THIRTIETH PARLIAMENT
FIRST SESSION—SECOND PERIOD

Governor-General

His Excellency the Honourable Sir John Robert Kerr, Knight of the Order of Australia, Knight Grand Cross 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 the Commonwealth of Australia and Commander-in-Chief of the Defence Force from 11 July 1974.

Second Fraser Ministry
(From 8 July 1976)

*Prime Minister
  The Right Honourable John Malcolm Fraser

*Deputy Prime Minister, Minister for National Resources and Minister for Overseas Trade
  The Right Honourable John Douglas Anthony

*Treasurer
  The Honourable Phillip Reginald Lynch

*Minister for Primary Industry and Leader of the House
  The Honourable Ian McCahon Sinclair

*Minister for Administrative Services, Vice-President of the Executive Council and Leader of the Government in the Senate
  Senator the Honourable Reginald Greive Withers

*Minister for Industry and Commerce
  Senator the Honourable Robert Carrington Cotton

*Minister for Employment and Industrial Relations and Minister Assisting the Prime Minister in Public Service Matters
  The Honourable Anthony Austin Street

*Minister for Transport
  The Honourable Peter James Nixon

*Minister for Education and Minister Assisting the Prime Minister in Federal Affairs
  Senator the Honourable John Leslie Carrick

*Minister for Foreign Affairs
  The Honourable Andrew Sharp Peacock

*Minister for Defence
  The Honourable Denis James Killen

*Minister for Social Security
  Senator the Honourable Margaret Georgina Constance Guilfoyle

Attorney-General
  The Honourable Robert James Ellicott, Q.C.

Minister for Business and Consumer Affairs
  The Honourable John Winston Howard

Minister for Health
  The Honourable Ralph James Dunnet Hun

Minister for Immigration and Ethnic Affairs
  The Honourable Michael John Randal MacKellar

Minister for Aboriginal Affairs
  The Honourable Robert Ian Viner

Minister for the Northern Territory and Minister Assisting the Minister for National Resources
  The Honourable Albert Evan Adernann

Minister for Post and Telecommunications and Minister Assisting the Treasurer
  The Honourable Eric Laidlaw Robinson

Minister for Construction and Minister Assisting the Minister for Defence
  The Honourable John Elden McLeay

Minister for Environment, Housing and Community Development
  The Honourable Kevin Eugene Newman

Minister for Science
  Senator the Honourable James Joseph Webster

Minister for the Capital Territory
  The Honourable Anthony Allan Staley

†Minister for Veterans' Affairs
  Senator the Honourable Peter Drew Durack

* Minister in the Cabinet
† Title changed from Minister for Repatriation on 5 October 1976
Second Fraser Ministry
(From 8 November 1976)

*Prime Minister
*Deputy Prime Minister, Minister for National Resources and Minister for Overseas Trade
*Treasurer
*Minister for Primary Industry and Leader of the House
*Minister for Administrative Services, Vice-President of the Executive Council and Leader of the Govt in the Senate
*Minister for Industry and Commerce
*Minister for Employment and Industrial Relations and Minister Assisting the Prime Minister in Public Service Matters
*Minister for Transport
*Minister for Education and Minister Assisting the Prime Minister in Federal Affairs
*Minister for Foreign Affairs
*Minister for Defence
*Minister for Social Security

Attorney-General
Minister for Business and Consumer Affairs
Minister for Health
Minister for Immigration and Ethnic Affairs
Minister for Aboriginal Affairs
Minister for the Northern Territory and Minister Assisting the Minister for National Resources
Minister for Post and Telecommunications and Minister Assisting the Treasurer
Minister for Construction and Minister Assisting the Minister for Defence
Minister for Environment, Housing and Community Development
Minister for Science
Minister for the Capital Territory and Minister Assisting the Prime Minister in the Arts
Minister for Veterans' Affairs
Minister for Productivity, Minister Assisting the Prime Minister in Women's Affairs and Minister Assisting the Minister for Employment and Industrial Relations

*Minister in the Cabinet

The Right Honourable John Malcolm Fraser
The Right Honourable John Douglas Anthony

The Honourable Phillip Reginald Lynch
The Honourable Ian McCahon Sinclair

Senator the Honourable Reginald Greive Withers

Senator the Honourable Robert Carrington Cotton
The Honourable Anthony Austin Street

