or material shortages, to build the houses.

Honourable members opposite make great play of the phrase 'credit squeeze'. They seem to have attained some gratification by saying that I said that I do not believe there is a credit squeeze. Candidly, I do not think that is a fair description of what I said. What I have tried to say is that during the last year of the term of office of the previous Government there was an excessive ease of liquidity. Now an endeavour is being made to bring liquidity down to a level that is more commensurate with the physical capacity of the economy. If honourable members opposite choose to call that a squeeze, they are welcome to the term, as far as I am concerned. All I suggest to honourable members opposite is that it is about time they looked behind some of these figures and looked at the physical problems of the Australian economy. I believe that on the whole what still faces the Australian economy is an excess of demand in relation to available supplies. I have had no bright suggestions from the other side about the shortage of physical supplies or even how to encourage restraint on the part of those who want to lend money. After all, the rate at which people borrow is conditioned by the rate at which other people lend.

As I said in this House the other day, for the first time I heard enunciated in this House from the other side the curious doctrine that what happens with the continuance of inflation is that if the interest rate is less than the rate of inflation, the interest rate in fact is negative. I think that is a rather glib description of the situation. It is like that other description that inflation is the flight from money into goods. It is nice if people have something to fly with and somewhere sensible to fly but many people in the community do not have money in those sorts of quantities. I believe that the social task is better to allocate those scarce resources among different potential lenders.

One of the curious things which I must say disturbed me somewhat when I looked at it was that in 1973, even though more houses were built than ever before, the actual number built of what are called public houses—not the sort of public houses that some of us frequent, but housing commission houses—declined by over 3,000. My colleague, the Minister for Housing and Construction (Mr Les Johnson), was allocated $218m in the 1973-74 Budget to help to remedy the situation, but he was not able to spend it all because in New South Wales and Victoria the State Housing Commissions could not obtain tenders. We have provided him with more money this year. We have increased the amount to $235m and have said that he could also spend the $18m which he did not have before, making a total of about $250m or
an increase of 25 per cent over the previous year. If the Minister for Housing and Con-
struction runs out of money this year the
Government is prepared to give him more. I
think that honourable members opposite who
complain about individual groups not being
able to get houses should look at who do and
who do not purchase houses. I am not too sure
that at today's rates of interest it is not some-
times easy to purchase a second home or to
build extensions on a home which would be
more than satisfactory to the occupants. If
honourable members went around Canberra
they would see that nearly every place has 2
bathrooms and 2 internal toilets, while other
people cannot get a house at all. I am not
too sure whether by using the same resources
we might not be able to build around Aus-
tralia 50,000 more houses by demanding more
austere housing. Nowadays it seems that young
people want to move into the same sort of
houses that their fathers provided for them
before they left to get married. Most of our
parents took some time to get the houses in
which they finally lived. I suggest that it is
easy to carp at each other and to say this
and that, but I repeat that physically more
houses are being built in Australia, despite
the higher interest rates, virtually a static
labour supply and a shortage of materials.

Mr DEPUTY SPEAKER (Mr Martin)—
Order! The Minister's time has expired. The
discussion is concluded.

**INDUSTRIES ASSISTANCE
COMMISSION BILL 1974**

Bill presented by Mr Whitlam, and read a
first time.

**Second Reading**

Mr WHITLAM (Werriwa—Prime Minister)

(4.30)—I move:

That the Bill be now read a second time.

The purpose of the Bill is to amend the Indus-
tries Assistance Commission Act to provide
that the Commission may have a maximum of
11 members. In his report leading to the
establishment of the Commission, Sir John
Crawford's recommendations about member-
ship were based on his recognition that the
number of members to be appointed should
be directly related to the Commission's ex-
pected workload. Because that workload
would vary over time, he recommended that
the legislation should leave open the number
of permanent members to be appointed. If it
were considered desirable to specify the num-
ber of commissioners who may be appointed,
however, Sir John suggested they be not fewer
than five nor more than nine. This option
was incorporated in the Industries Assistance

Sir John's reason for recommending that
the number of the Commission's members be
left open, as in the Prices Justification Act,
was the difficulty of predicting its member-
ship requirements until it had been operating
for a time. He noted that the initial size of
the Commission would depend on the rate at
which a review of assistance to rural indus-
tries was undertaken, and recommended a
gradual approach in the early stages to review-
ing assistance to rural industries. This optional
recommendation about the Commission's size
—that, if it were considered desirable, it could
be limited to 9 members—was based on such
a gradual approach to reviewing rural assist-
ance.

The Government recognised the merit of Sir
John's suggestion that the Commission should
move gradually into rural assistance schemes
by exempting from the mandatory provisions
of the Industries Assistance Commission Act
assistance schemes for which legislation was
passed prior to 1 July 1974. In the event,
however, a much greater workload has been
generated for the Commission by the matters
which have been referred to it than was
envisaged when it was established. This has
occurred because of the very great difficulty,
and potential inequities, in selecting which in-
dustries to exempt, for the initial period, from
the system of public examination and report
by the IAC—especially since the purpose in
establishing the Commission was to extend that
system to all industries in all sectors of the
economy. It is an essential safeguard to the
integrity of that system that all groups which
may be affected by a change in the assistance
afforded a particular industry—those who
stand to lose as well as those who stand to
gain—should have an equal opportunity to
express their views at a public hearing. If some
industries are exempted from the process of
public inquiry, while others are not, the funda-
mental purpose of establishing the Commis-
sion will be frustrated.

As a result of this Government's concern
that all assistance to all industries should be
subject to the system of public inquiry and
report by the Commission, the rate at which
matters have been referred to it has been
greater than was initially envisaged. The present position is that the Commission’s current inquiry commitments cover approximately 40 per cent of the value of manufacturing output in Australia, the whole of the mining industry, and a quite substantial part of rural production. Against this background of a heavy inquiry commitment early in the Commission’s life, it has been decided to amend the Industries Assistance Commission Act to provide a flexible capacity to deal with the heavier than expected workload. This workload is unlikely to diminish over the next 5 years. I commend the Bill to the House.

Debate (on motion by Mr MacKellar) adjourned.

INDUSTRIES ASSISTANCE COMMISSION

Reports on Items

Dr J. F. Cairns (Lalor—Minister for Overseas Trade)—For the information of honourable members I present the report from the Industries Assistance Commission on calcium carbide, dated 17 April 1974. I also present for the information of honourable members the Industries Assistance Commission report entitled ‘Textiles Authority Report on Certain Items of Apparel’.

AUSTRALIAN INDUSTRY DEVELOPMENT CORPORATION BILL
1974

Bill presented by Dr J. F. Cairns, and read a first time.

Second Reading

Dr J. F. Cairns (Lalor—Minister for Overseas Trade) (4.35)—I move:
That the Bill be now read a second time.

The Bills for extending the scope of the Australian Industry Development Corporation and the National Investment Fund are significant but they are not radical. They are important in the Government’s priorities but they are not ideological. They are practical and they assume no change in the pattern of ownership and control of resources between the Government and private companies. Nevertheless the record of Parliament towards them is one of extraordinary obstruction.

The amending Bills were first introduced on 30 August 1973. To give the Opposition plenty of time to study the Bills the second reading was not commenced until almost 2 months later. The Opposition moved many amendments and after a limited time for debate the Bills passed the House of Representatives on 18 October 1973. Five days later they were introduced into the Senate, and 5 days after that the Bills were referred to a Senate Select Committee for inquiry and for report not later than 12 March 1974.

Parliament was prorogued and opened during February 1974 and the Senate Committee was reconstituted. On 12 March a message from the House of Representatives requested consideration of the Bills be resumed by the Senate. But 12 March, the date for report by the Senate Committee passed without any report by the Committee, and the rest of March and 8 days of April passed with no report from the Senate Committee. Twenty-seven days after the day the Senate Committee had been required by the Senate itself to report on the Bills, and still no report had been made, the Bills were again introduced in the House of Representatives and passed all stages. Parliament was dissolved for the election 3 days later and the Senate again failed to consider the Bills. This is a remarkable record of delay—nearly 74 months after the Bills were first passed by the House of Representatives and no decision has ever been made by the Senate.

Now the Government introduces the Bills to the House of Representatives for the third time. I have said there is nothing radical about these Bills. They do not change, nor can they change, ownership, power or control in Australia. In the AIDC they provide an organisation which can do no more than co-ordinate large private investment projects or encourage smaller ones to influence them in the direction of Australian ownership and to assist manufacture, processing treatment, transportation or distribution of goods, or the development or use of natural resources or technology. The AIDC must take into account monetary policy and policies in relation to trade practices, the environment, industrial relations, the efficiency of industry and perhaps regional development.

In all this, AIDC is to assist private enterprise, not replace it. In the national interest division of AIDC, procedures not subject to ordinary commercial or financial tests may be taken, but such action can only be taken if a Government guarantee to AIDC is authorised by a resolution of both Houses of Parliament, or if funds are directly appropriated by resolution of both Houses of Parliament. The Government has now taken into account discussions with financial institutions and business groups,
and amendments made by the Opposition here and in the Senate. As a result some significant amendments have been accepted and the present Bill for the AIDC gives effect to them.

Whilst the functions of the Corporation have been extended to provide assistance to industry concerned with the development of technology, several changes have been made which reduce the powers of the corporation. Amongst them are: Firstly, the provisions to empower the Corporation to raise moneys otherwise than by way of borrowing, and to carry on any business or activity, have been deleted from the Bill. Secondly, the Bill provides for the retention of the provision in the existing Act requiring the Corporation to make annual reviews of its shareholdings and the disposal of any shares the retention of which is not necessary for the performance of its functions. The Corporation will not be required to dispose of shares if this would reduce Australian ownership in the company concerned. The consent of the Supervisory Council will be necessary before any shares that are assets of the National Investment Fund can be disposed of. Thirdly, the Bill expressly provides that the Corporation shall not seek to acquire control of an Australian-owned company except where the Corporation considers it is necessary to do so to prevent the ownership of the company from falling into foreign hands or where the board of directors of the company consents to the Corporation acquiring control of the company.

The new Bill also provides that the Corporation must have regard to the importance to the Australian economy of the industry concerned. The AIDC will not be expected to help out failing businesses, or be a lender of last resort, nor will it be expected to act unless the enterprise is important to Australia.

The National Investment Fund Bill has nothing but formal changes. The NIF Bill that was before the Senate for the second time at the dissolution of Parliament provided for establishment of a National Investment Fund to help provide finance for the AIDC to carry out its expanded role. Whilst the fund and its various divisions would be managed by the corporation, the interest of subscribers to the fund would be protected by a supervisory council, the members of which were to have wide experience in the investment of moneys or the evaluation of the suitability of enterprises or projects for the investment of moneys.

The Bill provided that funds would be raised for the NIF by offering securities and investment bonds to private and institutional investors and by operating savings and superannuation plans for the general public. The NIF is to be composed of various divisions, including divisions for the large institutional investor, divisions for the individual investor and divisions for the large foreign investor. The Bill before the House is essentially the same as the National Investment Fund Bill 1973. The substantive amendments are aimed at providing for the appointment of a chairman to the Supervisory Council, and deleting an unnecessary provision exempting the corporation, its directors, or members of the Council from liability in civil action for damages by a subscriber.

Taken together, the AIDC and NIF Bills provide a significant, positive means to strengthen and co-ordinate Australian private enterprise in the development of Australian processing, manufacturing, transport, distribution and technology, and to increase Australian savings and investment funds for basic investment of this kind. It would only be in a Parliament lacking in enterprise and imagination, and extraordinarily influenced by ideological prejudice, that such Bills could ever be seriously questioned. I emphasise that the Bills are not radical, but the practical value of them to Australian private enterprise large and small is significant. I commend the Bills to the House.

Debate (on motion by Mr MacKellar) adjourned.

NATIONAL INVESTMENT FUND BILL 1974

Bill presented by Dr J. F. Cairns, and read a first time.

Second Reading

Dr J. F. CAIRNS (Lalor—Minister for Overseas Trade) (4.45)—I move:
That the Bill be now read a second time.

Debate (on motion by Mr MacKellar) adjourned.

EXCISE BILL 1974

Bill presented by Dr J. F. Cairns, and read a first time.

Second Reading

Dr J. F. CAIRNS (Lalor—Minister for Overseas Trade) (4.46)—I move:
That the Bill be now read a second time.
This Bill, and the Customs Bill which I will introduce shortly, make provision for measures designed to limit the opportunity for persons to profit from increases in customs and excise duties which are made from time to time, especially those normally varied in conjunction with the Budget. Honourable members will be aware of the speculative practices followed by some importers, manufacturers, wholesalers and retailers in the weeks prior to annual Budgets. This speculation takes the form of paying duty prior to the introduction of the Budget on abnormally high quantities of goods such as potable spirits, tobacco products and petrol in the expectation that duties on those commodities will be increased. If duties increase and the excess stocks on which duty was paid at a lower rate are sold at marked-up prices, excessive profits are made. Irrespective of whether it is an importer, wholesaler or retailer who actually takes the profit it is the consumer, the man in the street, who foists the bill.

The incidence of excessive pre-Budget clearances reached an alarming level in 1971 when duties were increased on tobacco products and petrol. Following questions asked by members of my Party in Opposition, the then Minister for Customs and Excise informed members that excessive clearances on those commodities prior to Budget night that year resulted in some $5.3m duty being avoided. By 'avoided' was meant that that amount of additional duty would have been paid to the Australian Government had those excess stocks not been cleared from bond ahead of normal demand. In the 1973 Budget this Government increased revenue duties on petrol, tobacco products and potable spirits and again duty was paid on abnormally high quantities of the latter 2 commodities prior to the introduction of the Budget. On that occasion the duty avoided was estimated to reach about $7m—more than half of it represented by extraordinarily high clearances of potable spirits.

This Bill proposes 2 measures that will enable the Australian Government severely to curtail the practices to which I have just referred. The most important of the 2 measures now proposed empowers the Minister, at a time when speculation on tariff changes might be anticipated, to specify by Gazette notice a declared period during which restriction on clearances will apply, a description of goods or classes of goods which are to be subject to such restriction and a base period which will be used to determine normal levels of clearance. It is proposed that the Minister will make a quota order setting out the quantity of specified goods which a person or company may clear for home consumption during the declared period at the rates of duty then applicable. The quota order will have regard to normal clearances by the person or company concerned and other relevant factors. Provision has been made under which a person or company may clear goods in excess of their quota. However, if the rate of duty is increased at the end of the quota period the quantity in excess of the quota order will attract duty at the increased rate. It is provided that clearance of any goods in excess of quota will be permitted only subject to lodgement of a cash deposit equal to the existing duty—in addition to the payment of the existing duty. This cash deposit will then be refunded on payment of whatever additional duty may have become payable.

The Bill incorporates a provision for review of quota orders by a Review Tribunal when a quota holder appeals against the Minister's decision. The second measure contained in this Bill will permit the varying of rates of excise duty by notice published in the Australian Government Gazette when the House of Representatives is not sitting. A similar provision is already contained in the Customs Act to permit variations in rates of customs duties. These 2 measures will go a long way towards curtailting speculative pre-Budget practices and the subsequent temptation to exploit the consumer. It is only fair, however, to point out that these measures cannot completely limit profit taking at the time of duty increases as there must always be a quantity of revenue goods on which duty has already been paid in the hands of merchants and retailers.

This Parliament would have had the power further to reduce the opportunity for post-Budget profit-taking had the Government's prices and incomes referendum been successful last December. As it now stands, only the States can act to protect consumers completely. I might observe that the South Australian Government already does this. I understand that the Australian Government is not alone in having to introduce measures to curtail speculative pre-Budget practices. For instance, the United Kingdom found it necessary to legislate against such practices with, I believe, very satisfactory results. The Bill also includes
formal amendments to bring the principal Act in accord with the new drafting style adopted for contemporary legislation. I commend the Bill.

Debate (on motion by Mr Adernann) adjourned.

CUSTOMS BILL 1974

Bill presented by Dr J. F. Cairns, and read a first time.

Second Reading

Dr J. F. CAIRNS (Lalor—Minister for Overseas Trade) (4.52)—I move:

That the Bill be now read a second time.

This Bill is complementary to the Excise Bill which I have just introduced and contains similar provisions aimed at curtailing opportunities for persons to profit from increases in customs duties on revenue goods. The Bill also includes formal amendments to bring the principal Act in accord with the new drafting style adopted for contemporary legislation. I commend the Bill.

Debate (on motion by Mr Adernann) adjourned.

NATIONAL HEALTH BILL 1974

Bill presented by Mr Hayden, and read a first time.

Second Reading

Mr HAYDEN (Oxley—Minister for Social Security) (4.53)—I move:

That the Bill be now read a second time.

The Bill before the House is one of a number of Bills which together authorise implementation of a new Australian health insurance program. It contains the provisions necessary to suspend the operation of those provisions in the National Health Act which will cease to be required as the new Australian health insurance program comes into operation. It also contains provisions for the ultimate repeal of the redundant parts of the Act. The provisions in the Health Insurance Bill authorise the Health Insurance Commission to provide payments by way of medical benefits and for hospital services. Legislation will also be introduced to enable the Australian Government to authorise and supervise the operations of private health insurance business under the program.

The principal elements of this Bill are the cessation of Australian Government medical and hospital benefits and the cessation of fund medical and hospital benefits payments by registered health insurance organisations. This means that as medical and hospital payments commence to be made under the new program they will cease under the National Health Act. Insofar as Australian Government payments are concerned, clauses 5 and 9 authorise the cessation of Commonwealth medical benefits and payments under the pensioner medical service. These clauses will come into operation from the date that clause 10 of the Health Insurance Bill is proclaimed, from which date medical benefits will be payable under the Australian health insurance program in respect of services received or provided on or after that date.

Clause 11 authorises the cessation of Commonwealth hospital benefits. The date of operation of this clause is dependent on the date each State or Territory enters into the arrangements provided under clauses 30 and 32 of the Health Insurance Bill. Those clauses relate to Australian Government hospital payments under the new program. As arrangements may be entered into under these clauses by individual States and Territories at different times, provision has been made for clause 11 of this Bill to become operative from varying dates. Clause 16 of the Bill provides for registered health insurance organisations to cease payments of fund medical and hospital benefits by requiring such organisations to cease carrying on health insurance business as registered medical benefits organisations or registered hospital benefits organisations under the National Health Act. The dates for cessation of these benefits and of the organisations' operations are the same as those applying to the cessation of Commonwealth medical and hospital benefits which I outlined earlier.

Organisations ceasing operations under the National Health Act will be eligible to seek authorisation to conduct health insurance business under legislation which will be introduced to supervise private health insurance. In addition to the cessation of the payment of fund benefits, provision has also been made in clause 21 of the Bill to empower the Minister to terminate an organisation's special account. This provision is necessary to increase administrative control during the period when the existing health insurance arrangements will be in the course of being terminated.

Honourable members will be conscious of the need for provision to be made to ensure
that contributors are able to continue to obtain satisfactory health insurance cover until the Australian Health Insurance Program is introduced. In this context authority has been included in clause 19 of the Bill for the Minister to direct the Health Insurance Commission to establish a medical or a hospital benefits fund in a State or Territory when he is satisfied that the health insurance needs of the people cannot be otherwise satisfactorily met. To protect the interests of contributors further provision has been made for the Commission to pay a benefit to a contributor to a registered organisation where that organisation fails to pay a benefit which it is liable to pay under its rules. The Commission may take action to recover the amount of any such payment from the Organisation.

The National Health Act was amended in 1972 to provide additional Australian Government nursing home benefits for patients in nursing homes with Pensioner Medical Service entitlement and to introduce an equivalent fund benefit for persons insured with registered hospital benefits organisations. The Bill before the House provides for the additional Commonwealth payment now applying to pensioners to be extended to apply to all nursing home patients. Nursing home fund benefits will therefore no longer be necessary. This provision will become effective on a uniform date throughout Australia, that date being the first date upon which a State or Territory enters into the hospital arrangements provided under clauses 30 and 32 of the Health Insurance Bill. The remaining provisions in the Bill now before the House are consequential amendments of an administrative nature which flow from the principal provisions to which I have already referred.

The provisions in this Bill are designed to ensure that no one is deprived of any right or entitlement under the National Health Act during the transition to the Australian Health Insurance Program. They are also designed to ensure that there will be no period of time during which medical or hospital services which attract benefits at present will not attract benefits or payments under either the National Health Act or the Health Insurance Bill. The provisions empowering repeal of parts of the Act will not be activated until all rights and entitlements under those parts of the Act have been fully realised. I commend the Bill to the House.

Debate (on motion by Mr Chipp) adjourned.

FINANCIAL CORPORATIONS BILL 1974

Bill presented by Mr Crean, and read a first time.

Second Reading

Mr CREAM (Melbourne Ports—Treasurer) (4.58)—I move:

That the Bill be now read a second time.

This Bill is identical to that which I introduced into the House on 3 April 1974 but which lapsed on the dissolution of Parliament on 11 April 1974.

The purpose of the Bill is to provide the basis for the examination and, as necessary, regulation of activities in the non-bank financial sector in the interests of effective management of the economy for the greatest advantage of the people of Australia.

There have been extensive prior consultations with groups which will be affected by the legislation, and this Bill incorporates a significant number of proposals made in the course of those consultations.

As honourable members are aware, non-bank financial institutions have grown rapidly over recent years. However, information available on the activities of the institutions has been seriously inadequate or, in some cases, completely lacking. An important purpose of the legislation will be to provide a means of obtaining additional basic information about the institutions covered in the Bill. This information will be of sufficient detail and sufficiently up to date as to enable the Government to assess for economic management purposes the need to regulate, in a variety of ways, the operations of the corporations concerned. It will also enable the publication of much more information than hitherto about the activities of the institutions.

The other main purpose of the legislation is to give the Government adequate control powers over non-bank financial institutions, in line with those that presently exist with regard to banks, thereby supplementing, as necessary, existing monetary policy weapons so as to assist in the effective overall management of the economy. The proposed control powers relate to asset ratios, directions regarding volume and direction of lending, and interest rates. The availability of such control powers over the non-bank financial sector is, I consider, an essential requirement for a Government charged with responsibilities for economic management.
I want to emphasise, however, that the Government is fully aware of the difficulties of implementing direct controls over this sector, particularly controls that would be completely new. We are also well aware of the need to ensure that, when any controls are imposed, they do not undermine confidence in the institutions concerned or unduly disrupt their legitimate activities.

The first objective of the Government, once the Bill is passed, will be to obtain the detailed information on which controls must necessarily be based. It is for this reason that the Bill itself does not attempt to specify the controls that will in fact be applied. It rather empowers the Government to apply specific controls, within the range provided for in the Bill, by way of the making of subsequent regulations.

I should also mention that the Government does not regard direct controls over non-bank financial institutions as a substitute for, as distinct from supporting, other monetary policy actions or for responsible fiscal policies. However, in appropriate circumstances, such direct controls can help in meeting particular objectives.

The legislation is designed to cover those corporations, other than banks, which engage in the borrowing and lending of money in a major way. These are the corporations whose activities are of concern from the viewpoint of monetary policy and which are not currently subject to direct control. Their importance in financial markets—both as borrowers and lenders—gives them significant potential to undertake activities sometimes inimical to effective economic management.

The legislation will thus gather within its provisions corporations which may be generally described as finance companies, permanent building societies, merchant banks and money market groups, including the authorised dealers in the short term money market, pastoral finance companies and credit unions. Other corporations whose borrowing and lending activities are important, for example, corporate retailers which, within their own operations, have outstanding finance provided totalling $5m or more, will also be covered. The legislation has in fact been drafted with the aim of covering both existing major borrowing and lending institutions and any such new institutions that may spring up in the future.

There is, of course, a diverse range of other corporations operating in the financial sector, including life and general insurance companies, pension funds, terminating building societies, friendly and health societies, unit trusts, investment and trustee companies. However, the activities of these corporations either have limited implications for monetary policy or they are subject to other legislation of the Australia Parliament. Financial institutions of the kind I have indicated are therefore excluded from the provisions of the Bill now before the House.

In considering the legislation it also needs to be borne in mind that most non-bank financial institutions are already subject to supervision under State or Territory laws which deal primarily with the rights of borrowers and lenders and the financial stability of companies. It is not the intention of the present Bill to exclude or limit the operations of such laws and I anticipate that they will, in the normal course of events, operate concurrently with the present legislation.

Corporations of the type covered by the legislation will be required to register and to provide regular information about their activities if their total assets exceed $1m or, in the case of retailers, if outstanding finance provided exceeds $5m. However, it is not envisaged that any controls which the Government may decide to impose would necessarily apply to all institutions. A sufficient coverage—in most cases about 90 per cent—of the assets of various groups would be obtained if any controls that were applied to financial institutions were limited only to those with total assets in excess of $5m. The application of controls in this way would also reduce the administrative burdens and, more importantly, allow more flexibility. There is provision for the amounts of $1m and $5m in the legislation to be varied by regulation if necessary.

In proposing that the registration and control provisions of the legislation should apply only to institutions that are above stipulated sizes, the Government has very much in mind that, in contrast to the small number of banks, there are a large number of non-bank financial institutions. It is estimated that there are operating in Australia about 1,000 finance companies, 200 permanent building societies, 750 credit unions, and between 50 and 80 corporations operating generally in the merchant banking area. Individual institutions within these groups
can also show a marked diversity in the nature of their borrowings and their lending business.

The Government has not been able to accept representations that certain groups of financial corporations should be exempted from the Bill because they are in a special position or because they are largely mutual, non-profit making institutions. The activities of all the financial corporations covered by the Bill are currently or potentially important for economic conditions and therefore for economic policy. The exclusion of any group would materially weaken the proposed legislation and could make the achievement of the broad objectives of the legislation substantially more difficult to achieve. The fact that a group of institutions is non-profit making, or that they are operating in an area of social importance, does not reduce the capacity of those institutions in certain circumstances to undertake activities that could be inimical to effective economic management and thereby involve both economic and social costs to the community.

As I have circulated to honourable members an explanatory memorandum on the various clauses of the Bill, I do not propose to outline them in detail here. However, I would draw honourable members' attention to certain key clauses in the Bill. Clause 8 (1) determines the type of corporations that will be covered in the legislation, subject to clause 8 (2) which provides certain specific exemptions as well as a general exemption for those corporations whose assets do not exceed $1m.

Clause 10 provides for the Treasurer to draw up and publish a list of registered corporations and for such a list to divide corporations into various categories. This provision will enable any controls that may be imposed to be applied in ways which will take account of the major differences in the structure and activities of the various categories of institutions that will be covered by the legislation. It will be apparent that any attempt to impose uniform controls across the whole range of institutions covered by the legislation would be both impracticable and inequitable.

Part IV of the Bill contains a description of the powers that are sought for control of the business activities of financial corporations. As I have already indicated, these powers will be implemented, when necessary, by way of regulations. Clause 13 provides that such regulations may require a corporation to maintain in specified assets such percentage of its assets or liabilities as is determined from time to time by the Reserve Bank. Such determinations are, as are determinations made under other clauses, to be subject to the approval of the Treasurer. I mention that it is not the Government's intention to introduce reserve deposit requirements of the type placed on banks. The specification of statutory reserve deposits in the case of the banks is, of course, related to their special position.

Clause 14 provides that regulations may require a corporation to comply with directives with respect to the corporation's general lending policy, or its policy in relation to specific types of lending. Clause 15 provides that regulations may specify the maximum interest rates payable by a corporation on its borrowings or chargeable by it on its lending, including the maximum rates on specific types of lending.

There is provision for the prescription of a minimum period of not less than 30 days for complying with any asset ratio determination fixing an initial or increased ratio. However, it would not, of course, be desirable to stipulate any such minimum period for an interest rate or lending policy determination.

 Provision has been made in clause 18 for the Treasurer, after consulting the Reserve Bank, to exempt a corporation from the application of any control determination if he considers that the public interest and the existence of special circumstances justify his so doing. An exemption under this clause may be subject to conditions and will be published in the Gazette not later than 90 days after the instrument of exemption is signed by the Treasurer. It is intended that this provision would only be used where unforeseen difficulties arise in the application of a determination but it provides an additional safeguard for corporations that may become subject to controls.

Since it is clear that several organisations representing finance groups place great store on provisions allowing for consultation, provision has been made in clause 30 for the Treasurer to appoint a committee or committees of persons to advise him on matters to be included in regulations to be made under the legislation and on the operation of the legislation.

In addition, clause 31 provides for the Reserve Bank to consult with associations or other bodies representing registered corporations to keep itself informed of their views in
relation to the exercise by the Bank of its powers under the legislation and of trends in activities of their members.

The Government attaches considerable importance to voluntary co-operation and consultation in economic management, and considers that the provisions for consultation with representatives of the non-bank finance sector will assist in obtaining voluntary co-operation from the institutions concerned. Such consultations will also provide a means by which representatives of the various industry groups will be able to express their views on proposed regulations and on how the legislation is operating generally.

I emphasise here that the Government proposes to consult appropriate advisory committees before making regulations to give effect to the control powers. In addition there will, of course, be the normal opportunity for Parliament to review regulations made under the legislation. I well understand the concern that has been expressed about the use which could be made of the wide powers proposed to be taken in the Bill but I suggest that it is most important to appreciate that the exercise of such powers will only be given effect by bringing down regulations in the manner described. Such regulations will, of course, impose limits on the extent to which the control powers will be subject to administrative discretion.

In conclusion, I should again emphasise that the Government is fully aware of the difficulties involved in implementing direct controls over the activities of the non-bank financial sector and of the need to ensure that any controls imposed do not undermine confidence in the institutions concerned or unduly disrupt their legitimate activities. This is reflected, among other things, in the consultations that have already taken place with finance groups and the provision in the Bill to formalise such consultations in the future with regard to the formulation of regulations and on the operation of the proposed regulation. I commend the Bill to honourable members.

Debate (on motion by Mr Nixon) adjourned.

PRICES JUSTIFICATION BILL 1974
Bill presented by Mr Whitlam, and read a first time.

Second Reading
Mr WHITLAM (Werriwa—Prime Minister) (5.15)—I move:
That the Bill be now read a second time.

This Bill is designed to give effect to the Government’s decision, which I foreshadowed during the election campaign, to strengthen the Prices Justification Tribunal and extend its scope in certain important ways. The Tribunal started life on 1 August last and in the short period of its existence it has more than proved its worth in restraining price increases by major companies. It has built up its authority and prestige, and its findings are not taken lightly in any quarter. It has conducted 15 public inquiries and further important inquiries are in progress and in prospect. In some 200 cases, proposed price increases have been reduced by companies without public inquiry after initial discussions with the Tribunal. In no case has a company proceeded contrary to the findings of the Tribunal. This is an admirable record, and one that can be built on. The Government, handicapped as it is by lack of adequate constitutional powers to combat inflation, is nevertheless determined to continue the fight with all vigour, with the aid of the instruments at its disposal. The Prices Justification Tribunal is an important such instrument.

There are 2 fields in particular where the Tribunal can make a larger contribution if it is given the necessary powers and resources. These are the field of retail prices and the related field of prices of imported goods which, on the evidence available to us, have not reflected the full effect of tariff reductions and currency revaluations as they should have done. We have decided to give the Tribunal the necessary powers and resources. Firstly, it is clear that the impact of the Tribunal in these and other fields is limited because it is at present restricted in all its dealings to companies with an annual turnover in excess of $20m. The Bill therefore removes any such restriction in relation to inquiries made by the Tribunal, either at its own discretion or as required by the Government. The limit, however, remains insofar as it concerns the obligations by companies to notify price increases. In other words, the Tribunal will now have a general power to inquire and report into prices charged by companies, irrespective of their turnover, or the industry concerned, but the obligation to notify price increases still applies only to companies in the over $20m class. Where the Tribunal itself exercises this general power, it will have 4 months to conduct its inquiry and furnish its report. The other provisions of the
Act relating to timing remain unchanged except that, in order to provide a little more flexibility, the Bill extends the period of 21 days available to the Tribunal to decide whether or not to conduct an inquiry. Any such extensions are, however, required to be with the agreement of the company concerned.

The reasons for proceeding in this way are clear. It is desired to give the Tribunal a wide discretion not only in relation to price increases but also in relation to all prices charged by companies, but without subjecting it to further burdens in the processing of notifications by a greatly increased number of companies. The Tribunal will employ these additional powers, particularly, but not exclusively, in actively inquiring into and reporting upon both retail prices and the prices of imported goods. For these purposes, we shall provide a modest expansion of the Tribunal’s staff and will ensure that the Tribunal is backed by the collaboration of other departments and agencies. Steps have already been taken to this end in conjunction with the Department of Overseas Trade, the Department of Customs and Excise and the Australian Bureau of Statistics. In order to reinforce the influence of the Tribunal in the most economical manner possible, it has also been decided to empower the Tribunal, as an alternative to stating that it does not intend to hold an inquiry in the case of a particular proposed price increase, to notify the company concerned of any lower price that it considers to be justified. The company concerned will then have 7 days to notify the Tribunal whether it accepts this lower price or prefers to proceed to public inquiry. This provision should enable the Tribunal to cover a much wider field without undue strain on its resources.

I come now to certain other provisions that are of somewhat lesser policy significance but should still considerably assist the work of the Tribunal. It has been decided, in order to facilitate the simultaneous conduct of major inquiries and to assist the Tribunal generally, that provision should be made for 2 Deputy Chairmen instead of one as at present. It has also been decided to extend the maximum period for appointment of members from 5 to 7 years in order to increase the attraction of appointment to the Tribunal, particularly in the case of suitable members from private industry. We have also changed the procedures whereby the reports of the Tribunal are made public. Henceforth, the reports will be made public by the Tribunal itself and not, as at present, by the Minister. This is a machinery measure to avoid the unnecessary and somewhat cumbersome procedures that now operate. In addition, certain minor amendments have been made in the interests of clarification and consistency which will, if necessary, be explained in the Committee stage of the Bill.

It is the Government’s view, after close examination and full discussions with the Chairman of the Tribunal, the Honourable Mr Justice Williams, that the provisions in this Bill will greatly increase the effectiveness of the Tribunal in combating inflation and will do so in a manner that will continue to attract the co-operation of the business world at large. It is for this reason that we have decided not to include any penal sanctions to make the findings of the Tribunal legally binding. We will continue to rely on justification and co-operation just so long as this course retains its present effectiveness. The Government regards this Bill as an important measure to combat inflation in Australia and, in the belief that it will attract the support of all those who share the national concern on this matter, I commend the Bill to the House.

Debate (on motion by Mr Nixon) adjourned.

ASIAN DEVELOPMENT FUND BILL 1974

Bill presented by Mr Crean, and read a first time.

Second Reading

Mr CREAN (Melbourne Ports—Treasurer) (5.25)—I move:

That the Bill be now read a second time.

The purpose of this Bill is to obtain parliamentary approval for a contribution by Australia of $A18.15m, or the equivalent of $US27m, to the Asian Development Fund recently established within the Asian Development Bank. As most honourable members will be aware, the Asian Development Bank—or the ADB as it is colloquially called—is a regional development finance institution which was established in 1966, with its headquarters in Manila, for the purpose of lending funds, promoting investment and providing technical assistance to developing member countries with a view to generally fostering economic growth and co-operation in the Asian and Pacific regions.
Projects financed so far by the ADB cover all the major sectors of economic development. Thus, loans have been made to assist the development of infrastructure facilities in the electric power, transport and communications sectors as well as for agriculture, water supply and education projects. During 1973 the ADB financed 39 projects in 16 member countries with 54 loans totalling more than $US420m. Total lending by the ADB since it commenced operations about 8 years ago passed the $US1 billion mark in 1973. The lending activities of the ADB are divided into 2 major categories—‘ordinary operations’ comprising loans made at near commercial rates of interest and ‘special operations’ comprising loans made on concessional or ‘soft’ terms to the Bank’s poorer developing member countries. The Asian Development Fund is designed to serve as the primary source of finance for future concessional lending operations by the ADB. In the past such concessional loans were financed almost entirely from a so-called Multi-purpose Special Fund which was set up a few years ago and has utilised resources set aside for this purpose from the paid-in capital of the ADB as well as voluntary contributions which individual donor countries have made to the ADB on an ad-hoc basis for this purpose.

The previous situation was not satisfactory because the ADB was unable to plan its future scale of operations with any degree of certainty that funds would continue to be available. In fact, contributions had dwindled to the extent that, in the absence of early steps to replenish Special Fund resources, concessional lending by the ADB seemed likely to grind to a halt. The current proposals involve the mobilisation of an initial amount of $US525m to be provided by contributions from developed member countries of the ADB. Specific amounts have been proposed for each developed member country, Australia’s share being $US27m, or roughly 5 per cent of the total. These amounts are to be paid in the national currency of each member country up to the equivalent of the amounts in United States dollars specified in the attached table, which I ask leave of the House to have incorporated in Hansard.

Mr DEPUTY SPEAKER (Mr Drury)—Is leave granted? There being no objection, leave is granted.

(The document read as follows)—

PROPOSED CONTRIBUTIONS TO THE ASIAN DEVELOPMENT FUND

(Expressed in United States Dollars as at 20.11.73)

<table>
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<th>Country</th>
<th>Proposed total</th>
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<th>Authorised amount for Second Stage</th>
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<td>Switzerland (Supplementary contribution)</td>
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<td>Total</td>
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Mr CREAN—in view of the uncertainties surrounding the future structure of exchange rates in the international monetary system, it was decided that the number of national currency units to be contributed by each participating country should be fixed in terms of the
exchange rates applying in November 1973. Individual contributions will be accepted by the ADB in 2 stages, although members may agree to make their contributions concurrently if they wish. The first stage is designed to mobilise two-thirds of the above total, or $US350m, in contributions that would be generally untied—although provision has been made for the ADB to accept tied contributions in certain circumstances. Honourable members will be interested to know that Australia does not intend to avail itself of this option. The second stage is designed to mobilise the balance of $US175m on a wholly unified basis.

In recognition of the need to achieve a broad degree of multilateral support for the Fund, including the participation of all the major potential contributors, provision has been made for each of the 2 stages to become effective only when specified proportions of the respective targets for contributions have been reached. Stage one recently became effective and the Asian Development Fund is deemed to have been formally established. It is proposed that under the first stage Australia would commit $US18m to the ADB before 31 December 1974 and pay this amount over by 30 June 1975. Our contribution of $US9m under the second stage would be committed to the ADB on or before 30 June 1975 and be paid over by 31 December 1975. Australia has the option of paying the above contributions either in cash or by lodging non-negotiable, non-interest-bearing promissory notes which will be encashed on demand as and when the funds are actually required by the ADB. In accordance with the practice Australia has adopted in the past with respect to similar contributions to both the ADB and the International Development Association, we propose to follow the second course. This will limit the impact of our contribution on the Budget for 1974-75 and also in the year thereafter. Implementation of the ADB's proposals means that, in future, the funds required by the Bank for its concessional lending operations will be mobilised on an organised, multilateral basis and should be regularly replenished with uniform terms and conditions for all contributors.

Honourable members will know that Australia has always been a strong and active supporter of the Asian Development Bank because of our concern to help raise the living standards in nearby developing countries in the Asian and Pacific regions. Our subscription to the Bank's capital stock—which currently amounts to $US256.4m, although only $US82m is actually payable—is the third largest at the present time. We have also contributed $US13.7m to other ADB Special Funds in the past. I am confident that the new Asian Development Fund will constitute an efficient and effective way of channeling aid on concessional terms to developing countries in our part of the world. Since I firmly believe it to be in Australia's national interests to continue to support the ADB by contributing $A18.15m, or the equivalent of $US27m, to this Fund over the next 18 months or so, I commend this Bill to honourable members.

Debate (on motion by Mr Nixon) adjourned.

PUBLIC WORKS COMMITTEE BILL 1974

Bill presented by Mr Lionel Bowen, and read a first time.

Second Reading

Mr LIONEL BOWEN (Kingsford-Smith —Special Minister of State) (5.33)—I move: That the Bill be now read a second time.

This Bill is designed to overcome an urgent problem which has emerged following a recent legal interpretation of 'estimated cost' in section 18(8) of the Public Works Committee Act. The problem arises because under this interpretation reference of a project to the Public Works Committee would be required where on receipt of tenders it became evident for the first time that the cost limit of $2m for mandatory referral would be exceeded. Mandatory referral at this late stage would frustrate action to let a contract and the Government considers it would be unworkable.

During the recent interregnum 3 cases occurred where the Department of Housing and Construction was unable to accept tenders because of this interpretation of 'estimated cost'. The works involved are 3 schools in the Northern Territory for which the estimates of cost at the design development stage were below $2m but on the basis of tenders will each cost more than that figure. Three months have now elapsed since tenders for these works were received. I feel sure that honourable members will agree that any further delay in proceeding with the works while they are being considered by the Public Works Committee would not only be undesirable but could significantly increase their cost. My colleague the Minister for Housing
and Construction (Mr Les Johnson) therefore intends to move expediency motions so that these works may proceed without reference to the Public Works Committee. However, reliance on this procedure is obviously unsatisfactory particularly as other similar cases are likely to occur during future parliamentary recesses. Early amendment of the Act is therefore considered necessary.

Such an amendment has been recommended in the report of the interdepartmental committee on the review of the Public Works Committee Act. Members may recall that when the Act was amended last year to increase to $2m the cost limit for referrals to the Public Works Committee, the Government gave an assurance that an interdepartmental committee had already commenced an in-depth examination of the Act. The examination was to cover the full range of public works financed by the Australian Government and produce recommendations for a more rational method of selecting those public works to be referred to the Public Works Committee. I this day tabled the interdepartmental committee report for the information of honourable members. The Government has deferred consideration of the report in detail so that it may take into account any comments which the Public Works Committee and other interested persons may wish to make on the Committee's recommendations. In the meantime, the Government proposes one amendment to overcome the difficult situation outlined above, as well as several minor formal amendments. I commend the Bill to the House.

Debate (on motion by Mr Nixon) adjourned.

TRADE PRACTICES BILL 1974

Bill presented by Mr Enderby, and read a first time.

Second Reading

Mr ENDERBY (Canberra—Minister for Manufacturing Industry) (5.36)—I move:

That the Bill be now read a second time.

This Bill is similar to the one with the same title that was passed by the House of Representatives last year except that the amendments which were circulated by the Attorney-General (Senator Murphy) before the double dissolution of Parliament have been incorporated in the Bill. In the previous Parliament the Senate was not prepared to debate the Bill on the ground that there had been insufficient time to consider its provisions. This was notwithstanding that an almost identical Bill had been introduced into the Senate as early as 27 September 1973. No such reason for further delaying the passage of this important measure now exists. There has been ample opportunity for honourable members and for those whose activities will be affected by the Bill and their advisers to familiarise themselves with the provisions in the Bill. This opportunity has been availed of by a great many persons—as has been evidenced by communications and discussions with the Attorney-General and officers of his Department.

As I mentioned at the beginning of this speech the amendments circulated by the Attorney-General before the double dissolution of Parliament have been incorporated in the present Bill. Those amendments were prepared in the light of comments that had been received. Where it had appeared that improvements could be made to particular provisions this was done. Many of the amendments were of a drafting nature only—some of them to meet doubts that had been expressed whether or not the doubts were justified. Other amendments went beyond the drafting and made changes of substance but without changing the basic structure and scope of the Bill. The amendments to which I have just referred are indicated for the convenience of honourable members in black type in a memorandum that has been prepared to indicate the differences between this Bill and the Bill that was passed by this House on 8 November 1973.

The purpose of the Bill is to control restrictive trade practices and monopolisation and to protect consumers from unfair commercial practices. The Bill will replace the existing Restrictive Trade Practices Act, which has proved to be one of the most ineffectual pieces of legislation ever passed by this Parliament. The Bill will also provide on a national basis long overdue protection for consumers against a wide range of unfair practices. Restrictive trade practices have long been rife in Australia. Most of them are undesirable and have served the interests of the parties engaged in them, irrespective of whether those interests coincide with the interests of Australians generally. These practices cause prices to be maintained at artificially high levels. They enable particular enterprises or groups of enterprises to attain positions of economic dominance which are then susceptible to abuse; they
interfere with the interplay of competitive forces which are the foundation of any market economy; they allow discriminatory action against small businesses, exploitation of consumers and feather-bedding of industries.

In consumer transactions unfair practices are widespread. The existing law is still founded on the principle known as caveat emptor—meaning 'let the buyer beware'. That principle may have been appropriate for transactions conducted in village markets. It has ceased to be appropriate as a general rule. Now the marketing of goods and services is conducted on an organised basis and by trained business executives. The untrained consumer is no match for the businessman who attempts to persuade the consumer to buy goods or services on terms and conditions suitable to the vendor. The consumer needs protection by the law and this Bill will provide such protection.

The Bill is especially important because of its relevance to inflation. The purpose of many restrictive practices is to maintain prices at levels higher than would otherwise prevail. This contributes to the inflationary trend. It also reduces the likelihood that the benefits of the Government's tariff cuts will be passed on to the public. Increased competition from imports will be of little benefit if not accompanied by increased domestic competition. Consumer protection also assists in the fight against inflation. It is the consumer who has to bear the burden of higher prices and of unfair methods of dealing.

Since the Trade Practices Bill 1973 was passed by this House the relevance of restrictive trade practices to high prices has been the subject of comment by the Joint Committee on Prices. Such comments are to be found in the Committee's reports relating to meatmeal, imports of timber and flat glass imports. Indicative of the attitude the Committee has taken to the effect of restrictive trade practices on prices is the following passage taken from its report on imports of timber:

The Committee considers that suggested prices and margins are restrictive practices which could result in prices being higher than they would otherwise be. This could reduce the benefits of upvaluation to the consumer or user. The Committee understands that there is doubt as to whether such recommendations would constitute an examinable agreement under section 35 of the Trade Practices Act. They could, however, fall within section 45 of the Trade Practices Bill 1973. The Committee notes that such practices have the effect of chilling the vigour of price competition.

In his seventh annual report, which was tabled earlier today, the Commissioner of Trade Practices deals at length with price agreements and the close consideration that he has given to them. The Commissioner expresses the view that the dominant reasons for joining in a price agreement are to remove the uncertainty of the market place and to keep prices higher than they would be without agreement. The Bill gives effect to a recommendation by the Council of the Organisation for Economic Co-operation and Development in December 1971 concerning action against inflation in the field of competition policy. The recommendation urged member governments of OECD, as part of the action to be taken by them against inflation, to adopt stronger measures to control restrictive trade practices and to protect consumers.