The Honourable Peter James Nixon
Senator the Honourable John Leslie Carrick

The Honourable Andrew Sharp Peacock
The Honourable Denis James Killen

Senator the Honourable Margaret Georgina Constance Guilfoyle
The Honourable Robert James Ellicott, Q.C.
The Honourable John Winston Howard
The Honourable Ralph James Dunnet Hunt
The Honourable Michael John Randal MacKellar
The Honourable Robert Ian Viner
The Honourable Albert Evan Adermann

The Honourable Eric Laidlaw Robinson
The Honourable John Elden McLeay

The Honourable Kevin Eugene Newman

Senator the Honourable James Joseph Webster
The Honourable Anthony Allan Staley

Senator the Honourable Peter Drew Durack
The Honourable Ian Malcolm Macphee
MEMBERS OF THE SENATE

THIRTIETH PARLIAMENT—FIRST SESSION: SECOND PERIOD

President—Senator the Honourable Condor Louis Laucke,

Leader of the Government in the Senate—Senator the Honourable Reginald Greive Withers

Chairman of Committees—Senator the Honourable Thomas Charles Drake-Brockman, D.F.C.

Temporary Chairmen of Committees—Senators Neville Thomas Bonner, Ruth Nancy Coleman, Gordon Sinclair Davidson, Donald Michael Devitt, Ronald Edward McAuliffe, Charles Ronald Maunsell, Jean Isabel Melzer, James Anthony Mulvihill, Ian Alexander Christie Wood and Harold William Young

Leader of the Opposition—Senator the Honourable Kenneth Shaw Wriedt

Deputy Leader of the Opposition—Senator James Bernard Keefe

Leader of the National Country Party of Australia in the Senate—Senator the Honourable James Joseph Webster

†Archer, Brian Roper (Tas.)
†Baume, Peter Erne (N.S.W.)
†Bishop, Hon. Reginald (S.A.)
†Bonner, Neville Thomas (Qld)
†Brown, William Walter Charles (Vic.)
†Button, John Norman (Vic.)
†Cameron, Donald Newton (S.A.)
†Carrick, Hon. John Leslie (N.S.W.)
†Cavanagh, Hon. James Luke (S.A.)
†Chaney, Frederick Michael (W.A.)
†Coleman, Ruth Nancy (W.A.)
†Coliand, Stanley James (Qld)
†Colston, Malcolm Arthur (Qld)
†Cormack, Hon. Sir Magnus Cameron, K.B.E. (Vic.)
†Cotton, Hon. Robert Carrington (N.S.W.)
†Davidson, Gordon Sinclair (S.A.)
†Devitt, Donald Michael (Tas.)
†Drake-Brockman, Hon. Thomas Charles, D.F.C. (W.A.)
†Durack, Peter Drew (W.A.)
†Georges, George (Qld)
†Gietzelt, Arthur Thomas (N.S.W.)
†Greenwood, Hon. Ivor John, Q.C. (Vic.)
†Grimes, Donald James (Tas.)
†Guilfoyle, Hon. Margaret Georgina Constance (Vic.)
†Hall, Raymond Steele (S.A.)
†Harradine, Brian (Tas.)
†Jessop, Donald Scott (S.A.)
†Keeffe, James Bernard (Qld)
†Kilgariff, Bernard Francis (N.T.)
†Knight, John William (A.C.T.)
†Lajovic, Milivoj Emil (N.S.W.)
†Laucke, Hon. Condor Louis (S.A.)