The Government has a firm electoral commitment to introduce effective legislation in the areas of restrictive trade practices and consumer protection. This implements the promises made by the Government at the last 2 general elections. The Government believes that the Bill introduced into this Parliament should, as far as possible, indicate what forms of conduct are to be prohibited. We believe that the existing restrictive trade practices legislation is unsatisfactory in this regard. Under that legislation prohibition of a practice or agreement comes not from the law itself but from a restraining order made by the Trade Practices Tribunal. These proceedings can only be instituted by the Commissioner of Trade Practices where, in his opinion, the institution of such proceedings is desirable. To this, there is a real exception in the case of resale price maintenance and apparent exceptions in the cases of collusive tendering and collusive bidding. In our view, except for resale price maintenance, the existing Restrictive Trade Practices Act unfairly places the burden on persons whose responsibility it is to administer the law, not to make it. I do not overlook the need for some flexibility in legislation of this kind. Some agreements and practices are not objectionable. The law should provide for such agreements or practices to be treated after appropriate consideration by the administering authorities as exceptions to the general rule. This is the approach taken in the Bill. A related consideration is that a law is bound to be ineffective if it commits to the administering authorities more work than they could hope to perform.
The unsatisfactory operation of the existing Act is made clear in the seventh annual report of the Commissioner of Trade Practices. This report states that on 30 June this year there were no fewer than 12,213 operative agreements entered in the register maintained by the Commissioner. This was only 147 fewer agreements than the corresponding number on 30 June last year. The Commissioner and his staff have done their best to deal with a vast number of agreements and practices in accordance with the procedure laid down by the Act. But it is clear from the report that the rate of progress they have been able to achieve is extremely inadequate if effective control of restrictive agreements and practices is to be attained within a reasonable period. The progress being made under the existing Act is such that it would be many years before the legislation had any significant impact on the economy. This would be unsatisfactory if inflation were not a pressing problem. Such a slow rate of progress is plainly intolerable.

Another important principle is that a breach of such legislation should give those who are affected by the breach the right to bring private enforcement proceedings. Under the existing Act one who is adversely affected by a practice or agreement has no right to take the first necessary step of instituting proceedings in the Trade Practices Tribunal. Under that Act the institution of such proceedings is the exclusive prerogative of the Commissioner of Trade Practices. If the Commissioner takes no action the person adversely affected by the practice or agreement has no alternative course of action. It is clear that the effectiveness of legislation with respect to trade practices will depend upon the existence of a strong administrative agency. This Bill recognises the need for such an agency.

The agency will be called the Trade Practices Commission and will consist of a Chairman, a Deputy Chairman and such other members as are appointed by the Governor-General. The Trade Practices Commission will replace the Commissioner of Trade Practices. It will have a wide range of responsibilities covering not only enforcement, but also the granting of authorisations for conduct otherwise prohibited, the granting of clearances where there is uncertainty as to the application of particular provisions. One of the amendments to the original Bill enables the Commission to go even further in this regard by making available to the public general guidance information with respect to the carrying out of its functions and powers. The Commission will also inquire, at the instance of the Attorney-General, into the need for further legislation with respect to practices that appear to be operating unfairly against the interests of consumers.

The Commission's functions with respect to consumer protection will complement those relating to consumer standards which the Government is undertaking. The Bill provides for mandatory consumer standards where desirable. The method will be to prescribe the standard by regulation. Any such regulation will be made under the legislation now proposed although decisions to prescribe standards will be taken in close consultation with the Minister responsible for consumer standards. Some of the functions of the Trade Practices Commission will involve the making of administrative determinations of a quasi-judicial character similar in a number of respects to the determinations at present made by the Trade Practices Tribunal.

The Attorney-General is to have a limited power to give directions to the Commission. Comments that have been made on this provision have tended to overlook the very limited nature of the power. The power is not applicable in relation to the Commission's quasi-judicial functions of granting authorisations or clearances, but it will enable the Attorney-General to give a direction to ensure that the legislation is otherwise being administered in an appropriate manner.

The scope of the Commission's functions and the discretion vested in it are such that a reserve power of this kind is desirable. For example, questions of priority may arise. The power of direction is accompanied, however, by a requirement that any direction given must be made public. This requirement will ensure that the basic statutory independence of the Commission is not eroded by secret directions. The Bill provides for the Tribunal to be retained as a body of review. It will have power to review determinations of the Commission upon the application of an interested party.

I now refer to some features of the drafting of the Bill. Legislation of this kind is concerned with economic considerations. There is a limit to the extent to which such considerations can be treated in legislation as legal concepts capable of being expressed with absolute precision. Such an approach leads to provisions which are complex in the extreme and give rise to more problems than they remove.
The present Bill recognises the futility of such drafting. Many matters have, of course, had to be stated in detail. But other provisions, particularly those describing the prohibited restrictive trade practices, have been drafted along general lines using, wherever possible, well understood expressions. I am confident that this will be more satisfactory. The Courts will be afforded an opportunity to apply the law in a realistic manner in the exercise of their traditional judicial role.

As this approach to the drafting represents a change from that in the existing Restrictive Trade Practices Act it is not surprising that some of the comments on the Bill have expressed apprehension that it will lead to uncertainty. It is of course desirable that uncertainty be kept to the minimum in this as in any other law. But it is questionable whether detailed drafting leads to more certainty. Often it does no more than obscure the broad purpose of a provision. Chief Justice Hughes of the United States Supreme Court made this very point in an opinion he delivered in 1933 in the case of Appalachian Coal Inc. v. US when he said of the Sherman Act:

It does not go into detailed definitions which might either work injury to legitimate enterprise or through particularization defeat its purposes by providing loopholes for escape.

The Bill does in fact go very much further than the Sherman Act does to remove uncertainties. Special provisions are included in the Bill for no other reason than to remove uncertainty. These are the provisions for clearances and authorisations. In the great majority of cases the applicability of the provisions in this Bill will be clear. In those cases where some uncertainty does arise, particularly during the early years of its administration, there will generally be opportunity for the uncertainty to be removed by seeking a clearance or an authorisation. Another provision that will assist in this regard is the one that I have already mentioned enabling the Commission to give the public general guidance information concerning the carrying out of its functions and powers.

The constitutional power of the Australian Parliament to enact legislation such as that contained in the Bill was clarified by the very important decision of the High Court in what is known as the Concrete Pipes case. For present purposes that case established that restrictive trade practices and monopolisation legislation contained in the Australian Indus-

tries Preservation Act could validly derive support from the corporations power. It also established that legal problems can arise when provisions that depend on that power are drafted so as to be inextricably mixed in their operation with provisions that depend on other powers.

The Bill takes account of these considerations. Most of the provisions are drafted so as to apply only when a corporation is involved. But these provisions are given by clause 6 a separate operation in reliance upon other powers. In the result, provisions which appear to be restricted to situations involving a corporation, will have an extended operation involving inter-State trade or commerce, the Australian Capital Territory, Northern Territory or dealings with the Australian Government, any of its authorities or instrumentalities, or the use of postal, telegraphic or telephone services or a radio or television broadcast.

The present Act places much emphasis on secrecy. Everything on the Register of Trade Agreements is subject to secrecy requirements, as are the functions of the Commissioner and his staff until, in relation to a particular agreement or practice, he institutes proceedings in the Tribunal. Such secrecy is undesirable and goes beyond what is reasonably necessary for the protection of confidential information. The Bill confines secrecy to confidential information. However the secrecy which has applied to the Register is not to be removed. I should add that under the Bill the existing registration requirements are not to be continued. The importance of the Register will become progressively less and less. The existing overseas cargo shipping provisions have been included in the Bill in their present form. This should not be taken as an indication that the Government is satisfied with the provisions. They will be the subject of a later review which will take into account, amongst other things, international negotiations. This will be done by the Minister for Transport (Mr Charles Jones) who has the ministerial responsibility in this area.

My last preliminary comment relates to the question of legal aid for matters arising under this legislation. When the earlier Bill was introduced last year an indication was given that a provision enabling legal aid to be granted in appropriate cases was under consideration. The present Bill includes such a provision.
The Provisions with Respect to Restrictive Trade Practices

In brief, the Bill prohibits the following practices: Contracts, arrangements and understandings in restraint of trade or commerce; monopolisation; exclusive dealing; resale price maintenance; price discrimination; anti-competitive mergers.

The provisions with respect to contracts, arrangements and understandings in restraint of trade or commerce are to be found in clause 45. The words arrangements and understandings are now used in place of the words combinations and conspiracies used in the earlier Bill. The clause will cover restraints of trade or commerce such as price-fixing agreements and collusive tendering, market-sharing agreements and collective boycotts. Sub-clause (3), which was not included in the earlier Bill, makes it clear that a contract is not prohibited if its effect on competition is not significant.

The making of contracts, arrangements and understandings in restraint of trade or commerce after the commencement of clause 45 will be prohibited. Contracts entered into before that date will become unenforceable, although a new provision in clause 87 will enable the Court to make consequential adjustments to the rights of parties.

Monopolisation is defined in clause 46, which has been re-drafted since the earlier Bill was before this House. The clause covers various forms of conduct by a monopolist against his competitors or would-be competitors. A monopolist for this purpose is a person who substantially controls a market. The application of this provision will be a matter for the court. An arithmetical test such as one third of the market—as in the existing legislation—is, we believe, unsatisfactory. The certainty which it appears to give is illusory.

Clause 46 as now drafted makes it clear that it does not prevent normal competition by enterprises that are big by, for example, their taking advantage of economies of scale or making full use of such skills as they have; the provision will prohibit an enterprise which is in a position to control a market from taking advantage of its market power to eliminate or injure its competitors.

The provision will not apply merely because a person who is in a position to control a market engages in conduct within one of the classes set out in the clause. It will be necessary for the application of the clause that, in engaging in such conduct, the person concerned is taking advantage of the power that he has by virtue of being in a position to control the market. For example, a person in a position to control a market might use his power as a dominant purchaser of goods to cause a supplier of those goods to refuse to supply them to a competitor of the first mentioned person—thereby excluding him from competing effectively. In such circumstances the dominant person has improperly taken advantage of his power.

Exclusive dealing is defined in clause 47. It covers arrangements in accordance with which a supplier of goods or services has entered into an arrangement with a person acquiring those goods or services from him and the effect of the arrangement is to limit the freedom of that person to deal as regards persons or places.

Under the clause which has been re-drafted since the earlier Bill was before the House, there are 3 forms of exclusive dealing. In general, exclusive dealing will be prohibited only where the practice is likely to have the effect of substantially lessening competition in a market. This requirement, however, does not apply to 2 specific forms of exclusive dealing. One of these is where a person's ability to supply goods or services is entirely dependent on a licence, permit, authority or registration under a law of Australia and that person insists, as a condition of supply to another person, that the other person acquire all or part of his requirements of other goods or services directly or indirectly from the first mentioned person. The other specific form of exclusive dealing to which the requirement of reduction of competition does not apply is where a third person is involved. This covers the practice by which a supplier requires a customer to acquire other goods or services from a third person. This is often done pursuant to arrangements under which the supplier obtains a commission or other benefit on sales by the third person to the customer.

The scope of the present clause 47 is significantly narrower than that of the provision it replaces. In particular, the present clause does not cover restraints that apply to suppliers. The clause will not cover the ordinary grant of an exclusive franchise to market a
Mergers are prohibited by clause 50 where a likely effect would be to substantially lessen competition in a market. Questions will of course arise as to whether particular mergers are likely to have such an effect on competition. In this regard the provisions for clearances and for authorisations will be available and will enable businesses to resolve their uncertainties. Additionally, the Bill now contains a provision to which I have already referred which will enable the Commission to give advance public guidance concerning the approaches it is taking in the administration of the provisions for merger control.

The Bill does not conflict in any way with the operation of the Companies (Foreign Takeovers) Act. Provisions to avoid such conflict are to be found in clause 90. Sub-clause 9 of clause 90 enables the Government to ensure that a merger is permissible if, in the Government's view, there are special considerations which conform to the interests of national economic policy.

Authorisations

Authorisations may be granted by the Commission in respect of some practices. The effect of an authorisation is to remove the prohibition that would otherwise apply by virtue of this legislation. Authorisations may be granted in respect of contracts, arrangements or understandings in restraint of trade or commerce—other than those fixing or controlling or providing for the fixing or controlling of the price of goods. Authorisations are also available for exclusive dealing and mergers.

The Government has concluded that the impact of the legislation would be greatly lessened if provision were made for authorisations to be granted in respect of agreements fixing the prices of goods. These agreements are now generally recognised in many countries as being undesirable, particularly in times of inflation such as we are now experiencing.

In his latest annual report the Commissioner of Trade Practices, in discussing experience with the case by case examination of price agreements under the existing Act, has said:

The progress made would appear now to justify some direct prohibition of price agreement as well as resale price maintenance, thus moving away from case by case examination in what ought to be a relatively settled area.
The Commissioner expressed his view that price agreements are very unlikely to be in the public interest. In the case of services, however, the Bill does not rule out the possibility of an authorisation for a price-fixing agreement. Traditionally in legislation of this kind restrictive practices relating to services have not been felt to merit quite the same degree of control as restrictive practices relating to the supply of goods. There is now an increasing concern with services, and the Organisation for Economic Co-operation and Development in particular has urged member countries to strengthen their legislation in this regard.

The Bill has been prepared on the general basis that restrictive practices relating to both goods and services are of concern. However, representations were made that a number of special considerations may apply to particular kinds of services and the Bill does not preclude applications for authorisation of price-fixing agreements with respect to services.

It is essential that the Commission should be able to deal expeditiously with applications for authorisations. The Bill has been framed with this in mind. The Commission will not be required to hold a public hearing in respect of every application for an authorisation. It will be able to hold such a hearing where it considers it appropriate.

If the Commission deals with an authorisation application without a public hearing, the relevant documents will be available for public inspection—subject to special provisions for the protection of confidential information. In all cases the Commission is to be required to take any submissions into account. The approach to be taken by the Commission in considering whether to grant an authorisation is indicated in sub-clause (5) of clause 90. The Commission is directed by that provision not to grant an authorisation unless it is satisfied that a specific and substantial benefit to the public is likely to result from the practice in question. The Commission is also required to be satisfied that, in all the circumstances, the benefit to the public justifies the granting of an authorisation.

The position, therefore, is that the onus will be firmly on the applicant to satisfy the Commission that the granting of an authorisation is justified. Unless and until an authorisation is obtained in respect of a practice falling into one of the prohibited classes I have mentioned, such practice will be unlawful. The Bill recognises, however, that there is a need for special transitional provisions for a period immediately following the commencement of the legislation. The prohibitions of contracts in restraint of trade or commerce and exclusive dealing will not become effective until 4 months after the commencement date. During that period it will be possible for persons to apply to the Commission for authorisations in respect of those practices. As the Commission may find itself unable to give full consideration to the applications it receives in this period, provision is included to enable the grant of interim authorisations. An interim authorisation, if granted, will have the effect of permitting the practice to continue until the Commission, after full consideration, makes a final determination.

I should make clear also that the Commission will not grant interim authorisations as a matter of course. Parties wishing to obtain such an authorisation in the 4-month period would be wise to lodge their applications as soon as possible after the commencement of the legislation. (Extension of time granted). The Commission will not be under any obligation to grant instantaneous interim authorisations to persons lodging applications near the end of the period. The Commission will be able to attach conditions to any authorisations, interim or final. Breach of such a condition will entitle the Commission to revoke the authorisation. Applications for authorisations for proposed mergers will, as with all other authorisation applications, be placed on a public register as soon as they are received by the Commission. This is necessary if the Commission is to take into account the views of other interested persons. Until there has been an opportunity for such persons to make their views known on a proposed merger, the Commission could not be expected to make a determination authorising the merger. This will not prevent parties to proposed mergers having prior informal and private discussions with the Commission. I would expect such discussions to be of considerable assistance to parties contemplating possible mergers, even though the informal guidance given by the Commission will not be binding upon it.

The Bill also provides for clearances. The purpose of a clearance is to remove uncertainty as to the applicability of certain provisions, in contrast to the purpose of an authorisation, which is to permit a practice to be engaged
in notwithstanding that it falls into a prohibited class. The provisions relating to enforcement and remedies in respect of breaches of the restrictive trade practices provisions are to be found in Part VI. The question whether there has been a breach of the law will be a matter for the court, as is the case with breaches of most other laws. Pending the establishment of the proposed Superior Court of Australia the only court with jurisdiction under the legislation will be the Australian Industrial Court. Such matters will not be determined by the Trade Practices Commission or the Trade Practices Tribunal, both of which are administrative bodies.

A breach of a provision in the legislation with respect to restrictive trade practices will render the person liable to a pecuniary penalty, an injunction, or damages. Proceedings for a pecuniary penalty will need to be instituted by the Attorney-General or the Trade Practices Commission. The penalty, when received, will go into consolidated revenue. The amount of such a penalty will be a matter for the court to determine having regard to relevant matters including in particular those matters set out in clause 76. The circumstances can be expected to vary considerably from case to case and the penalty determined by the court can be expected to vary accordingly. The maximum penalty the court will be able to determine will be $250,000 in the case of a corporation and $50,000 in the case of a natural person. Such a penalty and the proceedings to recover it will be civil in character. A breach will not constitute an offence for the purposes of the criminal law and the penalty will not be a fine.

The difference may at first appear to be only a matter of form but the important consequence is that such proceedings, involving business dealings to the extent that they do, will not find their way into a criminal court. Proceedings for an injunction will be able to be initiated by the Attorney-General, the Trade Practices Commission or by any other person. Proceedings for damages will be able to be initiated by any person who suffers loss or damage as a result of a contravention. Provision for certain classes of agreements and practices to be exempt from the legislation I have described is to be found in clause 51. This clause follows closely the corresponding provisions in the existing legislation. In addition there is a power similar to the one in the existing Act to exempt by regulation organisations concerned in the marketing of primary products. There is also power to provide exemptions by regulation for practices related to inter-governmental arrangements.


The consumer protection provisions are to be found for the most part in Part V. Some of these provisions are expressly limited to transactions involving consumers. The meaning of a consumer is dealt with by sub-clause (3) of clause 4. A consumer is there defined to cover in general a person who acquires goods or services of a kind ordinarily acquired for private use or consumption. The definition does not cover a person when he acquires goods for the purposes of resupply. Nor does it cover a person who acquires services for a business. The consumer protection provisions do not necessarily displace State legislation in the same field. Clause 75 expressly states that Part V is not intended to exclude or limit the concurrent operation of any law of a State or territory. The Bill recognises that in many consumer protection matters there is a need for a national approach, and that the effectiveness of State laws is necessarily limited.

Division 1 of the Part V prohibits a number of unfair practices. Clause 52 prohibits misleading or deceptive conduct—and does so in general terms. It is important that there should be such a provision if the law is not to be continually one step behind businessmen who resort to smart practices. Clause 52 overlaps the operation of some of the other more specific provisions. I point out in this connection that a breach of a specific provision exposes the person concerned to a penalty, whereas a breach of the more general provisions in clause 52 gives rise to a right to an injunction only. Clause 53 prohibits a number of specific forms of false representations with respect to goods and services. Clause 54 prohibits the offering of prizes in connection with the promotion of goods and services when there is no intention of actually providing the prizes. Clause 55 prohibits misleading conduct covered by the Paris Convention for the Protection of Industrial Property as revised at Stockholm on 14 July 1967. This Convention covers conduct that is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose or the quantity of goods. Clause 55 does not come into operation until the Convention enters into force.
for Australia. I expect that this will be soon. Clause 56 prohibits the practice known as bait advertising. This is the practice in accordance with which a bargain is advertised and in point of fact the bargain either does not exist or is available for a very short time only. The purpose of such advertising is mainly to attract a customer into a store.

The practice of referral selling is prohibited by clause 57. This is the practice by which a supplier induces a customer to acquire goods or services by indicating that the consumer, after paying for the goods or services—and I stress that it is after such payment—will get rebates or commissions on subsequent sales by the supplier to other persons whose names are provided by the consumer or who view the work done for the consumer by the supplier. Clause 58 prohibits the acceptance of payment after an indication of intention to supply as ordered. Clause 59 prohibits the making of misleading statements about home-operated businesses. Clause 60 prohibits coercive conduct by salesmen or debt collectors at a person's place of residence. Pyramid selling is a practice that has been a cause of much concern in recent years. This practice is prohibited by clause 61, which has been re-drafted since the earlier Bill was passed by this House. I have already mentioned that the Bill will enable consumer standards to be prescribed and made mandatory. Provision is made in this connection for product safety standards and product information standards. A prescribed product safety standard will require compliance with safety standard requirements. A prescribed product information standard will require the disclosure of information relating to matters such as the performance, composition, contents, design, construction, finish or packaging of goods. The provisions relating to both kinds of standards are to be found in clauses 62 and 63.

Clause 64 deals with the practice of unsolicited goods and unsolicited directory entries. The clause prohibits the assertion of a right to payment for such goods or directory entries. This provision does not apply if the person against whom a right to payment for goods is asserted, ordinarily uses like goods in the course of his profession, business, trade or occupation. Under clause 65, a person who has received unsolicited goods is to be relieved of liability for loss or damage to the goods, other than loss or damage resulting from the doing by him of a wilful and unlawful act. Division 2 of Part V provides for a number of conditions and warranties designed to protect the consumer to apply and to be incapable of being excluded. These provisions are limited to consumer transactions. I have already referred to the limited meaning of 'consumer' under sub-clause (3) of clause 4.

Clause 67 prevents the inclusion in consumer contracts of provisions rendering Australian law inapplicable to contracts, the proper law of which is otherwise Australian. Paragraph (b) of this clause prevents the substitution of provisions in the law of another country for provisions in Division 2. Clause 68 renders void a term of a consumer contract that purports to exclude, restrict or modify the application of Division 2. Clause 69 provides for certain conditions as to title encumbrances and quiet possession to be implied in every consumer contract. Clause 70 implies certain conditions in consumer contracts for the supply of goods by description. An amendment since the earlier Bill was before this House excludes the application of this clause to sales by auction or by competitive tender. Clause 71 implies certain undertakings in consumer contracts as to quality or fitness. Clause 72 implies certain conditions in consumer contracts for the supply of goods by reference to sample. A new clause 73 has been included to deal specifically with the rights of parties in hire purchase transactions. Clause 74 implies certain conditions in consumer contracts for the supply of services.


A contravention of a provision of Part V—other than the general provision in clause 52—is to be an offence. The maximum penalty for such an offence is to be, in the case of a corporation, a fine not exceeding $50,000 and, in the case of an individual, a fine not exceeding $10,000 or imprisonment for not more than 6 months (clause 79). Contraventions that can be regarded as excusable are the subject of special defences provided in clause 85. Provision for injunctions is included in clause 80. A right to recover damages is conferred by clause 82.

Mr DEPUTY SPEAKER (Mr Scholes)—Order! The Minister's time has expired.

Suspension of Standing Orders

Motion (by Mr Lionel Bowe) agreed to: That so much of the Standing Orders be suspended as would prevent the Minister completing his speech.
Mr ENDERBY—I am indebted to the House. Apart from that right, clause 87(2) empowers the court, upon finding that there has been a contravention, to direct a refund of money or a payment to a person who has suffered loss or damage. The jurisdiction to deal with consumer protection proceedings under the Bill is to be confined initially to the Australian Industrial Court. This will assist the early development of a cohesive body of case law which might not be possible if, in the early stages of the operation of the legislation, courts of lower status—presided over by magistrates, for example—were to have jurisdiction. In due course it will be desirable to confer jurisdiction on such lower courts to deal with consumer protection matters. It will be desirable that the ready enforcement of rights under the legislation is facilitated in this way. A suitable opportunity to confer jurisdiction on courts of lower status will arise when the proposed Superior Court of Australia is established. I envisage that an amendment for the purpose will be effected at that time.

Mr Deputy Speaker, it will be apparent to honourable members that the Bill is of great importance. It represents a great advance in the areas of restrictive trade practices and consumer protection and attends to a wide variety of problems. This is intended to promote efficiency and competition in business, to reduce prices and to protect all Australians against unfair practices. I commend the Bill to honourable members.

Debate (on motion by Mr Ellicott) adjourned.

Sitting suspended from 6.19 to 8 p.m.

GOVERNOR-GENERAL'S SPEECH
Address-in-Reply

Mr Young for the Committee appointed to prepare an Address-in-Reply to the Speech of His Excellency the Governor-General (vide page 22), presented the proposed Address which was read by the Clerk.

Mr SPEAKER—Order! I remind honourable members that this is the maiden speech of the honourable member for Port Adelaide. I ask that the usual courtesies be accorded to him. I call the honourable member for Port Adelaide.

Mr YOUNG (Port Adelaide) (8.1)—I move:

That the following Address-in-Reply to the Speech of His Excellency the Governor-General be agreed to:

MAY IT PLEASE YOUR EXCELLENCY:

We, the House of Representatives of Australia in Parliament assembled, desire to express our loyalty to Our Most Gracious Sovereign, and to express our thanks for the Speech which His Excellency the Right Honourable Sir Paul Hasluck, G.C.M.G., G.C.V.O., K.S.J., as Governor-General, was pleased to address to Parliament.

In moving this motion, let me say firstly that I am deeply honoured to take my place in this House and to open this debate tonight on behalf of the Government and on behalf of my Party. The Governor-General's Speech is the parliamentary expression of the mandate given to a Government by the people at a general election. It outlines in some detail the legislation the Government will present to the Parliament and the administrative action it will take to discharge the clear mandate given to it by the electorate on 18 May. The debate on the Governor-General's Speech gives members the chance to range broadly in their treatment of individual issues. I intend to take full advantage of this privilege, but, in starting, I would like to make some general philosophic comments about my own presence in this Parliament.

Let me say at the outset that I regard it as a great honour to represent in this Parliament the Australian Labor Party and the people of the electorate of Port Adelaide who selected me as their member to follow the footsteps of my friend and colleague, Fred Birrell. As a newly-elected member one has to look very seriously at the privileges and the obligations of parliamentary life. Some argue that the Parliament is no longer relevant, that the answers to political problems lie outside the institution of Parliament. It is my firm belief that with all its faults the parliamentary system has served the Australian people well: I see no substitute for it if the Labor Party is to achieve its great goal of social equality.

In moving this motion I am delighted to enter the Parliament at the same time as my colleague, the honourable member for Henty (Mrs Child). I suppose it is a matter for some rejoicing that, at the 1974 election, a woman representative of the Australian Labor Party was for the first time elected to this chamber. It is also a source of shame to us all that the election of a woman by the Labor Party should be so long delayed. The sexist attitudes of Australian society have diminished remarkably in recent years but we still have a long way to
go before there is an equitable representation of women in this chamber.

Mr Speaker, I have served my apprenticeship in many occupations. This is only the beginning, I hope, of the apprenticeship I will serve in this Parliament. Before looking in some detail at the broader issues I would like to take the House back in a nostalgic look at my first apprenticeship. It is a long journey from the shearing shed to this chamber, yet it is a journey that many members of the Labor Party have made before me. Even in the present Parliament, three of my colleagues served their industrial training and got their early grounding in politics in the sheds and on the track as shearsers. I refer to the Minister for Labor and Immigration (Mr Clyde Cameron), who retains to this day the characteristic stoop of the shearer, and I refer to my Senate colleagues, Senator Don Cameron and Senator Jeff McLaren. But for the education in hard union politics and the taste for politics stimulated by shearing life, I am sure I would never have made my way to this chamber. I hope that I never forget this basic debt to shearing and shearsers and that I will always be able to represent as strongly as I can in this Parliament the interests of my old mates around the sheds.

Today shearsers are among the most deprived section of the working class people of Australia. Each year they leave their families to travel thousands of miles over some of the worst roads in Australia, paying out of their own pockets for the maintenance and running of their vehicles, living in often appalling accommodation, and eating meals lacking in basic nutriment. For these sacrifices they are paid the dismal sum of $32.67 for each 100 sheep. This explains why many of the people who dedicated themselves to this profession are now leaving in droves to find work in the cities. There has not been a general stoppage in the shearing industry since 1956 when the Industrial Court chopped the wages of pastoral workers by 10 per cent. This decision left a bitter taste in the mouths of shearsers and their mates in rural industries for many years after, even though union action succeeded in reversing the decision. Now the shearsers and their brothers in the pastoral industries are negotiating with the pastoral employers for a rise in the rates for all rural workers. From my studies of the case they are putting forward there is justice in the claim for higher rates of pay. The amount they are now paid allegedly includes provision for 3 weeks leave and one week's sick leave. There is no provision for long service leave or for severance pay. I ask honourable members: How many public servants or other white collar workers would endure these medieval conditions? It should also be remembered that those who commit themselves to the arduous demands of the shearing shed inevitably pay the price in later life. Few former shearsers escape the scourges of back injuries and other severe muscular and rheumatic ailments. For all of these reasons, I put the argument strongly to this House for a better deal for the members of my old trade—an honourable and colourful profession which has made a tremendous contribution to Australian economic and social life.

A second area in which I have had some experience in the past few years is the conduct of election campaigns. I want to make a few comments of a bipartisan nature on the electoral laws and ways in which they can be reformed to the benefit of all parties and all electors and the country as a whole. In particular I want to say something about the laws governing the expenditure of the political parties on election campaigns. It is my personal opinion that the volume of spending on campaigning and in particular on television advertising has got completely out of control. The amount spent on campaigns has grown enormously over the past 3 or 4 elections. I would estimate that the total spending on the 1974 elections would be more than $3m. If we include the 1972 elections we get total spending on election campaigning of more than $5m in just over 17 months. How can we justify this sort of spending at a time of deprivation in the community and when economic restraints are causing considerable hardship? It is socially wasteful and it should be rationalised as a matter of urgency.

In making these comments I want to make it perfectly clear that they have not been inspired by sour grapes. I do not begrudge the fact that the Opposition parties have the ability to raise much greater amounts for election campaigns than the Labor Party. Under the existing system they can exploit their advantage to generate vast amounts in political donations and that is the system that applies. But I think that both the Liberal and Country Parties should ask themselves whether raising vast amounts of money and splurging them in an election campaign is a valid social exercise.
There are considerable doubts about the effectiveness of this spending; according to polls taken during the campaign by Australian Nationwide Opinion Polls a majority thought that Labor's advertising was more effective than the advertising of the Liberal and Country Parties. A majority of the sample thought that Labor had actually placed more TV advertising than the Opposition parties which is ironic to those of us who observed the campaign. I think we should ask ourselves: Do we have to spend this incredible amount of money and what useful purpose does it serve? Is it not counter-productive and wasteful?

There is no doubt that if weight of advertising was the only cause of political success, the Liberal and Country Parties would be occupying the Government benches. I do not believe that any political leader or any official of a political party likes stomping around the country drumming up funds for election campaigns. There is something demeaning about having to hawk the principles of your political party in this way, and I am sure members of the Opposition feel the same repugnance that I do to this obnoxious political chore. Another distasteful feature is that political contributions are not always given without some sense of potential favour or advantage. No matter how bluntly you insist that there are no strings attached, it is impossible to escape completely the feeling that you put your party under some sense of obligation. I do not think that any principled supporter of a political party wants to disadvantage his party in this way.

It is important that we look at these problems of election campaigning as a matter of extreme urgency; if we do not act soon it may be too late. The next elections will be the first to be influenced by the new technology of colour television. This will completely transform television advertising and it will also make it vastly more expensive. I would estimate that it will lift the total bill for television advertising by at least 30 per cent. The cost of 60 seconds of television on one station in one of the Australian capital cities is $2,200. This gives some idea of the way in which the costs of election campaigns which are dominated increasingly by television can be expected to rise astronomically in the years ahead. This will impose burdens of fund raising on the political parties which cannot be justified. I appeal to all members of Parliament and all Party officials and members to look closely at the implications of wasteful election campaigning. I am sure we can arrive at a rational set of laws governing campaign spending which will apply fairly to all political parties. I think that irrespective of what is said in the debates which might follow in the months ahead there is only one solution to this problem, and that is Government funds for campaigning and Government auditors after the campaign.

I turn now to Australian Government policies which have a direct impact on my electorate of Port Adelaide. One of the most significant results of the change of government in December 1972 was a dramatic switch in the level of participation by the national Government at the political grass roots. As an honourable member said to me today, when he first came to this Parliament many years ago they discussed defence and pensions. There is no parallel in Australian political history for the range of Australian Government programs which are affecting the day-to-day life of ordinary citizens. It will be one of the enduring memorials of the Whitlam Government that it has succeeded in cutting across the knots and binds that have always prevented national programs from getting through directly to the people at the bottom of the heap.

Now Australian Government programs are being felt at every level in the local community—grants to schools, sporting and recreational facilities, social welfare programs, sewerage and water treatment, area improvement. The range of the programs is immense. These initiatives by the Australian Government have brought considerable benefits to the citizens of strongly working class electorates such as Port Adelaide. On the other side of the coin, the impact of national economic programs has brought some difficulties. I do not intend to disguise these problems but to discuss them frankly and openly in the tradition of the Labor Party.

Two of the major industries in the electorate of Port Adelaide are the vehicle and electronic manufacturing industries. Both of these industries have been under very close scrutiny in recent months from the Industries Assistance Commission. In fact the mere mention of the IAC is enough to arouse a shudder in South Australia at the moment. I believe that during the tenure of the previous Government, many industries were over-protected. They were cushioned and insulated against healthy forces of competition. Obviously this distortion in
resource allocation had to be reassessed and structural adjustments made. However, I believe that the effects of the 25 per cent tariff cut in 1973 have gone beyond the basic question of structural adjustment of the work force and the reallocation of resources. I am convinced that the benefits of the tariff cuts have not been passed on to the consumer, and I believe this requires urgent Government action.

Importers have gained a distinct advantage and retailers have selfishly pushed the price of goods with high mark-ups. Where the prices of Australian manufactured goods and imported articles are comparable and competitive, retailers have pushed the imported product. This arouses very real dangers that some local industries will be forced unfairly to the wall, leaving the market open to a flood of imported goods without equivalent benefits in price cuts to the consumer. I urge the Australian Government to look very closely at this crucial problem. It is one thing to cut tariffs to make Australian made goods more competitive and the structure of local industry more efficient. However, the market forces can operate in such a way as to distort the original intention of the Government in imposing the tariff cuts.

With regard to the motor industry, South Australia would suffer more than any other State if restrictions on imports were lifted or if the Australian component allowance were abolished. There has been an immense growth in the imports of fully manufactured foreign cars. Undoubtedly, the imported cars have much to recommend them, but I feel that there is no longer any status symbol about the sort of car you have in your driveway. In today's social climate people are more likely to notice how much pollution a car causes or how much fuel it consumes. Despite these changes in taste, the vehicle industry in Australia does employ many thousands of people and it is essential that attempts to adjust it be handled with delicacy and concern for human feelings and aspirations.

The Industries Assistance Commission is essentially an economic unit and it gives recommendations to Parliament in economic terms. It is then the duty of members of this Parliament to look at this economic data and reinterpret it in terms of any harmful impact on the people we represent. There is no easy solution to the conflict between economic rationality and possible human waste and deprivation. We have the responsibility to fol-

low through the human consequences of our economic decisions and ensure that the people affected are treated with generosity and compassion. If we make a decision which means a cut in any section of the work force, we must ensure that workers displaced are quickly re-located in other jobs or given the maximum benefits of Government retraining programs. I understand from reports given to this Parliament that these measures were applied successfully by the Government with the 600 workers who were dismissed by the Leyland Motor Corporation a fortnight ago. It is the duty of members of this Parliament to ensure that similar procedures are applied wherever the need for structural adjustments in the economy brings displacement of sections of the work force.

I want to refer briefly now to one or two of the ways in which Australian Government programs have improved the level of services and facilities in electorates such as Port Adelaide. The first is the marked strengthening of community participation in the arts which has flowed from Australian Government programs. In particular, I am sure that the fruits of these programs will see the breaking of the Sydney-Melbourne monopoly which dominates our cultural and artistic life. All too often the other States are excluded from the itineraries of overseas cultural groups touring Australia. There is also insufficient encouragement for Australian groups which have been successful in Sydney or Melbourne to tour the other cities. Even when these attractions get to cities such as Adelaide, performances are focussed on the central city rather than the urban areas.

It should be possible to build community centres in outer suburbs where productions on tour can play after their city run. Funds should be provided for the construction of regional community centres which can accommodate adequate performance of cultural attractions by visiting groups. Those companies which now receive substantial assistance from the Australian Government should recognise their community obligations and give more performances in the outer suburbs. The area of community arts policy has not had enough attention in the past. I hope that community arts will be given proper attention in the future programs that departments such as the Department of Urban and Regional Development initiate in co-operation with local authorities.
The second program I want to make brief reference to is the Angle Park community centre in my electorate. The Australian Government has given $85,000 for surveys which have indicated that this is an area of major need. The occurrence of juvenile delinquency, welfare assistance and single-parent families in Angle Park is double the South Australian average. It is an area where most doctors refuse to attend out of hours. To remedy the grave social problems of this area the South Australian Government has recommended the building of a combined community health and welfare centre to be included in the re-development of a local high school. This project, which will cost an estimated $7m, depends on the co-operation of local government bodies, the State Government and a number of Australian Government departments concerned with education, sport and recreation, health and social welfare. It will completely transform the provision of health and welfare services in an area of major need which previous welfare programs have neglected. This sort of co-operation between the 3 levels of government with strong reliance on Australian Government finances catches the deprived, the unfortunate and the dispossessed who have previously eluded the net of earlier welfare programs.

I would like to make one final point. I have been a life-long supporter of the cause of international peace and disarmament. The Australian Government has made gigantic strides in promoting these great objectives. It will be my constant aim to support these noble causes of international sanity and compassion with all the resources at my command.

Mr SPEAKER—Order! I ask all honourable gentleman again to extend the usual courtesy as the next speaker, the honourable member for Henty, is to make her maiden speech. I call the honourable member for Henty.

Mrs CHILD (Henty) (8.18)—I rise to support the motion that the Address-in-Reply to the Speech of the Governor-General be agreed to. Mr Speaker, may I first congratulate you on your appointment to the high office which you now hold and ask you to convey my congratulations to the Deputy Speaker (Mr Scholes). Yours is an onerous office, made more so at times than it need be by the behaviour that is sometimes as vociferous as it is unnecessary. I would like to take this opportunity to thank the electors of Henty for endorsing me as their parliamentary represen-tative and to assure them that I am very conscious of both the honour and the responsibility. I feel very deeply honoured at being the first woman elected to this House as an endorsed Labor Party candidate. I thank all those people in Henty who worked for 5 years to make my election to this Parliament come true. I am conscious also that the electors of Henty have endorsed this Government and its policies and I look forward to legislation that will complement the social changes commenced in the Australian Government's previous and very short term.

The opening paragraph of the Governor-General's Speech contained a simple but very important truth. It states:

In the elections for both Houses of Parliament on 18 May 1974, the people of Australia confirmed their decision of 2 December 1972.

By every standard of parliamentary democracy the Labor Government received a renewal of its mandate, a new endorsement of its policies, from the people of Australia. In the history of Australia there has never been a government with a clearer mandate, for never before has Australia had a government whose policies were so clearly spelled out for so long. The policies of this Government were not presented to the people a mere 3 weeks before the 1974 election or even 3 weeks before the 1972 election. They had been developed years before in the councils of the Australian Labor Party. They were thoroughly debated in public. They were not thrown together for election purposes. They were not imposed upon the Party by the leadership. They were the product of the democratic process of the Party, developed over years and at grass-roots level by hundreds of involved men and women of the Australian Labor Party.

When the Government was elected in 1972 the people of Australia knew exactly what it proposed. For 18 months—for not quite its full term, but never mind—they saw a Labor Government in action. When the Government faced an election for both Houses the people clearly confirmed their decision of 1972. I hope that the Opposition will take to heart the comments which Senator Steele Hall made when he spoke in the Address-in-Reply debate in the other place. He felt obliged to point out the obvious: Having chosen to force a double dissolution, and having lost, it is now time for the Opposition to begin to play a constructive role in the affairs of this nation.
Of course, the Governor-General's Speech cannot be taken to be a complete blueprint for the future; nor is it an economic treatise. It is a statement of the legislation to be brought forward by the Government and a statement of the general principles guiding legislation. The Governor-General set out 4 principles which will guide this Government in its handling of the economy and of the nation's affairs generally. Those principles, most of which have guided the Australian Labor Party for many years, are: Protection of the weaker sections of the community; a firm commitment to the principles of full employment; equity in sharing sacrifices as well as in sharing prosperity; and, lastly, the need to ensure that any deferment of expectations will not be made at the expense of those for whom deferment could mean a lifetime of deprivation—for example, children at school and migrants.

Into this last category I also place those who are handicapped or disabled, with particular emphasis on disabled adults. Handicapped adults—in fact, handicapped people—are usually a political non-issue. They do not have political strength; they do not march down the streets; they do not congregate; they do not have any muscle. Many additional benefits for handicapped people were brought down by the 28th Parliament. While they represent an energetic breakthrough, welfare services have been neglected for far too long for us to rest on our laurels. We have taken the first steps along a path for a new deal for handicapped people where self-respect, personal dignity and independence will be the touchstones for what we do.

A feature of modern life is the increasing number of serious injuries caused by motor car accidents, industrial accidents and sporting accidents. Predominantly young people are involved. These accidents produce an alarming number of paraplegics and quadriplegics. No accurate figures are available. We do not collect that kind of information. But Lionel Watts, the founder of the Wheelchair and Disabled Association of Australia, estimated in 1972 that there were 2,000 quadriplegics in Australia and that the numbers were increasing at the rate of 150 a year, mostly from whiplash accidents. In 1972 he noted that many of these people were given no opportunity for vocational assessment or training; they were shoved away in convalescent homes and left to vegetate and be forgotten. In the past people who sustained such accidents died. But today, with improving medical science, they remain alive but with a permanent, residual physical disability. It is a complete abdication of responsibility for a community to save a person's life, to spend thousands of dollars getting him fit enough to leave hospital and then to abandon him. It is just not enough to keep people alive. We must make sure that they have homes suitable to live in. They cannot live in the sort of homes we live in. They have to have sliding doors and grab-rails. We must make sure that they have jobs to go to, if they can work. They have to have transport to get to work.

When one is physically disabled one is not necessarily mentally disabled. Such people must have access to public buildings and utilities, to concerts, to the theatre and to ballet. They must have access to the mainstream of living. Those whose disabilities are too great for them ever to return home or to go to work must have access to long term and suitable hospitalisation. At the moment many of these young people are in geriatric hospitals. The only company they have during the day is people in their 70s, 80s and 90s. It is not good enough. They must have access to hostel accommodation. A further look needs to be taken at the hundreds of people in the community who have accepted the full time care of their loved ones who have been injured. They are in need of urgent help. I have letters from people who have not been able to get away from their quadriplegic or paraplegic brothers or sisters for anything up to 18 years. I hope that this 29th Parliament will come to grips with such a problem. The Governor-General in his Speech forecast increased assistance for the handicapped. When such legislation is introduced into this House it should pass easily, with compassion and understanding. I further hope that any such legislation concerning handicapped people will be accepted by the States and that we will be faced not with another States' rights wrangle but rather with an acceptance of people's rights.

Also I was pleased to see in the Governor-General's Speech reference to the re-introduction of legislation to expand the activities of the Australian Industry Development Corporation and to establish a national investment fund. I strongly endorse the idea that Australians can invest in the development of their own resources and industries instead
of subsidising foreign investors and multinational corporations to the tune of millions of dollars. I strongly endorse the whole idea of the AIDC. It is an exciting prospect.

I am pleased to see that this Government is determined to provide adequate finance for the expansion of welfare housing. All over Australia people are looking for housing at a reasonable cost. The largest single payment out of the weekly pay packet is the rent. For those on low incomes, on pensions or on fixed incomes, rent is becoming a nightmare. In my electorate of Henty—I have been a member for a very short period—I have found that most of the people who have called on me have housing problems. It would be difficult to pick out the most desperate because they were all in extremity. They were living in leaking caravans and in tents in backyards and 10 people were living in a house. It is almost impossible to believe that there are people living like this in an affluent society. Most of these people want to rent houses.

I am most critical of the high rents for flats. Most elderly people live in one-bedroom flats. There are blocks of them everywhere. They are jerry-built and they go up for peanuts. This year the rents for them have increased by up to 24 per cent. After paying rent pensioners are left with $29 a month for their heating, food and clothing. This is the situation even after the last Government gave an increased rent subsidy. I am more critical of those States which constantly call for action on inflation and then abdicate their responsibility for controlling the price of land, building and, above all, rents within their borders. Federally, rents cannot be controlled and the States will not control them. No working man or woman can increase his or her income at the drop of a hat, but flat owners can grab all that the traffic can bear without any restraints at all. If this Government can increase the numbers of flats and houses available at reasonable rents it will do the community a real service. A home is basic to security. Real misery, heartache and broken homes are results of high rents.

The emphasis running through the Governor-General's Speech was on social welfare and care and consideration for people. It is right that that should be so because more and more people of Australia are giving their time and energy towards care and consideration for their fellow men. The policies on which this Government went to the people on 2 recent occasions emphasised issues of social conscience. On both occasions those policies were enthusiastically endorsed. We live in a country where no one should suffer poverty, where no one who is disabled should be discarded and forgotten and where those who are sick should receive proper care, regardless of their ability to pay. We are a nation rich enough to provide for the welfare of our people. Our wealth cannot be measured in buildings, roads, airports and swimming pools. A nation's wealth is measured by the care and compassion it is prepared to extend to the old and lonely, the dependent, the disabled and the young who are in the schools.

It is right and proper that we extend this same care and compassion towards raising standards of living not only within our own country but also in the developing world. I am pleased to see that Australia will play her part in helping to combat hunger, poverty and illiteracy in the world through the Australian Development Assistance Agency. I am sure that with goodwill and co-operation we can make this twenty-ninth Parliament produce the results that the people of Australia have shown that they want—twice now in less than 2 years. Parliament, I am sure we all recognise, should express in its legislation the will of the people who elect it. The basis of election to a seat in Parliament is service to people. We are really public servants. The people made our election possible. They made it possible for us to take our seats in this House. That should be remembered, but it is all too often forgotten. I am proud to serve with this Government not only because of the policies it has put forward, not only because of the principles for which it stands, but also because it is the government that the people of Australia have twice chosen and because it is a government which represents the best aspirations of the people of Australia.

Mr SPEAKER—I call the honourable member for Wentworth. Again I remind honourable gentlemen that this is a maiden speech, and I ask them to extend the usual courtesy to the honourable member.