(2) Lewis, Austin William Russell (Vic)
†McAuliffe, Ronald Edward (Qld)
†McClelland, Hon. Douglas (N.S.W.)
†McClelland, Hon. James Robert (N.S.W.)
†McIntosh, Gordon Douglas (W.A.)
†McLaren, Geoffrey Thomas (S.A.)
†Martin, Kathryne Jean (Qld)
†Maunsell, Charles Ronald (Qld)
†Melzer, Jean Isabel (Vic.)
†Messner, Anthony John (S.A.)
†Missen, Alan Joseph (Vic.)
†Mulvihill, James Anthony (N.S.W.)
†O’Byrne, Justin (Tas.)
†Primmer, Cyril Graham (Vic.)
†Rae, Peter Elliot (Tas.)
†Robertson, Edward Albert (N.T.)
†Ryan, Susan Maree (A.C.T.)
†Scott, Douglas Barr (N.S.W.)
†Sheil, Glenister (Qld)
†Sibras, Kerry Walter (N.S.W.)
†Sim, John Peter (W.A.)
†Tehan, Thomas Joseph (Vic.)
†Thomas, Andrew Murray (W.A.)
†Townley, Michael (Tas.)
†Walsh, Peter Alexandra (W.A.)
†Walters, Mary Shirley (Tas.)
†Webster, Hon. James Joseph (Vic.)
†Withers, Hon. Reginald Greive (W.A.)
†Wood, Ian Alexander Christie (Qld)
†Wriedt, Hon. Kenneth Shaw (Tas.)
†Wright, Hon. Reginald Charles (Tas.)
†Young, Harold William (S.A.)

(1) Death reported 13 October 1976
(2) Filling casual vacancy

Dates of retirement of Senators—† 30 June 1978  † 30 June 1981

iii
THE COMMITTEES OF THE SESSION

(FIRST SESSION: SECOND PERIOD)

STANDING COMMITTEES


HOUSE—The President, Senator Coleman, Senator McLaren, Senator Melzer, Senator Messner, Senator Shell and Senator Young.

LIBRARY—The President, Senator Donald Cameron, Senator Colston, Senator Davidson, Senator Harradine, Senator Mulvihill and Senator Walters.

PRIVILEGES—Senator Button, Senator Drake-Brockman, Senator Jessop, Senator O’Byrne, Senator Thomas, Senator Wheelidon and Senator Wright.

PUBLICATIONS—Senator Missen (Chairman), Senator Archer, Senator Bonner, Senator Donald Cameron, Senator Robertson, Senator Ryan and Senator Tehan.

REGULATIONS AND ORDINANCES—Senator Wood (Chairman), Senator Brown (to 18 August), Senator Cavanagh (from 18 August), Senator Collard, Senator Devitt (to 18 August), Senator Durack (to 18 August), Senator Georges (from 18 August), Senator Missen (from 18 August), Senator Ryan and Senator Wright.

STANDING ORDERS—The President, the Chairman of Committees, Senator Brown, Senator Chaney, Senator Sir Magnus Cormack, Senator Cotton (from 16 November), Senator Greenwood (to 13 October), Senator McAuliffe, Senator Douglas McClelland, Senator O’Byrne, Senator Webster, Senator Withers and Senator Wriedt (from 16 November).

LEGISLATIVE AND GENERAL PURPOSE STANDING COMMITTEES

CONSTITUTIONAL AND LEGAL AFFAIRS—Senator Missen (Chairman), Senator Button, Senator Chaney, Senator Devitt, Senator James McClelland and Senator Rae.

EDUCATION AND THE ARTS—Senator Davidson (Chairman), Senator Button, Senator Collard, Senator Martin, Senator Robertson and Senator Ryan.

FOREIGN AFFAIRS AND DEFENCE—Senator Sim (Chairman), Senator Knight, Senator McIntosh, Senator Primmer, Senator Scott and Senator Sibraa.

NATIONAL RESOURCES—Senator Durack (Chairman) (to 26 August), Senator Maunsell, Senator McAuliffe, Senator McLaren, Senator Robertson, Senator Thomas (Chairman, from 5 October) and Senator Townley (from 26 August).

SCIENCE AND THE ENVIRONMENT—Senator Jessop (Chairman), Senator Bonner, Senator Colston, Senator Melzer, Senator Mulvihill and Senator Townley.

SOCIAL WELFARE—Senator Baume (Chairman), Senator Brown, Senator Grimes, Senator Melzer, Senator Tehan and Senator Walters.

TRADE AND COMMERCE—Senator Shell (Chairman), Senator Archer, Senator Donald Cameron, Senator Coleman, Senator Lajovic and Senator Walsh.

SELECT COMMITTEES

ABORIGINES AND TORRES STRAIT ISLANDERS—Senator Bonner (Chairman), Senator Baume, Senator Keeffe, Senator Melzer, Senator Mulvihill and Senator Rae.