Mr ELLICOTT (Wentworth) (8.31)—Mr Speaker, in exercising my right to speak in this House for the first time may I acknowledge my great sense of privilege at being permitted to do so at all. Although in the office of Solicitor-General I had the great honour to represent our people in many places both here and overseas, to sit in this House as the
elected representative of the Division of Wentworth is to me the greatest honour of all. I wish to express my gratitude to those who elected me, and to affirm my determination to serve all within my electorate whatever their political persuasion. I would like to add that I, like the honourable member for Port Adelaide (Mr Young), came from close to the shearing shed. My father was a wool classer and later a shearing contractor. I have great sympathy for those who work in the shearing shed. May I also express my congratulations to the honourable member for Port Adelaide and the honourable member for Henty (Mrs Childs) for the fine maiden speeches that they have just made. They have set me a great example.

As honourable members will know, Wentworth stretches along the southern shore of Sydney Harbour from the city to South Head. It is a very attractive area. The Prime Minister (Mr Whitlam) found his wife there. Its population represents a wide cross-section of interests. Its people are intensely Australian, intensely individualist and, I might add, strongly Liberal. That has always been so and I trust that it will remain so, whatever redistribution—if any—the Minister for Services and Property (Mr Daly) is permitted to inflict upon the electorate. It has in the past been represented by men of great calibre. From December 1956 until April last its member was the Honourable Leslie Bury. May I place on record in this House the deep appreciation of the people of my electorate for the services that he performed on their behalf. Not only did he perform them with great skill, humanity and humility of mind but he proved to be worthy of higher office on their behalf.

In all he held 6 portfolios from 1961 to 1971—Minister for Air, Minister Assisting the Treasurer, Minister for Housing, Minister for Labour and National Service, Treasurer and Minister for Foreign Affairs. He was never lacking in courage and was prepared to speak out when he thought occasion demanded. He has set me a high standard. I cannot hope to emulate it, only to endeavour to fulfil as best I can the trust that has been placed in me both by my electorate and by my Leader.

It is but a week since I first sat in this House. If it were not for my duties on the Opposition front bench I would have been more modest and certainly more wise not to have spoken so soon. However, I shall endeavour to make a small contribution to this Address-in-Reply debate.

The most significant document tabled in this Parliament in recent years is the interim report, of March 1974, of the Henderson Commission of Inquiry into Poverty. It has revealed a degree of poverty in this country that is nothing short of alarming. Of all income units chosen, 10.2 per cent live below a modest poverty line and can be described as very poor. Another 7.8 per cent live at a standard less than 20 per cent above the poverty line and can be described as rather poor. By way of example, a husband, wife and dependent children are treated as one income unit, as also is an aged mother, an unemployed son or a daughter attending university full time.

Eighteen per cent of all income units in Australia have an annual income leaving them in abject poverty or near poverty. Whether this would mean that more or less than 18 per cent of our population, or over 2 million of our people, live in this way is not clear, but the interim report has left no doubt that cancerous poverty exists in our cities, our towns and our countryside to an extent that none of us can ignore and to an extent that none of us would have believed. The figures were arrived at in August 1973. Since then rampant inflation can only have worsened their plight and increased their numbers, for inflation is no friend of the weak. The value, in real terms, of pensions paid to the poor must have fallen considerably since then.

The figure of 10.2 per cent so recorded exceeds substantially previous estimates made by Professor Henderson based on more limited studies in Melbourne. His survey in 1966 concluded that 7.7 per cent lived below the poverty line in Melbourne. In 1971 in a letter to the London 'Times' he stated that the proportion of poverty in Australia was 5 per cent. Of the 10.2 per cent in dire poverty as at August 1973 the Commission's report concludes:

Immediate measures are required to help these people . . . No one has denied that those below this line need help. They are the poorest of the poor. One of their major needs is more money.

In the light of these recommendations one would expect that a government which for the time being was custodian of the great social welfare powers of this Commonwealth and which was formed by a Party which has claimed to be the traditional guardian of the
poor would have committed itself immediately and irrevocably to a program to rescue them from their worsening plight.

I have read the Address-in-Reply. Indeed, to be absolutely sure, I have read it several times. I regret to say that I can find not one trace of positive commitment to or implementation of a program to eradicate or alleviate poverty. On 10 May 1972 the Prime Minister, as Leader of the Opposition, said:

A Labor Government will conduct as a matter of priority a thorough inquiry into the extent of poverty in Australia.

He said nothing of implementing it, and one is now tempted to conclude that he intended not to. The social welfare program which the Government has unfolded is one that gives to the haves—albeit in part—at the expense of those who now have more. It is a program for the already affluent.

Of course the Government has adorned the Governor-General's Speech with the old familiar phrases—'protection for the weaker section of the community'. welfare housing will be provided 'as soon as circumstances permit', the next Budget will make further increases in social security, and it will also provide for increased assistance for the handicapped and disabled. Then there is that really meaningless but vote catching phrase 'more equal opportunities for all Australians'—a sprat to catch an electoral mackerel. I do not want to be provocative, but to the poor this is double talk. It is what our young people would call 'the old double standard routine'. It is the usual jargon poor people expect from a politician and a party intent on giving an impression that he or it has at heart the interests of the underprivileged. From experience it gives them no comfort. What the poor want to know of the Government is: Will you put your money where your mouth is, where your heart is supposed to be?

For too long the poor have been a political pawn in this country. For too long their plight and their salvation have been used to tear the eyes of sympathetic voters. Could we blame the cynical poor for thinking that politicians would be upset if poverty disappeared? What fewer opportunities they would have to display their virtue. When Henry Lawson wrote in your electorate, Mr Speaker, 'They lie the men who tell us for reasons of their own that want is here a stranger and that misery's unknown,' he was probably expressing the view of many of the politicians of his day. But is the Prime Minister (Mr Whitlam) or his Government or his Party any more virtuous when, knowing the alarming extent of poverty in this country, and claiming to be the champions of the poor, they offer no commitment to remove it in the program they place before this Parliament?

Perhaps the faces in the street have largely disappeared, though shortly to return. Poverty today is perhaps less obvious, a more insidious phenomenon, and the measures needed to remove it are more difficult to implement. more needful of expert knowledge and understanding and more demanding of courage and concern on the part of those committed to remove it. There are those who still think that the poor deserve their lot, that they are the lazy ones who lack the will to work. But the Henderson report gives the lie to this. The great majority of our poor are the aged, the fatherless, the motherless, the sick and the invalid. The poverty we are talking about is poverty which inhibits the growth of human personality, which prevents people from realising their potential in a free society, from finding their identity as human beings. For a Government to condone it or, with direct knowledge of its alarming extent, not to make an immediate commitment to steps calculated to eradicate it is unprincipled, inhumane, undemocratic, unprogressive and politically, economically and socially morally indefensible.

I would remind honourable members that in 1937 President Roosevelt said:

The test of our progress is not whether we add more to the abundance of those who have much—it is whether we provide enough for those who have too little.

I have used the word 'commitment' often and intentionally so. Poverty will never be removed or even greatly alleviated by ad hoc annual proposals—only by a conscious, firm commitment to the task by all of us, Government, Parliament and people, but initially and most importantly by Government. It requires a persistent endeavour involving the conscious diversion of resources and adjustment of priorities. A program for the alleviation of poverty is expensive, at times experimental, demanding great wisdom and constant concern. It requires self-sacrifice on the part of both Government and people. It can bring a government under electoral criticism. A government which lacks real courage will avoid it.
I have no doubt that our people, given strong leadership, are ready to attempt the task. My concern is whether the Government is—whether it is prepared to change its priorities, whether after all the greatest really has the courage to be the servant of all, the poor as well as the affluent, or whether it will persist in its declared program for those who already have much and whether in its pursuit of its opportunities for an effective attack on poverty in this country will be lost for many years to come. It is no answer for the Government to say that the Henderson report is only an interim report. The message it bears is stark, the cry is urgent. The program the Government has presented is a program for this Parliament. That it would require a change of priorities on the part of the Government there can be no doubt. Unless the people are to be taxed to an inordinate extent the community just cannot afford the social welfare program, however attractive it may seem to some, which the Government urges upon us and at the same time adopt an effective program against poverty. We are at the cross roads. Who will come first—the poor or the affluent? Have we the courage now in this country to express in a material way the humanity which we have so often expressed through our lips?

The issue of poverty should, as far as practicable, be removed once and for all from the political arena. I would suggest that as part of a program the community's commitment to its eradication be symbolised by an independent statutory body whose function it is to keep the problem constantly under review and report. The Social Welfare Commission is not a satisfactory vehicle. Poverty is a special problem demanding special solutions.

There is another broad aspect of the Government's social welfare program to which I would like to refer. Let me however make it quite clear that I am not talking about cities, housing, education, nor am I criticising the abolition of the means test or suggesting that there is no need for reform in the social welfare area. It is not so much the areas in which the Government's program seeks to give assistance—such as health, pensions, general welfare and amenities—about which I speak, but the extent to which it would embrace the life of every Australian. We on this side of the House believe that the ultimate worth is the individual, his dignity, his freedom, his self-respect. We make no apology for it. It is our credo and we shall pursue it with unabated vigour. So I ask sincerely: What does the average Australian who is not poor require in times of economic stability by way of social welfare of his Government? Some measure of assistance he may need and expect, but does he need to be propped up, except in adversity, at every moment of his life, as the Government's program is tending to do? If he is propped up in this way, at what price to his freedom, his privacy, his individuality, his concern for others? At what price will it be to future generations in terms of healthy concerned individuals? Let us not be deluded into thinking that humanism springs from the state. It is the product of a healthy individual's mind and spirit.

I realise that these are basic and perennial questions, but I believe we have to answer them now in this Parliament because of the nature of the Government's social welfare program. Our national life has hardly begun. The form our democracy will take is barely visible. The opportunity we have to mould it is, I believe, unique. No other country in history has been so free to choose the path it will take. The task we face in this Parliament, if we are really concerned to build a democracy, is to find and tread that delicate line which will achieve complete social justice for all while affording the greatest individual freedom in personal, social and economic affairs consistent with a basic concern for others.

Much of the Government's projected social welfare program offends not only because it affords our poor nothing like effective social justice but also because it threatens to turn us into a dependent people coddled and propped up by the state at every turn. Let us not be deluded into thinking that all the Government's welfare program is humanism at work. In many respects it is either altruism gone mad or the first great calculated step towards the brave new world of Aldous Huxley—a fate none of us should want for ourselves or future generations.

I ask honourable gentlemen on the other side of this House to reconsider their social welfare program not only because it ignores the poor for the affluent, but because it threatens to set us on a path which, if followed to its logical conclusion, will significantly dehumanise our people.

Debate (on motion by Mr Daly) adjourned.
SUPERIOR COURT OF AUSTRALIA BILL 1974

Bill presented by Mr Enderby, and read a first time.

Second Reading

Mr ENDERBY (Canberra—Minister for Manufacturing Industry) (8.50)—I move:

That the Bill be read a second time.

The purpose of this Bill is to establish the Superior Court of Australia. The Bill is, with minor variations to which I shall refer later, the same Bill as the Attorney-General introduced in the Senate in 1973 and again in April this year. The proposal to establish a Superior Court of Australia has now had a long history. The project was approved by the Menzies Government 10 years ago. It was brought by Mr Justice Bowen, when he was Attorney-General, to the stage of a Bill being introduced. That Bill was allowed to lapse, and at the end of 1972 Senator Greenwood as Attorney-General announced that the project was being abandoned by the McMahon Government.

The policy of the Labor Party on this matter has been one of consistent support for the establishment of the Superior Court. The Prime Minister's policy speech for the 1972 Federal elections contained a firm commitment to establish the Court. The Government believes that the areas of major Federal law should be administered by a Federal court established under legislation enacted by this Parliament, and should not be left to be administered in State courts. The Constitution established the High Court of Australia, and it empowered Parliament both to create other Federal courts and to invest the courts of the States with Federal jurisdiction. Extensive use has been made of the powers to invest State courts with Federal jurisdiction. In the 73 years since federation, Federal courts have been established to deal only with matters of bankruptcy and industrial law. Indeed, even in the bankruptcy field, the Federal Court of Bankruptcy sits only in Sydney and Melbourne, and bankruptcy matters are dealt with by State courts in the other States. The Australian Industrial Court has come to be invested with a miscellany of jurisdiction in other matters in recent years. It has been given jurisdiction in certain matters under the Broadcasting and Television Act. It exercises jurisdiction under the Restrictive Trade Practices Act. There are other matters.

But with these exceptions, the laws made by this Parliament have been administered in State courts staffed by judges appointed by State governments. There has not been, as the present Attorney-General reminded the Senate in 1972 in speaking to the announcement that the then Government would not proceed with the Superior Court, any real opportunity for this Parliament to examine, so far as it may be proper for the Parliament to do so, the manner in which these laws have been so administered. Of course the courts have not distinguished between Federal and State law, and litigants in Federal actions have not suffered any disadvantage or enjoyed any advantage over litigants in State actions. It has been put forward as one of the virtues of the present system, that a State court does not generally need to inquire whether the matter before it is a Federal or State action. Problems of limits of jurisdictions and of power to deal with a particular matter have thus been avoided.

There are large areas of jurisdiction where there are undoubtedly many matters of a specialised nature falling within federal jurisdiction. Bankruptcy is a case in point; so too are taxation, trade practices, family law, industrial property and a wide range of matters arising out of laws made by this Parliament. It is proper that the Australian Government should be able to be sued and to sue in its own courts. More important still, the decisions of Australian Ministers and officials should be subject to review, so far as it is proper for courts to do so, and to judicial supervision by a court able to build up expertise in the field of administrative law. Judicial review of administrative action will become a very significant part of the jurisdiction of the new Court as the Government proceeds with other plans to establish administrative appeals tribunals and to simplify and extend the procedures for judicial review.

One significant consequence of Federal law being administered in State courts is that this Parliament is thereby excluded from practice from considering reforms in an important area of the law, that of practice and procedure. The practice and procedure of the courts has a substantial effect on the rights of individuals. That effect may result from the delays caused by archaic procedures, from the costs involved, or from the manner in which judgments of the courts are executed. The present system also allows the rights of a person under Federal
law to vary from one State to another. For example, whether he has a right of appeal and what form that appeal may take, or whether there is a right to a jury in a civil matter, may depend on the State in which the action is brought.

When the Bill was before the Senate earlier this year, it was opposed by the Opposition on grounds that had been put forward for a number of years by opponents of the Superior Court proposal. It has been said that the new Court would lead to additional litigation because of the problems in determining whether cases before the Court were matters of Federal jurisdiction or not, that there ought only to be a single system of courts in Australia, which should be the State courts, that the creation of the new Court would detract from the status of the State Supreme Courts and that there are not enough lawyers of ability in Australia to provide judges for a new federal court as well as for the existing State courts. All of these arguments have been carefully considered by the Government. The Government believes that, notwithstanding the constitutional difficulties that may arise in determining the limits of jurisdiction of the new Court, the advantages to be derived from establishing a Federal court of unlimited jurisdiction are far greater than the disadvantages. Moreover, the Government believes that far too much has been made of the argument that there would be jurisdictional problems arising in matters before the new Court. There are fringe areas where these problems will arise, but these fringe areas will not affect the main bulk of the important jurisdiction that the new Court will exercise. In the case of matters now dealt with by the Australian Industrial Court, the Bankruptcy Court and the Supreme Courts of the Australian Capital Territory and the Northern Territory and in matters arising under laws made by the Parliament, such as taxation, trade practices, matrimonial causes and the like, there will be few if any occasions when jurisdictional problems are likely to provide difficulties to the litigant before the new Court.

That the Bill would result in some jurisdiction passing from State Supreme Courts to the proposed Superior Court is undeniable. However, the answer to the essential question whether there should be a court created by the Australian Parliament under its constitutional power to deal authoritatively on an Australia-wide basis with questions of Federal law cannot be determined by reference to the prestige and status of State Supreme Courts. Nor does the Government believe that there will be any problem in finding lawyers of adequate calibre to staff the new Court. The new Court should not, of itself, result in a demand for many additional judges. There are already 16 judges appointed to the courts which are to be replaced by the new Court. The taking over of family law jurisdiction now exercised by the State Supreme Courts under the federal legislation should not of itself increase the total number of judges required to administer that jurisdiction. I would emphasise that the placing of the family law jurisdiction in a special division of the Superior Court will permit the appointment as judges of that division of lawyers who are particularly qualified to exercise jurisdiction in family law matters. This will permit appointments to be drawn from a wider field than has hitherto been the case with appointments to the State Supreme Courts.

The proposal for the Superior Court was originally put forward by the present Chief Justice of Australia when he was Attorney-General and the justification for setting up the Court rested largely on the need to relieve the High Court of most of its single justice original jurisdiction. The High Court would thus concentrate on its task of interpreting the Constitution and acting as the ultimate court of appeal within Australia. There were then substantial arrears of work in the High Court, but this has been remedied. I have already indicated the Government’s view that the justification for establishing the Superior Court does not rest entirely on the circumstantial foundation of the work load on the High Court at any particular time. Nevertheless, the original justification remains valid, notwithstanding that there may now be no particular burden of original jurisdiction, other than in constitutional matters. The High Court will be left free to continue its great work as a constitutional and appeals court. In much the same way, the Superior Court can become a great trials court in Federal matters.

I turn now to a general description of the Superior Court Bill. The Superior Court would absorb the jurisdiction of the Federal Court of Bankruptcy and the Australian Industrial Court. The Bill would not automatically abolish those courts. They would, except in respect
of pending matters, continue without jurisdiction, until such time as there are by resignation, retirement or otherwise, no longer any judges of those courts. To continue those courts until then avoids any constitutional problem that might attend upon the abolition of a court created by the Parliament while there are still judges of that court.

It should be made clear that the Superior Court would continue to exercise the jurisdiction of the Industrial Court under the Conciliation and Arbitration Act in the same way as the Industrial Court. In those cases in which the Conciliation and Arbitration Act requires a matter to be heard before a bench of 3 judges, the Superior Court would be constituted by a bench of 3 judges. There would be no appeal to the High Court from the decisions of the Superior Court in those matters in which there is now no appeal to the High Court from the Industrial Court.

The original jurisdiction that the Superior Court will exercise is to be determined in two ways. In the first place, clause 19 of the Bill sets out a list of matters in which the Court will have original jurisdiction. Broadly speaking, this list corresponds with the list of matters of federal jurisdiction specified in the Constitution itself. It will be noted from sub-clause 19 (2), however, that the Court will not have jurisdiction in cases where a State is a party except with the consent of the parties to the action.

In the second place, jurisdiction in particular matters will be specifically conferred on the new Court under particular laws made by the Parliament. Thus, for example, this Bill would specifically confer jurisdiction on the new Court under the Matrimonial Causes Act and under a number of other statutes.

Under the Constitution, the Parliament is empowered to invest State courts with federal jurisdiction. State courts have in fact been invested with jurisdiction in most of the matters coming within federal jurisdiction under the Constitution. This has the result that in respect of most of the matters specified in sub-clause 19 (1) of the Bill the Superior Court will have a concurrent jurisdiction with that of the State Supreme Courts. I have earlier referred to the jurisdictional difficulties which have been alleged as a reason for opposing the creation of the Superior Court. So that those difficulties can be confined to as few cases as possible, the Bill has been so drafted as to make the jurisdiction of the Superior Court concurrent with the existing federal jurisdiction of State Supreme Courts except with respect to those matters where it seems unlikely that any problem of defining the limits of federal jurisdiction will arise. This approach has the consequence that, in a case where there is a real doubt whether the matter is one of federal jurisdiction or not, it can be commenced in a State Supreme Court instead of in the Superior Court.

It is proposed that the new Court would take over the original jurisdiction now exercised by the High Court under laws made by the Parliament, except for some few cases where, in the nature of the jurisdiction, it seems appropriate for the High Court to continue to exercise it. For example, it is not proposed that the jurisdiction of the High Court as a Court of Disputed Returns under the Electoral Act should be transferred to the Superior Court. It is not, of course, constitutionally possible to divest the High Court of the jurisdiction conferred on it directly by the Constitution. In such matters, the Superior Court would exercise a jurisdiction concurrent with that of the High Court, but it may be expected that, for the greater part, actions would be instituted in the Superior Court rather than in the High Court. With the proposal that the High Court should sit only in Canberra, its exercise of original jurisdiction in all but the most important matters will become relatively inaccessible to litigants residing in the States. The Superior Court, with judges located in each State, would be readily accessible throughout Australia. As facilities become available, it is contemplated that the Court might sit in major provincial centres in each State.

The matters to which I have so far referred follow broadly what was proposed in 1968 by the then Attorney-General. The present Bill departs from what was then proposed in a number of important respects.

In the first place, this Bill approaches the jurisdiction of the Superior Court differently from the 1968 Bill. The 1968 Bill did not attempt to specify the matters arising under existing statute law in respect of which the Superior Court would have jurisdiction. It was intended that jurisdiction would be conferred on the Superior Court in these matters by amending the individual Acts of Parliament. Thus it was not possible to tell from a reading of the 1968 Bill what would have been the extent of the Superior Court jurisdiction under the existing law. The present Bill,
however, seeks to spell out the whole extent of the jurisdiction the Superior Court is to have under the existing law.

Secondly, the present Bill would constitute a Full Court of the Superior Court as a court of appeal from decisions given by single judges of the Superior Court in the exercise of its original jurisdiction. Under the 1968 Bill an appeal would have lain directly from a single judge of the Superior Court to the High Court. Only in personal injury cases would there have been an internal appeal to a Full Court of the Superior Court under that Bill. The present Bill also provides for an appeal from the Full Court of the Superior Court to the High Court, but only by leave of the High Court or of the Full Court of the Superior Court. As already indicated, an exception to this system of appeals is to be found in matters now within the jurisdiction of the Industrial Court under the Conciliation and Arbitration Act. The establishment of this internal appeal system will help to ensure uniformity of interpretation of the law by the Court throughout Australia.

Thirdly, it is now proposed that the Superior Court should take over the jurisdiction presently exercised by the Supreme Courts of the Australian Capital Territory and the Northern Territory. Under the 1968 Bill those courts would have been left intact and the Superior Court would have been a court of appeal from those courts.

A significant part of the jurisdiction now exercised by the Supreme Courts of those 2 Territories would be exercised by the Superior Court when established. For example, divorce proceedings, bankruptcy proceedings in the case of the Northern Territory Supreme Court, and actions by and against the Australian Government or its officers in the Territories would be instituted in the Superior Court instead of the Supreme Courts.

With the development of national legislation in new fields such as consumer protection and companies in which jurisdiction would be exercised by the Superior Court, there will be further erosion of the jurisdiction of the Territory Supreme Courts. They will be left with the major part of their jurisdiction at a level which is vested in District or County Courts in the States. The logical development in the Australian Capital Territory and the Northern Territory would, therefore, be to invest the Superior Court with a general Territory jurisdiction and to establish an Intermediate Court to exercise jurisdiction in the Territories in most criminal and lower level civil matters. Ultimately, the Supreme Courts would disappear, leaving 3 levels of original jurisdiction in each Territory, namely, Court of Petty Sessions, Intermediate Court and Superior Court.

Because the Superior Court will be a federal court for the purposes of section 55B of the Judiciary Act a legal practitioner admitted to practice before the Supreme Court of any State or Territory would be entitled to practise before the Supreme Court in its Territory jurisdiction. This will make it necessary to review the present arrangements regulating the legal profession in the Australian Capital Territory and the Northern Territory. The Bill proposes, therefore, in subclauses 33 (3) and 34 (3) that the Supreme Courts of the 2 Territories should continue for the present to exercise jurisdiction in matters relating to the admission to practice in the 2 Territories and in the control of legal practitioners admitted to practice before the Territory Supreme Courts.

Fourthly, the Bill provides for the Superior Court to be organised on a District basis for administrative purposes. It provides for the appointment of Chief Judges in charge of a District or Districts of the Court. The Bill would create the Districts of the Australian Capital Territory and of the Northern Territory, for the purpose of the Court exercising on a geographical basis the jurisdiction now exercised in the 2 Territories by the respective Supreme Courts. The Bill also provides for other Districts to be created by regulation.

For the purpose of exercising its jurisdiction, there are to be 6 Divisions of the Court, instead of 2 Divisions as in the 1968 Bill. These 6 Divisions, which are specified in clause 13 of the Bill, correspond to the principal aspects of jurisdiction to be exercised by the Court. Jurisdiction in a Division will be exercised normally by judges assigned to that Division. There will be a Chief Judge of the Industrial Division, who will administer matters relating to the exercise of the industrial jurisdiction of the Court. This provision is made having regard to the special nature of that jurisdiction, and to the fact that the Court would be, as already described, constituted in the same way as the Industrial Court for the exercise of that jurisdiction. Provision is made for the appointment of Chief Judges and Senior Judges in the other
Divisions of the Court, and for the appointment of Chief Judges for the Districts of the Court. The provision for the appointment of Chief Judges of Divisions other than the Industrial Division was not included in the Bill previously introduced into the Senate. It is also convenient to mention at this point that the Bill now contains provisions enabling separate registries for separate Divisions of the Court to be established.

Fifthly, the Bill provides for the practice and procedure of the Court to be prescribed by regulations, but the regulations so made may not remain in force beyond 30 June 1975. Except where regulations otherwise provide, the practice and procedure of the Court would continue to be regulated by existing provisions applicable to the particular jurisdiction being exercised. For example, until regulations made under the Bill otherwise provide, the practice and procedure in bankruptcy matters would be that now applicable to the Federal Court of Bankruptcy.

It has been common practice for rules relating to the practice and procedure of a Court to be made by the judges of that Court. Exceptions to this are found in the Federal Court of Bankruptcy and the Australian Industrial Court, and in the practice and procedure under the Matrimonial Causes Act. In each case, the practice and procedure is dealt with by regulation and not by rules made by the judges. A good deal of what is covered by practice and procedure affects substantive rights, so that the judges, in making rules relating to these matters, are in effect legislating.

To leave practice and procedure to be prescribed by regulation may be thought to run counter to the principle that the courts should be independent of the executive Government of the day, especially in a court such as this where the Australian Government would be a litigant. Accordingly, it is intended that practice and procedure should ultimately be dealt with by Act of Parliament. The provision for regulations to deal with practice and procedure until 30 June 1975 is to enable legislation embodying a code of practice and procedure to be drawn up and submitted to the Parliament.

Clause 2 of the Bill provides for the Act to come into operation on the day on which it is assented to. The Superior Court would not, however, commence to exercise jurisdiction until a date to be proclaimed. This will enable judges and officers of the Court to be appointed, regulations dealing with the practice and procedure of the Court to be drawn up, accommodation to be provided and other necessary administrative matters to be dealt with before the Court commences to exercise jurisdiction. Obviously the most important appointment will be that of Chief Justice. It is contemplated that, if the Bill ispassed by Parliament, an early appointment of Chief Justice will be made to enable the first Chief Justice to participate in the considerable task of organising the necessary administrative arrangements.

The Bill has been so drafted that the various aspects of the jurisdiction of the Court may be commenced on different dates. The general original Federal jurisdiction and the general appellate jurisdiction of the Court, which would be conferred by clauses 19 and 21 of the Bill, would commence on the date fixed by proclamation as the date on which the Court commences to exercise its jurisdiction.

Different dates may be set for the transfer of jurisdiction from the existing courts, and for the Superior Court to commence to exercise jurisdiction in matrimonial causes matters and taxation appeals. It is intended that ultimately the matrimonial causes jurisdiction of the Superior Court will be exclusive to that Court and State courts will not exercise jurisdiction under that Act. Sub-clause (5) of clause 20 provides for a gradual phasing-in of the exclusive matrimonial causes jurisdiction of the Superior Court. Different dates may be fixed in respect of different States, or even of different parts of the same State.

These provisions have been designed to permit flexibility in the transfer of jurisdiction to the new Court. It may be possible to transfer the jurisdiction of the existing Federal Courts and the Supreme Courts of the Northern Territory and the Australian Capital Territory at the same time and on the date on which the Court is empowered to begin the exercise of its general original and appellate jurisdiction. The Government would hope that this would be so and that it will prove to be administratively possible for the Court to commence to exercise its full range of jurisdiction at the earliest possible date.

I indicated earlier in my speech that this Bill differs in some minor ways from the Bills the Attorney-General (Senator Murphy) introduced in the Senate last year and again
Superior Court of Australia Bill

earlier this year. In addition to the matter concerning the appointment of Chief Judges that I have already mentioned, the main differences are that the court's jurisdiction in a particular district would no longer be required, as a general rule, to be exercised by a judge of that district, provision is made to enable bankruptcy proceedings pending in State courts to be transferred to the Superior Court of Australia, and there would be transferred to the Superior Court the jurisdiction of State and Territory Supreme Courts under section 92 of the Marriage Act. Also, jurisdiction under certain provisions of the Customs Act, the National Health Act and the Post and Telegraph Act would not be transferred to the Superior Court, as consideration is being given to vesting jurisdiction under those provisions in the new Administrative Review Tribunal to be established by separate legislation.

The Bill will not abolish forthwith any of the Courts from which jurisdiction is to be transferred. I have already explained that the Territory Supreme Courts will continue to exercise jurisdiction in relation to legal practitioners until the laws relating to the legal profession in the 2 Territories have been reviewed. The Federal Court of Bankruptcy and the Australian Industrial Court will be left only with jurisdiction in pending matters. The courts will not be abolished while any of the present judges of those courts continue to hold office in those courts. The Bill provides that each of the 4 courts concerned may be abolished on a date to be fixed by proclamation, but not while there are judges who continue to hold appointments to those courts.

With the inevitable expansion of the legislation of this Australian Parliament, the Superior Court will play an important part in the judicial life of Australia. The Government hopes it will have a significant jurisdiction in defining civil liberties under the Human Rights and Racial Discrimination Bills which the Parliament will also be considering. With the implementation of the policies of the present Government and the establishment of more effective procedures for judicial review, the Superior Court will have an important part to play in the relationship between the individual citizen and the Executive Government. I am confident that the Court will achieve considerable stature, and will be subordinate only to the High Court as the interpreter of Federal law in Australia. I commend the Bill to the House.

11283/74—R—[9]

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Debate (on motion by Mr Ellicott) adjourned.

STATUTE LAW REVISION BILL 1974

Bill presented by Mr Enderby, and read a first time.

Second Reading

Mr ENDERBY (Canberra—Minister for Manufacturing Industry) (9.16)—I move:

That the Bill be now read a second time.

This Bill seeks to amend the Statute Law Revision Act 1973. Honourable members will probably recall that, when introducing the Bill for that Act in December last year, I referred to it as a preliminary step in the Government's program of publishing a consolidation of the Acts passed by the Australian Parliament as in force on 31 December 1973.

Work on the consolidated reprint is now well in hand and has disclosed some further defects and matters suitable for statute law revision in a number of the Acts to be reprinted, as well as some defects in the Statute Law Revision Act 1973 itself. Although the defects are largely of a formal or technical nature, they do give rise to problems in the preparation of the reprint and it is desirable that they be corrected as soon as possible. The Bill now before the House seeks to make the necessary alterations, so that work on the reprint may be facilitated.

The Bill contains three main provisions apart from the amendments set out in the Schedules. Firstly, it provides, in effect, that the amendments made by the Bill are to be deemed to have been made on 31 December 1973, the date of commencement of the Statute Law Revision Act 1973, thus enabling the amendments to be incorporated in the reprint. Secondly, certain amendments that were wrongly made by the Statute Law Revision Act 1973 are rendered ineffective, so as to enable the amendments to be correctly made by the Bill.

Lastly, the Government Printer is required by the terms of the Amendments Incorporation Act 1905-1973 to include in a reprint of an Act a reference to the enactment by which each amendment is made. This would technically require the Printer to make numerous references, in a rather cumbersome form, to the Statute Law Revision Act 1973 as amended by the present Bill. Clause 8 of the Bill will
make references simply to the Statute Law Revision Act 1973 sufficient.

As honourable members will perceive, the Bill deals only with matters of formal statute law revision and does not deal with any matter of substance. I commend the Bill to the House and hope that honourable members will support its speedy passage.

Debate (on motion by Mr Ellicott) adjourned.

NORTHERN TERRITORY: PRIMARY AND PRE- SCHOOLS

Approval of Work: Public Works Committee Act

Mr LES JOHNSON (Hughes—Minister for Housing and Construction) (9.19)—I move:

That, in accordance with section 18 (8) (b) of the Public Works Committee Act 1969-1973, the following proposed works be carried out without having been referred to the Parliamentary Standing Committee on Public Works: Construction of primary and pre-schools at Katherine, Anula and Wulagi, N.T.

The estimated costs of the proposed works, exclusive of rise and fall adjustments under the contracts are: Katherine, $2.2m; Anula, $2.33m; and Wulagi, $2.35m. Speaking very briefly to the motion, I should like to say that my Department prepared design solutions for these 3 schools and prepared detailed estimates of the costs after design development. All estimates at that time were well under the limit of $2m. Based on these limit of cost estimates the 3 projects were included in the 1973-74 new works program with March 1974 tender target dates. My Department prepares a preliminary estimate in the initial stages of design and development of a project which is based on the sponsor's briefing requirement but before any significant design development is undertaken. This is the estimate upon which Cabinet approval is sought for those major projects requiring Cabinet approval. Subsequently a limit of cost estimate is prepared after a degree of design development has been undertaken but generally before detailed documentation is commenced.

Projects below the $2m mandatory reference limit for Public Works Committee review are generally included in design list A or B or the works program at the preliminary estimate stage. This authorises the Department to complete documentation to tender readiness stage—that is, design list A or B—and then call tenders for the works program. Projects requiring mandatory review by the Public Works Committee are considered for inclusion in this category when, on the preparation of the limit of cost estimate, it is established that the estimate for work will exceed $2m.

These 3 schools are urgently required for occupancy by the beginning of the 1976 school year; but the tenders, when received in May this year, were all for more than $2m. Because of the parliamentary situation at that time—that is, the double dissolution and the events that followed—and because of the delay in these projects and others in similar circumstances which will eventuate in the future should it be necessary to refer such projects to the Public Works Committee, it was proposed that the Act be amended by an appropriate definition of 'estimated cost' which would describe the stage of development at which the estimated cost was relevant to the mandatory provision of the Act, and by this means to exempt such projects from Public Works Committee review.

This course of action was proposed to the Prime Minister (Mr Whitlam) and the Treasurer (Mr Crean), who agreed that a Bill be introduced urgently in advance of other proposed amendments to the Act to cover the general problem of increases in cost estimates beyond the statutory provision of $2m. Cabinet approved of amendments to the Act along the lines outlined. The Treasurer has advised that it would be preferable to propose exemptions of these projects from review under section 18 (8) (b) of the Public Works Committee Act, thus removing any necessity for making retrospective provision in the proposed amendment to allow these 3 projects to proceed. The contract documents provide for rise and fall provisions to apply from one week before tenders closed; that is, on 21 May 1974. The tenderers have been approached and have advised that provided contracts are let by 22 July their tenders, as submitted on 21 May 1974, will stand. Based on tenders received, the estimated costs of these 3 projects, exclusive of rise and fall provisions, are in excess of $2m each. Accordingly, this motion seeks their exemption from review by the Public Works Committee for the very sensible reasons which have been outlined.

Mr McLEAY (Boothby) (9.23)—Mr Deputy Speaker, may I be the first to congratulate you on achieving your high office. I trust that it will not be long before we see you sitting in the chair as Speaker of this House. I should like to say to the Minister for Housing
and Construction (Mr Les Johnson) at the outset that I mildly object, on behalf of the Opposition, to the fact that we were not given any information about his statement.

Mr Les Johnson—That is completely incorrect as the honourable member for Wakefield will tell you.

Mr McLEAY—The position, so far as I am concerned, is that even at this moment I have not seen a copy of the statement which was read by the Minister. In fairness to him, I must say that I received great co-operation from his staff. I had to get in touch with his staff last Friday and I obtained very sketchy details of this proposal. I think that, as is the custom in this place, I should have been supplied with a copy of the statement which the Minister has just read.

The Opposition understands the Government's dilemma in this matter. The Opposition will not oppose the motion. However, we believe that this is an attempt by the Government to avoid public scrutiny of its economic mismanagement. These tactics are consistent with the behaviour of the Prime Minister (Mr Whitlam), the Treasurer (Mr Crean) and other Ministers in attempting to avoid any worthwhile debate on the state of the economy. Anyone who listened to question time in this House both last week and today could have only the same view. On each occasion the Ministers have ducked any questions relating to the economy and have given no worthwhile answers. We believe that Australia is facing an absolutely explosive inflationary situation and serious unemployment in several major industries. The building industry certainly will be one of the industries affected. Because most official statistics are always 3 months behind, the Minister refuses to acknowledge the possible collapse of the home building industry.

Mr Les Johnson—Mr Deputy Speaker, I raise a point of order. This is a specific motion designed to exempt work from review by the Public Works Committee. I should like your ruling, Mr Deputy Speaker, as to whether you believe that this motion opens up a full range debate on the state of the economy and on the state of the housing and construction industry. Unless you, Mr Deputy Speaker, rule in the affirmative, which I hope you will not do, I regard the honourable member's comments as being completely out of order.

Mr DEPUTY SPEAKER (Mr Giles)—I think the honourable member for Boothby might take note of the point of order before I have to remind him any further of the matter being discussed.

Mr McLEAY—I would not like you to deal with me, Mr Deputy Speaker.

Mr DEPUTY SPEAKER—I think the Minister adopts a reasonable attitude in these matters.

Mr McLEAY—These are passing references meant to be concerned with and to demonstrate the inflationary situation which exists and which has resulted in this motion coming before the House. Surely that is reasonable. There is a mountain of up-to-date evidence from all sections of the industry of which the Opposition is aware and which the Minister has received but which he ignores, in our view, to Australia's peril. If the Minister is sensitive about this matter I will not pursue it further; but I refer him to the publication of the Sydney economists, John Jackson and Associates, in the 'Marketing Information Bulletin' which was reported in the Australian Press last Friday and which, he will find, makes statements which confirm what we, on this side of the House, have been saying all day. One of the points that this bulletin makes is that the value of building construction and civil engineering contracts let in Australia in June was almost half of that of the previous month. What we believe the Government seeks to do by this motion is to put through the House with a minimum of examination—I think this has been confirmed by the Minister's interjection—3 examples of the disastrous results of the Government's handling of the economy. Even worse, in our view, is the dangerous expedient which is proposed in respect of the rise and fall clause in the building contracts under discussion. The Government appears to be trying to cover up. If so, it is the clear responsibility of the Opposition to try to expose the cover-up. After that, it is up to the media to report it. At least the taxpayer is entitled to know what is happening to his money.

There are only 2 ways in which the Public Works Committee Act can be circumvented. One is for the work to be for defence purposes and the other is for this House to resolve that the work is urgent. As the Minister has said, if the proposed work is to cost less than $2m there is no need for a referral to
the Public Works Committee. This is the Government's dilemma. In a period of 12 months inflation in the industry has escalated the cost of building two of these schools in the Northern Territory by 40 per cent and one by 65 per cent. Each school will now cost more than the $2m referral limit and therefore, according to the Act, should be referred to the Public Works Committee. The Minister's staff was unable to provide the dates and I am not sure whether the Minister mentioned them in his statement; but I think it is a fair assumption that the cost estimate for the school at Katherine, which was $1.33m in May 1973, is now to be $2.2m according to the tendered price in May 1974. This is an increase of $870,000 in 12 months.

It seems obvious to the Opposition that the provision with respect to defence will not apply. The application of the urgency provision in this case clearly will be a matter of opinion. The staff of the Minister for Housing and Construction told me—and I think this is not unnatural—that the Minister for Education (Mr Beazley) regards the building of these schools as 'extremely urgent'. I suppose that he would say that no matter what the cost was. He wants to get the schools built.

Mr Les Johnson—You can make up your own mind about it.

Mr McLear—This is the view that we are inclined to take. But I would refer the Minister for Housing and Construction to section 18 (8) (b) which provides:

the House of Representatives has resolved that, by reason of the urgent nature of the work, it is expedient that it be carried out without having been referred to the Committee . . .

In particular, I draw attention to those 5 words 'urgent nature of the work'. Whether the Government or the Minister for Education thinks that a proposed work is urgent is not really what is meant by those words in the Act. What the Act means is that if a school, a hospital or some other public work has been damaged by a cyclone or an occurrence of that type, the work to fix that problem straightaway is urgent. It is a matter of interpretation.

Mr Les Johnson—You vote against it.

Mr McLear—The Minister says: 'You vote against it'. We do not have the numbers in this House to carry such a vote. That is an idle suggestion. What we say will make no difference because the Government will put the reference through.

Mr Nicholls—You are taking up a fair amount of time.

Mr McLear—I did not catch the interjection. I take it that the honourable member is objecting because we are taking up some time in this debate.

Mr Les Johnson—Do not take so much time.

Mr McLear—The Minister threatens: 'Do not take so much time'. I take the view that we are here tonight doing the job of the Public Works Committee because the Government will not allow the Committee to do its job. We are examining these matters. We are bringing them to the notice of the Australian public. Surely that is our job in Opposition. There is no doubt that this action is designed to circumvent the very purpose of the Public Works Committee. We also believe that the taxpayer is entitled to know where his money is going. He is entitled to know that today's $100,000 will be worth only $60,000 next year and $40,000 the year after. At this rate, with this Government in control, today's $100,000 will not produce even a decent classroom when this Government finally goes out of office. The pensioner also should realise, Mr Deputy Speaker, that this is why the Prime Minister (Mr Whitlam) has not honoured his promise to increase pensions to 25 per cent of average weekly earnings.

Mr Les Johnson—Oh!

Mr McLear—This is a passing reference—

Mr DEPUTY SPEAKER (Mr Giles)—Order! I think that the honourable member for Boothby should keep in mind the ambit of this debate.

Mr McLear—It is important to make the point. I take your point, Mr Deputy Speaker, and I will certainly not transgress your ruling. We believe that it is this souping out of government expenditure without any regard for the economy which always hits the weakest and the poorest groups in the community. This point was made well today. I think, in the maiden speech of the honourable member for Wentworth (Mr Ellicott),

The second, and perhaps the most serious, aspect of the Minister's statement is the pressure put on this House to accept the urgency of these proposals not only because the Minister for Education has said that they are urgent but also because it appears that the Government has made a deal with the
tenderer or tenderers to eliminate the rise and fall clause provided, as I understand it, that the tenders are let by Monday next. We on this side are appalled at the implications of such a deal. We consider this action economic madness and not in the best interests of the Australian community. Already, we have seen that building costs in the Northern Territory are escalating at an average of 50 per cent in 12 months.

Mr Les Johnson—That is not right.

Mr McLEAY—I refer the Minister to the transcript of evidence—I mentioned this to him earlier tonight—taken by the Parliamentary Standing Committee on Public Works on 26 March 1974 at Tennant Creek when inquiring into the redevelopment of the Tennant Creek Hospital. The rates of increase projected at that date were: Victoria, 38.4 per cent; Western Australia, 46.8 per cent; South Australia, 24 per cent; Queensland, 40 per cent; and the Northern Territory, 50 per cent. The information—

Mr Les Johnson—You read out the evidence in context.

Mr McLEAY—If the Minister agrees, I shall table the relevant pages of the evidence in which those figures are presented. They are pages 69 to 74 and page 85.

Mr Les Johnson—No. You read out the relevant part of the evidence.

Mr McLEAY—I have just read out the relevant part. This information, incidentally, was supplied by Mr K. H. Cole, Associate Director, Housing Department, Northern Territory Region, and by the Assistant Director-General, Mr S. S. Parker, who said that it gave him the horrors to anticipate increased building costs in the Northern Territory. Those men are officers of the Minister's Department. The estimated cost of the redevelopment work on the Tennant Creek Hospital was $4.5m. The building term was estimated to be 3 years. As each year's massive cost increases are compounded on those of the previous year, the final cost of the work on this Hospital estimated today at $4.5m will be in excess of $15m with the likelihood of an even worse result if there are strikes, other delays or labour shortages, as the Minister for Housing and Construction has told me. How can any tenderer waive the rise or fall clause in his tender? Either that tenderer must jack up his tender to provide for it or he is so sympathetic to the Labor Govern-

ment that he is prepared to carry a certain loss of hundreds of thousands of dollars. The Opposition accepts neither proposition. The likelihood is that this builder or these builders will end up in liquidation in common with so many others in Australia at the moment. We believe that it is stupid for the Government to be a party to this process. Liquidations are a loss not only to shareholders, sub-contractors and merchants but also to the taxpayer because eventually some other builder must be called in to complete the contract, always at a greatly increased cost. Liquidations have occurred in the Northern Territory as recently as a fortnight ago when one builder went into liquidation owing more than $100,000. A new award for carpenters is to operate in the Northern Territory from 26 July. I wonder whether the tendering contractor has allowed for this together with the inevitable flow-on from other awards—

Mr Les Johnson—Do you oppose the award? What is all this about?

Mr McLEAY—I ask the Minister whether the tendering contractor has allowed for the increases in cost, averaging 50 per cent, for architectural hardware? Can the Minister tell me where the contractor will be able to obtain his supplies because the supplying merchants who are mostly based in South Australia—they are the ones who supply in the main contractors in the Northern Territory—will not supply contractors in the Northern Territory as they are already owed outstanding accounts in the Northern Territory in excess of 100 per cent of 2 months' credit sales.

The Opposition sounds a clear warning to the Government. No builder can survive a building inflation rate of 50 per cent without a rise and fall clause. It is quite dishonest for the Government to proceed on such a basis. We remind the Government of the debacle of Mark Bardle Homes fiasco and the enormous loss to the taxpayer when this company went into liquidation with hundreds of homes less than 50 per cent completed. Representations were made to me on that matter. The Northern Territory Housing Commission did nothing about them. The Government can do as it likes. It has a mandate to do as it likes. But we say that it will not be long before its chickens all come home to roost. On behalf of the Opposition, I express the greatest concern at what we believe to be a foolhardy, irresponsible example of this Government's economic mismanagement.
Mr KELLY (Wakefield) (9.39)—Mr Deputy Speaker, I too congratulate you on your appointment as a Deputy Chairman of Committees and a Deputy Speaker, and say how satisfactory it is to see you adorning the Chair as you do tonight. The Opposition will not oppose the Public Works Committee Bill 1974. I certainly do not. I think that it is an inevitable result of the Act as it now stands. The Government, through the Special Minister of State (Mr Lionel Bowen), introduced the Public Works Committee Bill 1974 today and told us that the purpose of the Bill is to amend that Act in certain particulars. As the Public Works Committee Act now stands, the motion now before the House is necessary and I think that it is wise.

It is necessary, as the honourable member for Boothby (Mr McLeay) said, because of the rate of escalation in the cost of building in the Northern Territory. The figures that the honourable member for Boothby has given are correct.

I was at the Committee hearing at which Mr Cole spelt out these facts. May I say, for the benefit of those honourable members who have just come into the chamber, that Mr Cole, a most effective and efficient officer of the Department of Works and Housing told us at the Tennant Creek Hospital hearing in March that the rate of building expenditure had increased by 32 per cent in the last 12 months. He said that the rate was increasing and that in the last quarter it had gone up by 12.5 per cent. If that rate is to continue—and it is hard to see how it could not—then one would multiply the 12.5 per cent by four and the result would be an annual escalation rate of 50 per cent. That is the reason why the Minister has found it necessary to bring in this motion. Because of the effect of inflationary pressures in the Northern Territory I do not oppose the motion.

If one analyses the figures further one gets a queer situation. Let us apply the annual escalation rate of 50 per cent to the Tennant Creek hospital. I use this as an illustration of the justification of the Government’s action. On the basis of an annual escalation rate of 50 per cent the Tennant Creek hospital would cost $11.5m instead of $4.5m by the time it is built. If one used a compound rate of escalation the cost would be $15.337m. It is interesting to note that the cost works out at $12.8 per minute. When I extracted this information from the departmental officer the immediate response of the Committee, the members of which have a very lively sense of the importance of public funds, was to expedite the hearing because it did appear that to prolong the hearing would just about break us.

As I have pointed out, it is necessary that this motion should go through because of the rate of escalation of costs in the Northern Territory. The Government is faced with the position that as the tenders will be in excess of $2m, as the Act stands the project should be submitted to a Public Works Committee hearing. The Minister knows, and as I know, in such cases certain steps have to be taken, the documentation has to be different and advertising has to be gone through. By the time that Public Works Committee hearing was completed, with all the expedition that the Committee brings to these references, we would have found that the construction of the schools had been seriously delayed. Because of that and because there has never been any great area of argument in regard to schools in particular, I am glad to say that the Opposition supports the Government in this matter.

Mr KEITH JOHNSON (Burke) (9.44)—I rise in this debate because of matters that have been mentioned by the honourable member for Boothby (Mr McLeay) and the honourable member for Wakefield (Mr Kelly). If building costs are rising at $12 a minute then the speeches just made by those 2 honourable gentlemen have just cost this country about $400. In addition, the speeches that they made during that time have achieved absolutely nothing. The whole tenor of this matter is related to legislation which has been introduced in the past. I think the honourable member for Wakefield knows full well where the anomaly lies in the Public Works Committee Act. There has never been in that Act a specific definition of what was the cost of a work. The Act does not specify at what stage of the work the cost shall be determined. It just mentions a cost of $2m. My understanding is that this amount has stood in the Act since 1969. It is now the Government’s intention to amend the Act so that the cost of the works will be the full cost at the point of estimation and which can be substantiated in the future without any escalation of costs in the community.

Here we are talking about 3 schools in the Northern Territory which when originally planned would have cost less than $2m, which
is the amount prescribed in the Act. On the criteria that will be introduced a resolution of this House would not be needed because the cost of the 3 schools at the time of final estimate was less than $2m. It is because the tenders are higher and because of the anomaly which still exists in the Public Works Committee Act that the matter now comes before this House for resolution. I seem to remember the honourable member for Boothby trying to point out in this House that there was no justification for the matter to come forward in this way. He quoted from the Act and said something about the urgency of the work. I might be misquoting the honourable gentleman but I thought he indicated that the work on these 3 schools was not what one might describe as urgent. I do not know whether the honourable member for the Northern Territory (Mr Calder) will speak in this debate. The 3 schools concerned are in his area, and if his area is anything like mine I am quite sure that he regards construction of the schools as being urgent, very necessary and important.

When I learnt that honourable members opposite were going to rise on this matter I started to think. I thought that surely some reason prevails in this House and that honourable members know that through no fault of the Government there was an election on 18 May and that the last Parliament was dissolved on 11 April. I though that these works are within the framework of everybody's thinking; it is just that this thinking had not yet been put into words. The alterations to the Act had been spoken about informally by members of the Public Works Committee and by and large it was agreed that the costs of works ought to be as proposed in the legislation to come before the House. Having met that criteria I thought: 'There is something fishy going on here with these fellows wanting to get up and talk on this Bill'. Of course, as soon as the honourable member for Boothby opened his mouth he not only put his foot in it, but let the cat out of the bag too. If you like mixed metaphors, that is exactly what he did. All he wanted to do was to castigate the Government for something which is happening in private enterprise. He wanted to talk about escalating building costs. But the Government is not building these projects; it is not building them with day labour. They are being built by contractors. The whole building industry is operated within the private enterprise system, which the honourable member for Boothby supports. The honourable member came into this House and tried to flay the Government for the faults of the private enterprise system which he thinks works but which I know for sure will not work anywhere in the world. I would like anyone to point out just where the private enterprise system is working at the moment. No one can do this.

To his great credit the honourable member for Wakefield asked a question about building costs at the Tennant Creek Hospital hearing, at which I was present. I am sure that the answers that were given to the honourable member were given in good faith by the officer of the Department of Works and Housing. As I recall the situation, when the honourable member asked the question the officer concerned immediately plucked a pocket size calculator from his pocket and went into a frantic sort of calculation to give the honourable member the answer for which he had asked. I have no reason to doubt the sincerity of the officer or the authenticity of the figures. But I would just like to point out that they were provided on the spot by a very quick calculation.

Mr McLeay—They were corrected.

Mr KEITH JOHNSON—They may or may not be correct. I think the mere tabling of the evidence is no substantiation of the authenticity of these figures. Let me refer again to the other matter. I make this point only because the honourable member for Boothby raised the matter. I do not think this should be left unsaid. I think it should be heard by people across the country. It was suggested that in some way or another this Government was directly responsible for the escalation in building costs. In the Northern Territory, as must be obvious to honourable members and to you, Mr Deputy Speaker, there are very peculiar sets of circumstances. As the Tennant Creek hospital was mentioned, I shall refer to it briefly. We were told that tenders were to be set for the erection of large numbers of private dwellings in Tennant Creek. Not a contractor will come there unless the minimum amount of work which is offered is in excess of $1.5m. Of course, under those sorts of circumstances there will be escalation in cost. The builder who refused to come unless he
received that much work was a private enterprise builder. He was not owned by the Government. He was not part of the Government. He was a private enterprise builder. This is the point I make.

It is all very well to stand up in this House and to slate this Government for this, that and the other. But 2 things emerge, and emerge very clearly. This Government and the Government before this one inherited a very bad economic situation. It was a deteriorating economic situation. I am not like a former Prime Minister of this country. I do not get down and say prayers every evening. But, if I did, I would be offering prayers and saying: 'Thank God there was a change of government in 1972 and those who were in power up until that time were not allowed to continue with the people in the community who were out to get rich quickly by escalating their prices'. I do not know about their costs escalating, but they are certainly escalating their prices. And that is what we are talking about. When we talk about the cost of a building to the Australian Government we are talking about the price somebody is charging us. Therefore, we are talking about somebody escalating his prices. I am not altogether sure that that is the same as somebody escalating his costs. We do not always have the benefit of that sort of information. We inherited a bad situation. The position would have been much worse if it had been left in the hands of those who were in government before us.

I am sorry to have to speak in this vein, but I was provoked into it by earlier speakers. Normally I take a much more placid view of things than the view which I have taken tonight. But my ire has been aroused by those who have used a perfectly innocent motion in this House. Honourable members have said that they support the motion. I think the honourable member for Boothby went so far as to say that he half supported it—whatever that means. So there is really no opposition to the motion. But it has been used as a vehicle to flog again this old horse of escalation in building costs. As I have said, the wrong terminology was used. Honourable members opposite should have talked about an escalation in the price to the Australian Government. That would have been far nearer the mark. The difference between cost and price lies in somebody's pocket.

Having risen on the spur of the moment because I was goaded into speaking, I do not have any accurate information from which to quote. But I am sure the information is available. Unless the House wanted to defer the construction of these 3 very vital schools in the Northern Territory—I do not think that the honourable member for the Northern Territory would sit idly by and let that happen—there was no need for debate on this matter because it was purely a machinery motion. It had been used as a vehicle by those who want to push another point of view. I commend the motion to the House. I am sure that it will be carried without dissent.

Mr CALDER (Northern Territory) (9.54)—I have been goaded into speaking on this matter. Naturally enough, I support the construction of these primary schools at Katherine, Anula and Wulagi as they are in my electorate. But, prior to saying a few words on that matter, I shall say something about what the honourable member for Burke (Mr Keith Johnson) has said. He let the cat out of the bag. He said that the private enterprise system has failed and that he is a true supporter of the socialist system. So, no one can say that in the 18 months that this Government has been in office it has wrecked the economy of the country in ignorance. It must have been done on purpose. The honourable member for Burke has said that the Government is out to prove the failure of the free enterprise system. Mr Deputy Speaker, I am only replying to what the honourable member has said. It is now becoming increasingly obvious that this Government is operating to a plan to wreck the free enterprise or capitalist system and it is proving that it is inept, inadequate and incapable of running this country. The Government thinks that the quicker it can wreck the economy the better for it. That is exactly what it is doing. If we look at almost every industry in the country which earns income, such as the mining industry and the pastoral industry, we see a systematic wrecking by this Government. The honourable member for Burke has just said that that is exactly what the Government is out to do.

Let me get onto the matter of the schools. Of course I support their construction. But I also support the suggestion that the people of the Northern Territory, or people anywhere for that matter, should be allowed to discuss the pros and cons of such construction. After all, the Parliamentary Joint Committee on
Northern Territory: Primary and Pre-schools

Public Works was instituted to listen to evidence from people in various areas and from experts on various programs whether they be for water projects, freeways, schools, community colleges, ports or sewerage systems. The Committee was instituted to listen to the evidence of people whether they be technical people or private people. This is what distresses me in the approach of the Government.

I know that costs have escalated in the case of 2 of these schools by 40 per cent and in the other case by 60 per cent. This is absolutely and utterly due to the Government's mismanagement of the economy. I know that and everyone in the Territory knows it. The Government knows it too. But the people of the Territory should be allowed to discuss this matter in the same way as they were asked to speak again and again on the matter of the central zone sewerage scheme in Darwin where their voice carried the day. They also spoke again and again on the Palmerston Freeway scheme in Darwin. They gave an opinion to the Public Works Committee. That is what the Committee is all about. That is why it should be constituted hurriedly. It could be constituted this week. In 3 weeks time it could hear this case if the matter were treated as urgent. I say that it should be treated as urgent. Many things have been treated as urgent. I am not denying that these schools are needed. But I think the people of Darwin should have a chance to speak as they did in the case of the community college, the freeway and the sewerage scheme.

For instance, how do the people know that they will not get an open school at Wulagi? Some of them do not want that. I know that a lot of people want it but a lot of people do not want it. The public will not get a chance to speak on this matter. That is the point I am making. It is not a matter of whether the construction of these schools is held up. Of course construction will not be held up. The point is that they will cost so very much more money. It has been worked out by the experts that each minute that goes by they will cost more. Briefly, I am on my feet to ask that the people of the Territory and of Australia have a chance to come before the Public Works Committee as they have done in the past. In the case of the Katherine school the cost has gone from $1.33m to $2.2m, in the case of the Anula school it has gone from $1.66m to $2.33m; and in the case of the Wulagi school it has gone from $1.68m to $2.35m. I know that they are all just over the amount of $2m which is the amount under which projects are not referred to the Public Works Committee. But if this practice persists, why not wave about $1m or $2m here and there, say that the matter is urgent and carry on. What we are saying here is that we are all for the schools but consider that the Public Works Committee should be constituted immediately and the matter should be treated as urgent. The Opposition supports the referring of these school projects to the Committee but wants to see the Public Works Committee under way so that the projects can be given to the people.

Mr LES JOHNSON (Hughes—Minister for Housing and Construction)—in reply—(10.1)

—I would like to thank those honourable members who have participated in the debate. The matter with which the Government is confronted is understandable. From what honourable members opposite have said one would think that inflation was exclusive to the Northern Territory. That is certainly not the case. If one looks at the official international figures on inflation that are available one will see that the Australian rate fits very much into the middle of the rates in comparable countries. It is amazing to hear honourable gentlemen opposite seizing upon a figure, plucking one out of the air, and multiplying it by 12 if they want the annual rate, as though it will be the annual rate. That is a burp from away back in which nobody places any credence any more.

The fact is that inflation is worldwide. There is certainly inflation in the Northern Territory and it is affecting these projects. The highly fortuitous thing about the situation, without elaborating on what the honourable member for Boothby (Mr McLeay) said, is that the Government is facing up to the issues of inflation which were prominent in the election campaign. I think it is gratifying from everybody's point of view that some useful things have already been done by the present Government which would not have been done if there had not been a change in government. There is no need for me to enunciate all those things, such as the revaluation of the currency and the across the board cut in tariffs. Now the Government is in the process of trying to arrest the flatulent tendencies in the building industry. It would be useful to have some support from honourable gentlemen opposite who seem to want the best of all worlds. I refer not only to members of the Liberal Party in this Parliament but also to members of
the Liberal Party in other Parliaments. For example, it was staggering to hear the Premier of New South Wales say that the answer to the housing problem is to bring Swiss money into Australia. If there is one thing we do not want in the housing industry at the present time it is more money, because that is what has caused all the problem in regard to housing and construction costs.

The only other thing I want to say is this: Having been a member of the Public Works Committee for some time I know of the way in which the work of that Committee is jealously regarded and I certainly uphold the idea of subjecting these works to intense public scrutiny.

Mr Hunt—You would have been upright if I had done this to you when I was Minister for the Interior.

Mr LES JOHNSON—When the honourable member was Minister for the Interior there was then, as there is now, a useful ventilation of the matters about which people felt keenly. I like to uphold that sort of objectivity myself. The honourable member for Wakefield (Mr Kelly) came to my office to obtain information about this matter. I told him that information was always available. The honourable member for Boothby said that sketchy information was available on the telephone from my staff. I think that that is a bit unfair. If he telephones he will receive his information over the telephone. I happened to be nearby when his call came in and my secretary indicated his preparedness to make information available to the extent that it was required. That was the case in that instance and it will always be the case in respect of these matters.

There is no tendency on the part of this Government to deny the people of Australia the benefits that accrue from scrutiny of such works under the Public Works Committee Act. In fact it is well known that an interdepartmental committee has been examining a number of matters associated with a possible review of the Public Works Committee Act. I am able to foreshadow, at least in general terms, the possible and likely conclusion that rather than there being a contraction or a restriction of work on the part of the Public Works Committee there will be a widening of the area of activity which will be subject to the scrutiny of the Committee. That is the general spirit in which we put this. As has been foreshadowed by the Special Minister of State (Mr Lionel Bowen), there will be a new interpretation which will identify the point at which the $2m cut-off occurs so that the ambiguity which has existed until now will no longer occur. It will be a useful clarification.

These particular schools are the subject of urgency. I am gratified that no one has played politics by denying that fact. Nobody wants to deprive those children of a school. The fact is that these costs have escalated because in the Northern Territory there is an inflationary situation in the building industry which, when the industry is under such intense liquidity pressure as it has been, is bound to incur a degree of cost escalation in excess of that prevailing in other parts of the country. Generally speaking, I am gratified by the tenor of the debate. I am pleased that the Parliament will allow these schools to be completed in the space of time which the Minister for Education (Mr Beazley) believes is necessary in the interests of the people of the Northern Territory.

Question resolved in the affirmative.

GOVERNOR-GENERAL'S SPEECH
Address-in-Reply

Debate resumed (vide page 243).

Mr WHAN (Eden-Monaro) (10.8)—First I would like to congratulate the honourable member for Port Adelaide (Mr Young) and the honourable member for Henty (Mrs Child) for the way in which they presented the Address-in-Reply tonight. I would also like to extend my congratulations to the honourable member for Wentworth (Mr Ellicott), the first Liberal to express concern for poverty in Australia. It is somewhat ironic that it should happen that, in referring to poverty, he had to use the first report that systematically studied the extent of poverty in Australia, a report that was not prepared when his Party was in power, but in the term of the present Government. His concern for poverty is gratifying and I am sure that we can look forward to his support for our welfare and low income housing policies which have been outlined in the Governor-General's Speech.

There was another reference to poverty, from the honourable member for Boothby (Mr McLay). In this context—as it turned out, quite irrelevant to the subject under debate—he referred to the commitment by the Prime Minister (Mr Whitlam) to raise pensions to 25 per cent of average weekly earnings. On
this matter I shall quote from a letter written by the Secretary of the Australian Commonwealth Pensioners Federation to the Melbourne 'Age'. She said:

In reply to the assertion by the Deputy Leader of the Opposition, Mr Lynch, that under the Labor Government pensioners have become the lost generation, the facts are, Mr Lynch imputes to the Labor Government what happened during 23 years of Liberal-Country Party rule.

Mr Millar—Ah!

Mr WHAN—This is not my opinion; it is the opinion of the Secretary of the Australian Commonwealth Pensioners Federation. This is her opinion:

From the time the Menzies Government came to office the pension began to decline in relation to the average weekly earnings—24 per cent of AWE when the Chifley Government left office, by 1954 it was down to 20.4 per cent

With the 1970-71 Budget of 50c the basic rate pension fell to 16.2 per cent of AWE while the standard rate fell to 18.3 per cent.

I continue the quote. The secretary of the Australian Commonwealth Pensioners Federation said:

This 50c rise exposed to the nation the Liberal-Country Party policy of perpetuating poverty in a land of abundance and great national wealth.

There is the answer to the honourable member for Boothby. Even at this stage, after 18 months in government, we have been able to raise the basic pension rate to just on 20 per cent of average weekly earnings and the standard rate to 22.7 per cent of average weekly earnings. If we brought pensions up to 25 per cent the Opposition would be the first to condemn the Government for fuelling inflation.

The 18 months of Labor government has been a bonanza for Eden-Monaro. We find the impact of Labor government throughout the electorate in simple things and yet such important things. I instance the simplicity of bringing the National Capital Development Commission together with the Queanbeyan City Council and the Yarrowlumla Shire Council to consider the impact of the expansion of the Australian Capital Territory on the surrounding area. This has been done. We have created a working relationship with local authorities around the borders of the Australian Capital Territory. The Minister for Urban and Regional Development (Mr Uren), in bringing down the Canberra Water Supply (Googong Dam) Bill, also introduced a commitment on behalf of this Government to assist in providing Queanbeyan with proper sewerage facilities. The Prime Minister (Mr Whitlam) has agreed that the Australian Government will meet half the cost of a railway bridge over which the New South Wales Government procrastinated for a whole 18 months.

It has been agreed that the roads radiating out of the Australian Capital Territory should receive special attention from this Government. Of course my electorate, like all the other electorates in this country, will benefit from the commitment to the national roads system. The New South Wales Government, adopting its usual hypocritical attitude, blames the Federal Government for taking the national responsibility for national roads. It is unknown to the New South Wales Government that a national government should take a national responsibility. It is unknown to the New South Wales Government that money invested in national roads will release State funds to be diverted to the shires for their roads. These things are unknown to the New South Wales Government because all it has been concerned with is the opportunity to make petty political capital out of whatever is going.

In my electorate we have also seen the commencement of pre-schools. In the State electorates within Eden-Monaro, one of which is represented by an Independent member and the others by Liberal and Country Party members there is not one pre-school. Not one pre-school has been built in the Goulburn State electorate, which has a Country Party member, simply because that member was not interested enough to ensure one was built. In Eden-Monaro the Snowy Mountains Engineering Corporation has a wide mandate that allows it to operate effectively and sensibly. We have a concern in the electorate for the first time with the historic buildings that form a part of our national heritage. The election result, which is the subject of the introductory paragraph of the Governor-General's Speech, was indeed an interesting result in Eden-Monaro. The Australian Country Party emerged for the first time as the 3-States Party. Let us recall the play on words—the 'National' this and the 'National' that. 'National' is a word the Country Party will not be able to use again, because it has come out of the 1974 election representing 3 States. It is no longer the National Party. It has lost its Western Australian representatives. The members of the Country Party have paid for the impulsive decision to precipitate an election which had no relevance.
Mr Lloyd—Mr Deputy Speaker, I raise a point of order. There is still a Country Party representative from Western Australia and there is also one from the Northern Territory. If you add them up the total is five.

Mr DEPUTY SPEAKER (Mr Scholes)—The honourable member will resume his seat. He will not take facetious points of order.

Mr WHAN—The honourable member has made it possible for me to define more precisely what I meant. There are no representatives of the Country Party from Western Australia in the House of Representatives. It is a 3-States Party. Many of the farm organisations that are affiliated with the Country Party showed their true colours during the election campaign. In particular groups such as the New South Wales Graziers Association cannot claim again to be an industry organisation. It actively campaigned in a Party political manner during the election campaign. There will be many graziers throughout this land who will be thinking very carefully about the quality of representation that they get from farm organisations which have affiliated so blatantly and openly with a Party position. They are not industry organisations. My Country Party opponent in Eden-Monaro tells me that the price he paid for standing for the Country Party was the loss of his State pension.

Mr Sullivan—Good on him.

Mr WHAN—'Good on him,' say his friends in the Country Party. He lost his State pension by standing for them in my electorate. So we have the gratitude of the Country Party manifested through the men who said: 'Good on you, Ron Brewer. You lost your State pension'. So we have the gratitude of his so-called friends manifested tonight blatantly in this place. The honourable member for Hume (Mr Lusher) complained that the Leader of the Australian Country Party (Mr Anthony) would not give him support in Hume at the beginning of his campaign. The Leader of the Australian Country Party has emerged from the 1974 election as a kamikaze pilot. He has all the members of the Country Party on the plane with him along with many of the farm industry groups who now no longer can say that they come to the Government as an unbiased group representing the industry. They can no longer say this because they have been compromised in making an objective approach to agricultural policy. This brings me to the contribution in terms of objectivity. the Green Paper on agricultural policy. Of course, the Green Paper has created absolute confusion among the Country Party. The Country Party is not quite sure whether to come out behind it or against it. It still does not know. Objectivity is something unknown in its approach to agricultural policy.

We have in the Green Paper as its basic objective the aim to adjust the agricultural sector effectively to market needs, a swing away from the one preoccupation with increased production. It is interesting to reflect on the approach that agricultural groups display to agricultural policy. I refer to the evidence of the Parliamentary Joint Committee on Prices on 24 July 1973 as recorded in Hansard on page 365. Mr Wilson, from the Australian Woolgrowers and Graziers Council, said in answer to the Chairman's question:

Mr Chairman, we have not changed our opinion at all. In fact we are stronger in our thought that increased production is the answer to our problem. Increased meat production was the answer to the problem on 24 July 1973. I wonder whether Mr Wilson still holds that view or whether he believes we should have taken the objective approach outlined in the Green Paper, namely, that the agricultural sector needs to be assisted to adjust effectively to market needs. The Green Paper has illustrated quite explicitly and in great detail the areas in which Government intervention can be justified. We need to remove barriers to effective market systems and compensate for the harsh consequences of the free market place. We need the Government involved in alleviating or circumventing the effects of natural disasters and growers' unstable incomes. We need to consolidate the bargaining position of producers. We need to assist the agricultural sector in the slow adjustment to change. This, of course, is another message that has not been registered in the minds of the members of the Country Party or the farm organisations.

I refer to the incredible laxness that exists between the point of decision and the point of action. so far as production and its effect on the market place is concerned. We have a system in this country in which we have no action whatsoever between the production decision and the effect on the market place. This, of course, is true of most agricultural areas, but nowhere is it truer than in regard to wool. I will develop this particular area for one moment. At the moment the members of the Country Party and their friends in the farm organisations are developing a campaign
to embarrass the Government in one very simple way. They are setting up the proposition that the Wool Corporation should, under any circumstances, support the market at 300c for 20 micron wool. I have no objection to the idea that the Wool Corporation should support the market; but I do believe—this has been clearly understood by all people in the market place—that the Wool Corporation should support the market around the commercial level, and it should be called on to justify its support at that particular level. It is no secret that the members of the Wool Corporation have identified quite clearly with the political objectives of the Country Party. It is no secret that there have been discussions between the Wool Corporation and the leaders of the Country Party to devise this method of embarrassing the Government.

This question of where the market should be supported, whether it be at 300c, which on average works out at 160c a kilo for the total clip, is a question of commercial judgment. I would fully support the commercial judgment of the Wool Corporation in regard to 300c, if in fact this is so. I would fully support the Wool Corporation in having a 300c floor in the market right now. Let us consider for the moment what the reaction would be if 300c be too high. We could argue that perhaps the price ought to be around 124c for the whole clip. If so, the effect of supporting the market at between 150c and 160c would be that the Wool Corporation would lose $50m, and it is a coincidence that just happens to be about the same amount of money as was paid on the wool price deficiency payment program. If the Wool Corporation loses $50m, it is the members of the Corporation who have to justify the mistake; it is their commercial judgment which has been compromised, not the Government's at all. It is the members of the Wool Corporation whose commercial judgment is compromised by supporting the market at a level which flies against any sort of commercial judgment of substance. So we have a position here where if this line is pursued in order to embarrass the Government, it will be the members of the Corporation themselves who will be compromised in the final analysis.

We also have another development in the wool industry which has been pointed out by a very good friend and colleague of mine, Ken Whiteley, Associate Professor of Wool Technology. Whiteley has identified quite clearly that the Yennora complex in Sydney lags behind the innovatory process in the wool marketing system. It has been clearly demonstrated now that more than $100m in economies is to be gained for the wool industry by the rapid introduction of new wool selling techniques. Yet the opposition of vested interests is slowly eroding away the progress that has been made in this area. Five per cent of the wool sold through this complex, owned and operated by the Australian Wool Corporation, has been sold under the new marketing techniques. This percentage is well down in terms of the proportion of the total wool clip. It is quite clear that these vested interests that have such an identity and such a profit to be derived from the maintenance of the status quo are slowly gaining the upper hand at the expense of the wool growers of Australia. I believe that this particular subject needs strong and further development. I turn now to another area of the Governor-General's Speech.

Mr Fisher—Why do you not develop it now?

Mr WHAN—I have developed the question of wool marketing from time to time, as the honourable member is well aware, at his expense. I turn now to the subject of science and technology policy which possibly is going to loom very large in the future in this country. In many ways it is the Cinderella area, and yet it is so powerful. This Government has taken the initiative to invite the Organisation for Economic Co-operation and Development to give us an independent, external view of the research and science policy presently undertaken in this country to put some system into our whole research effort, and this is long overdue. This paper, no doubt, will contribute very strongly to the formation of the Australian Science Council to which the Governor-General refers in his Speech. I believe that it is in this area that Australia can make a profound contribution, because fundamentally our contribution revolves around our own people—their initiative, their skill and their ability to develop new ideas.

We need to place some sort of discipline into this area—not discipline in the sense that will stifle the ideas but discipline that will channel those ideas into productive outlets; discipline that will ensure that we direct our research effort into science and technology into those areas that are of relevance to the community at large. There are far too many people—I must confess that I was one of
them at one stage—who have specialised in very minute areas of science and lost a sense of reality. Fortunately, that happened when I was at Leeds University; it did not occur here in Australia. The situation is that the policy of the science and technology areas has been severely neglected in the past. We are paying the price. We have no social science research organisations, organised on a professional basis, which offer career opportunities for social scientists in Australia. We pay the price for this in all sorts of areas of our social activity. I believe that the OECD report, along with the proposed Australian Science Council, will launch us into a more profitable and efficient future, so far as science and technology in this country are concerned.

Debate (on motion by Mr Bourchier) adjourned.

PERSONAL EXPLANATIONS

Mr WENTWORTH (Mackellar)—Mr Speaker, I wish to make a personal explanation.

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

Mr WENTWORTH—Yes. The honourable member for Eden-Monaro (Mr Whan) claimed for the Labor Government credit for setting up the Henderson Committee on Poverty. In fact, I myself had the honour of setting up that Committee as a Minister in the McMahon Government. I think I could claim to have as great an interest in questions of poverty as anybody else in the House.

Mr Whan—I stand corrected.

Mr WENTWORTH—I am sure that the honourable member would not have said anything that was deliberately untrue; he was perhaps misinformed.

Mr LUSHER (Hume)—Mr Speaker, I wish to make a personal explanation.

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

Mr LUSHER—Yes. The honourable member for Eden-Monaro (Mr Whan) in his speech on the Address-in-Reply indicated that I had made a statement that the Leader of the Australian Country Party (Mr Anthony) had not given me any support in my election campaign. To set the record straight, I point out that the honourable member for Eden-Monaro is quoting from a news report this morning which was lifted from an interview which appeared on 'Canberra Report' on Sunday evening in which I was quoted out of context. What I said in the interview was that during the pre-selection campaign I received no support from the Leader of the Country Party—which is as it should have been. During the election campaign itself, as anybody who observed the campaign in Hume would know, I had the complete and full support of the Leader of the Country Party—which also is as it should have been.

ADJOURNMENT

Wool—Convalescent Homes

Mr SPEAKER—Order! It being half past 10 o'clock p.m., in accordance with the order of the House of 11 July, I propose the question:

That the House do now adjourn.

Mr HUNT (Gwydir) (10.30)—Having listened to the honourable member for Eden-Monaro (Mr Whan) I feel that I, as one who represents one of the largest wool producing and meat producing electorates in Australia, should rise tonight and appeal to the Whitlam Government. I do so in an objective sense and in no way in a political sense. Clearly the Australian wool industry will suffer yet another crisis unless the Government shows nerve and strength and quickly indicates its willingness to support the present buying policy of the Australian Wool Corporation during this series of sales. I listened with interest to the reply that the Minister for Northern Development and Minister for the Northern Territory (Dr Patterson) gave to my colleague, the honourable member for New England (Mr Sinclair) this morning. It appeared that he was in some sympathy with the wool industry and the difficulties confronting the Australian Wool Corporation. But this sympathy certainly was not shared by a number of his colleagues, notably the Minister for Social Security (Mr Hayden) who was busily interjecting whilst his colleague was answering the question. The Minister for Northern Development now has his chance, along with the Minister for Agriculture (Senator Wriedt) in another place, to prove whether they have what it takes to win this battle for the industry.

In spite of Press reports, the sale this week is not the opening of the new selling season. It is a deferred sale, closing the old season. It was deferred because of recent industrial stoppages. Although the Australian Wool Corporation bought in over 57 per cent of the
offering yesterday and over 60 per cent of the offering today, there are only 2 days left in this deferred series. It is essential that the Government backs the Corporation to the hilt during the last 2 days of this extended series. If the Government does not support the Corporation, the Corporation can exercise its power to cancel the sales and make advances to the Australian woolgrowers who have their clips up for offer in this series. I submit that it would be a wicked injustice to the woolgrowers who are the victims of industrial stoppages if the Government ran away from its responsibility at this important time.

I am confident that if the Corporation was forced to exercise its power to cancel the sales and to make advances to the affected growers—a decision quite within its power—the brokers would be prepared to make their contributions to clear delivery and so on. However, surely this should not be necessary. The Government has a clear responsibility to support the policy of the Australian Wool Corporation over the next 2 days. Clearly the trade and the buyers are testing the nerve of the Australian Government at a time when they do not like the July sales anyway and when deferred stocks are being offered. If the Government backs away from the Corporation and the woolgrowers now there will be serious economic repercussions not just for the Australian wool industry but also for the Australian economy.

I recall that in November 1971 when the Australian Wool Commission sought the backing of the Liberal-Country Party Government for a guarantee to borrow $30m from the private trading banks, enormous pressures built up against the Commission and against the Australian woolgrowers. Certain interests used every device at their disposal to intimidate the Government and the industry. I am sure that the Minister for Science (Mr Morrison), who is at the table, was well aware of the pressures from vested interests both here and overseas that were brought to bear at that time to try to stop the $30m going to the Australian Wool Commission, as it was known at that time. The national Press was opposed to further assistance. It was prepared to write off the Australian wool industry. It was prepared to desert the wool industry in its hour of need, thinking that Australia had found a new source of wealth—the mineral industries. From the day that the guarantee was given by the Liberal-Country Party Government to the Commission, the market stabi-

lised and the prices began to rise. At the end of 1971 the Commission held well over 900,000 bales of stocks. As the market improved the stocks were cleared. It was a test of nerve and strength but the Government and the industry won the battle in the interests of Australia. Not a cent of that $30m was used. It was kept in a trust credit account with the private trading banks. Wool prices subsequently rose to almost their highest levels on record.

Surely there is a lesson in this for the Whitlam Government. Well over $20m must still be available at this time to the Australian Wool Corporation to enable it to trade and to do the job that it is doing at present. It should use its resources to stave off this challenge by the merchants, the traders and others who have a vested interest to see the commodity prices of wool fall in this country and in other wool producing countries. The Government must not panic or give in to the anti-industry, anti-rural elements of its own Party. The wool industry is still the greatest single industry in Australia.

Australia and South Africa between them supply 94 per cent of the world apparel wool requirements. We should not be bullied for short term profit purchases by overseas profiteers.

The world wool stocks are not high. Japan’s stocks are 18 per cent lower than they were at this time last year. In the United Kingdom stocks are 25 per cent lower, in France 23 per cent lower, in Italy 28 per cent lower, in West Germany 68 per cent lower, in Belgium 67 per cent lower and in the United States of America 2.5 per cent lower than they were at this time last year. In Australia our sheep population has fallen from 180 million in 1970 to 148 million this year and our own stocks are low. The Japanese worsted yarn stocks are high at 33,000 tonnes as against a norm of approximately 20,000 tonnes. However, information that has come to me in the course of this day indicates that in the coming autumn and winter the prospects for the Japanese worsted industry are bright. Japan is temporarily out of the market, but it is clear that she will be coming back into our market in our spring and summer. Therefore, it would be an act of crass stupidity to allow our price levels to slump over the next 2 days of this week, thus lowering the base price level for the opening of the new selling season next month.
With the prospects for meat exports dismal and with mineral export prices declining the Australian economy cannot afford a crash in the Australian wool market. It is no good the Minister for Social Security being so half smart about the Australian wool industry in its hour of need as he was this morning at question time because he is going to require thousands of millions of dollars to carry out the social welfare ambitions of the Government. He will not be able to carry out those ambitions without viable wool producing industries. The Australian wool industry will be one of those industries that will be contributing to the sort of policies that he has in mind. If the Australian wool industry is deserted over the next 2 days by the Australian Government, I believe that this event in itself will lead very quickly to the ultimate devaluation of the Australian dollar, an event that would not doubt compound the complex economic mess in which the Whitlam Government now finds itself. If the Government wants to show that it has any sympathy or common sense in the field of production, it will stand by the Australian Wool Corporation over the next 2 days and will allow the Corporation to confer with the Government in the interim period between the end of this week and the commencement of the new wool selling season.

Mr WHAN (Eden-Monaro) (10.40)—The speech we have just heard from the honourable member for Gwydir (Mr Hunt) is a clear-cut example of Australian Country Party fear tactics. There is no evidence whatsoever that this Government will pull out of the wool market over the next 2 days. The only people who are saying this are the Country Party members. They are creating a fear and a myth. They are creating this great threat to the Australian wool grower so that they may shout triumphantly that they have beaten this Government once again. The fact that they have built their whole argument on straw needs to be exposed tonight. There has been no suggestion that the Australian Government will not stand by the Australian Wool Corporation through the next 2 days of wool selling. In fact there is no argument about this matter. The Wool Corporation has the funds it needs to stand in the wool market at 300c for 21 micron wool.

Compare the situation that exists today with what used to be the position. We hear about Government support. Bill Vines was a lonely man when he leant on the Liberal and Country Party Government to stand behind the Australian Wool Commission in the market at one-fifth of the present level of support. He was not supported. That Government pulled out and eventually had to bring in a wool price deficiency scheme that cost the country $52m. That sum would have been far better spent on wool. There can be no question that the next 2 days in the wool market is a live issue. If we are being objective we should be talking really about the rationale behind the mechanism that exists in the wool market. What should the Wool Corporation do to quash this sort of fear mongering which creates such instability in the wool industry? The Wool Corporation ought to be giving market intelligence to the whole community so that we may understand exactly the rationale on which it is working. There is no earthly market reason why we should not have this information. We have this incredible carry over from the Bill Gunn days when a piece of information that was not known to the rest of the community was regarded as a gem.

We need to have from the Wool Corporation a wool marketing intelligence system which tells us, each and every one, what the rationale is behind the Corporation's support of the market today or any other day. There is no question that there will be opportunities for the sort of fear raising tactics that we have heard from the honourable member for Gwydir tonight while ever the Wool Corporation keeps the community at large in the dark. What is its rationale on market support? Why should it not tell the world what are its support prices? There were times when wool buyers came to me, as an officer in charge of the wool marketing section of the Bureau of Agricultural Economics, and asked me what the reserve price of wool was at the time. I could give it to them, not because I was privy to any confidential information but because the market mechanism works like any other mechanism. If one knows a few elements of it one can tell what the rest are. It is absurd for the Wool Corporation to say that its schedule of prices is secret to the world. Within half an auction sale that schedule of prices will be known to everybody who understands the market mechanism. It is time that the Corporation came clean on this particular aspect and got rid of the uncertainties that have allowed the honourable member for Gwydir again tonight to beat this fear drum and to create this feeling of uncertainty among the people whom he purports to represent. I
Adjournment

believe that this tactic needs to be exposed at the beginning. I have been very fortunate tonight in having the opportunity to do so.

Mr IAN ROBINSON (Cowper) (10.44)—I rise because of my great concern at the shameful attitude of the Government in the present crisis facing nursing homes in Australia. I am particularly concerned with the fate of nursing homes in New South Wales. The failure of the Labor Government to increase benefit payments is forcing convalescent homes to close. A major crisis confronts patients, staff and the management of these homes. This afternoon we witnessed the total inadequacy of the Government to face up to this issue. We, of course, were treated to a political run-out by the Minister for Social Security (Mr Hayden) on this vital matter. He tried to blame the Opposition for the present state of affairs. Yet we find that despite a public statement last week and some further murmurings in the House today, there is no clear statement as to the real intentions of the Government in this vital matter.

I am concerned because in New South Wales—and I refer in particular to homes in my electorate—the wages of the staffs have risen this week by 35 per cent. Yet the announcement made last week by the Minister obviously did not take this properly into account. Today these institutions are forced either to tell patients to leave and to find somewhere else to live, perhaps in a public hospital, or, as is happening at the Coffs Harbour Convalescent Home and the Port Macquarie Convalescent Home in the electorate of my colleague the member for Lyne (Mr Lucock), and no doubt at many others, the staff has gone to the management and made an offer. That offer is not to take the wage rise until this Government takes some effective action. Of course there would be a limit as to how long that concession could continue. This is being done by proper arrangements in which the staff, by written consent, have made these concessions to the owners and the management of these institutions. This is the kind of thing that is happening today and is being completely ignored by this Government which is hell bent on forcing a socialist health scheme on this country. Yet when it should take a simple action it fails to do so. I think that this is clear evidence of just where we would find the needy sections of the community if in fact the overall health plan were to come into effect.

I have been appalled at what I have found to be the real circumstances in this matter. For a very long time patients in New South Wales—those in the pensioner bracket anyhow—have been unable to find in full the balance between the fees set by the Department of Health and the amount contributed firstly by the Commonwealth benefit and secondly by the pension they receive. So the institutions have had to carry debts amounting to very large sums of money. I can instance one patient who at this stage has a bill amounting to about $400. He is a pensioner and there is no hope of him paying it. That case along with many others has created the circumstances where something like $7m is the total amount by which these privately operated institutions are in the red because this Government has failed to take action and is still failing to take the kind of action that will solve the problem.

I have been approached not only by the patients, staff and proprietors of the privately operated nursing homes but also by community leaders who are absolutely staggered at what they find occurring in their local communities because of this incredible situation—one which, I suppose, could properly be described as the cruelest action ever to be taken. And it is being taken by a government which professes to look after the little man and the needy but which in fact has turned its back on them and is leaving them without any hope or arrangements, and it has certainly broken its promise. During the election campaign it promised that it would provide a special allowance, a contribution or what have you to the homes which would leave a pensioner patient at least $4 to $5 a week for himself. Is that happening? Of course it is not. I received a letter from the Minister for Social Security (Mr Hayden) dated 7 June. This was signed just before his announcement of the proposed increase. I want to quote one incredible paragraph in that letter. The Minister refers to inquiries I have made on behalf of a Mr Heinz of Coffs Harbour. He says:  

... Mr Heinz is presently receiving the maximum standard rate pension of $52 per week. In addition, he is receiving supplementary assistance of $2.50...

Since when have we had a pension rate of $52 a week? Perhaps I could concede that a typographical error has been made. But it seems to me that this is the kind of confusion that the Minister has been throwing around.
He was prepared to come into this House this afternoon and attack the Opposition. I therefore say that I cannot regard this as an error. This is simply a deliberate tactic to try to distort the real facts of the situation.

Mr Morrison—Is he a TPI pensioner?

Mr IAN ROBINSON—No, he is just an ordinary pensioner. He does not receive that amount. He receives that rate a fortnight. So the real circumstances of this case are that it is one in which there is extreme hardship. The proposed increase of $11.20 which homes will be permitted to charge as a consequence of the announcement made last week will only make the position worse because, in fact, there will be a considerable shortfall between the amount of benefit and pension and the fee which the homes must charge. I calculate this to be something of the order of $8.40. On top of that, if there are additional costs—in this case there are—then, of course, the amount of the shortfall becomes even greater.

We find that not only in New South Wales but throughout Australia very worthy citizens who have been under care in these homes are now without any firm undertaking as to their position. They are worried. They are concerned, and rightly so. Their relatives, in those instances where they are unable to assist them to any great extent, are equally worried. Yet we find a Minister who fails completely to face up to the real issues and to answer the challenges which have been thrown out in the last week or so. This afternoon he answered a Dorothy Dix question which was a completely political attempt to get out from under and again to hoodwink the public on this issue. Then, of course, when a further move was made by the Opposition to debate this issue as a matter of urgency, it was denied. So we have the spectacle of a situation where the Government has been prepared to sacrifice one of the most needy sections of the community for purely political ends. It is not prepared to give an answer. It is not taking action and the promises made by the Government last week will not solve the problem.

I challenge the Minister to come into this House this week and give proper figures and proper facts to show clearly what he is doing in this matter, to show where the promised margin of $4 or $5 will be left for pensioners out of their pension and to indicate to the institutions what he will do about their financial problems. Unless this is done, there will be a crisis of proportions that could not really be imagined and the hardship that will follow from it will be extreme indeed.

Dr Patterson (Dawson—Minister for Northern Development and Minister for the Northern Territory) (10.54)—I want to comment briefly on the remarks made by the honourable member for Gwydir (Mr Hunt) and the honourable member for Eden-Monaro (Mr Whan). It is a fact, of course, that yesterday and today there has been significant buying of wool by the Australian Wool Corporation. The buying has been far greater than anyone would have expected. Yesterday the figure was just under 60 per cent and today it will possibly be just over 60 per cent of the wool offered. As I said this morning in answering a question, the basic facts are these: Approximately 130,000 bales of wool were not disposed of in the season which has just been completed. This was due to a number of factors. One of them, of course, was the consistent industrial unrest on the major wharves in Sydney. This has affected the disposal of wool. Obviously this has caused buyer resistance and has created problems in auction sales. The wool sales this week happened to coincide with a lull in the number of buyers operating on the floor. It also coincided with holidays on the Continent. This factor has, I am told, a marked effect on the number of buyers operating under the auction system in Australia. These variables, together with continuing industrial unrest on the wharves, I think, have caused this problem with regard to wool sales.

The basic question asked by the honourable member for Gwydir concerned a rumour in the wool industry that the Government might not back the Corporation in terms of its buying policy and commercial judgment. I can assure the honourable member for Gwydir that certainly, as a member of the Cabinet, I have heard of no direction—or certainly of no decision—taken by anyone to this effect. I can assure him that the Government is standing behind the Wool Corporation. The decision of the Wool Corporation as to where it is to put the peg in is a matter for its own judgment. We can only depend on the best brains in the Corporation who are skilled in wool marketing and buying to make the right decision. But, as regards this week, the Government will be backing the Wool Corporation. No decision has been made—and there is no hint—that these sales will be cancelled for the rest of the week.
These sales will go on and the Government certainly will back the commercial judgment of the Wool Corporation as to where it puts its peg in and the proportion of wool that it buys in order to stabilise the wool industry in Australia in the interests of the industry.

Mr KING (Wimmera) (10.46)—I rise to speak this evening with mixed feelings after hearing the comments of the Minister for Northern Development and Minister for the Northern Territory (Dr Patterson) in answer to a couple of speakers from either side of the House in relation to the future of the wool industry. I appreciate his concern and I think woolgrowers, generally speaking, would have appreciated the value of his statement when he said that the Government would be backing the Australian Wool Corporation for this week. I am not interested in this week alone. I am interested in the long term. It may be just a matter of a few words, but the Minister said that he had heard no decision to the contrary. To me that is not quite good enough.

I am not blaming the Minister because I realise he is only deputising for the Minister for Agriculture (Senator Wriedt) who is in another place. I would like the Minister who represents the Minister for Agriculture in the next 24 hours to get an assurance from the Minister for Agriculture—if he cannot obtain an assurance from him he should get it from the Prime Minister—so that we can assure the industry that the Corporation will continue to buy. As I have said, I am saying this in no way in criticism of the Minister for Northern Development and Minister for the Northern Territory, but rather I am concerned at the interpretation outside this House. I think it is just about time that the Government had a close look at the overall situation.

After all, it is not only the wool industry that is in trouble. There are other industries as well. I immediately think of the meat industry. It is in trouble. I think the honourable member for Darling Downs (Mr McVeigh) and the honourable member for Maranoa (Mr Corbett) spoke on the comparison of prices last week. They were showing concern. The price of stock on the hoof had dropped dramatically. I have heard ministers in this place say that since their Party has been in Government it has done all sorts of things. They say that it has increased our trade with other countries. I have heard the Prime Minister say that things have never been so good for the farmer. I have heard the Prime Minister say that the public should not be concerned.

He has said that the economy of this nation is sound. There is not a worry in the world.

Mr McVeigh—It has never been in a bigger mess.

Mr KING—That is right. Two of our major exports, meat and wool, are both going through very delicate periods. I hope that the Minister who is representing the Minister for Agriculture will be able to take up this matter with him so that we can get some sort of assurance that the Government will change its attitude to people who are in difficulties. I refer to primary industry as a whole. After all, this Government is not very keen on devaluation, but this is another angle which the Government must consider.

Mr SPEAKER—Order! It being 11 p.m., the House stands adjourned until tomorrow at 2.15 p.m.

House adjourned at 11 p.m.