MOUNT LYELL MINING OPERATIONS—Senator Wright (Chairman), Senator Devitt, Senator Grimes, Senator Harradine, Senator Messner and Senator Townley.

ESTIMATES COMMITTEES

ESTIMATES COMMITTEE A (Administrative Services; Parliament; Prime Minister and Cabinet; National Resources; Foreign Affairs; Defence)—Senator Sim (Chairman), Senator Knight, Senator Douglas McClelland, Senator McLaren, Senator Scott and Senator Sibraa.

ESTIMATES COMMITTEE B (Industry and Commerce; Overseas Trade; Treasury; Primary Industry)—Senator Maunsell (Chairman), Senator Archer, Senator Gietzelt, Senator Messner, Senator Primmer and Senator Walsh.

ESTIMATES COMMITTEE C (Education; Transport; Postal and Telecommunications; Environment, Housing and Community Development)—Senator Ma’-tin (Chairman), Senator Collard, Senator Colston, Senator Mulvihill, Senator Townley and Senator Wriedt.
ESTIMATES COMMITTEES—continued

ESTIMATES COMMITTEES D (Social Security; Health; Immigration and Ethnic Affairs; Aboriginal Affairs)—Senator Baume (Chairman), Senator Bonner, Senator Brown, Senator Grimes, Senator Melzer and Senator Shiell.

ESTIMATES COMMITTEE E (Science; Northern Territory; Construction; Capital Territory)—Senator Wright (Chairman), Senator Devitt, Senator Kilgariff, Senator Robertson, Senator Ryan and Senator Thomas.

ESTIMATES COMMITTEE F (Veterans' Affairs; Employment and Industrial Relations; Attorney-General's; Business and Consumer Affairs)—Senator Rae (Chairman), Senator Bishop, Senator Jessop, Senator James McCalland, Senator Tehan and Senator Wheelond.

JOINT STATUTORY COMMITTEES

BROADCASTING OF PARLIAMENTARY PROCEEDINGS—The President, Mr Speaker, Senator Sir Magnus Cormack, Senator Douglas McClelland and Mr Donald Cameron, Mr Corbett, Mr Graham, Mr Scholes, Mr Antony Whitlam.

PUBLIC ACCOUNTS—Mr Connolly (Chairman), Senator Baume, Senator Colston, Senator Messner and Mr Armitage, Mr Crean, Mr Dobie, Mr Lusher, Mr Martin, Mr Short.

PUBLIC WORKS—Mr Kelly (Chairman), Senator Kilgariff, Senator Melzer, Senator Young and Mr Bungey, Mr James, Mr Keith Johnson, Mr Les McMahon, Mr Miller.

JOINT COMMITTEES

ABORIGINAL LAND RIGHTS IN THE NORTHERN TERRITORY—Senator Bonner (Chairman), Senator Cavanagh, Senator Chaney, Senator Coleman, Senator Kilgariff, Senator Robertson and Mr Bryant, Mr Calder, Mr Drummond, Mr Les Johnson, Mr McLean, Mr Ruddock, Mr Wallis, Mr Wentworth.

AUSTRALIAN CAPITAL TERRITORY—Senator Knight (Chairman), Senator Archer, Senator Georges, Senator Ryan and Mr Baume (from 13 October), Mr Bungey (to 13 October), Mr Crean, Mr Fry, Mr Haslem, Mr MacKenzie, Mr Sainsbury.

FOREIGN AFFAIRS AND DEFENCE—Senator Sir Magnus Cormack (Chairman), Senator Bishop, Senator Durack (to 26 August), Senator Scott, Senator Sibraa, Senator Sim, Senator Wheelond, Senator Young (from 26 August), and Mr Armitage, Mr Beasley, Mr Brown, Mr Bryant, Mr Fry, Mr Garland, Mr Hamer, Mr Jacobi, Dr Klugman, Mr Neil, Mr Ian Robinson, Mr Shipton, Mr Short, Mr Sullivan.

NEW AND PERMANENT PARLIAMENT HOUSE—The President and Mr Speaker (Joint Chairmen), the Minister for the Capital Territory, Senator Drake-Brockman, Senator McIntosh, Senator Melzer, Senator Missen, Senator O'Byrne, Senator Young and Mr Kevin Cairns, Mr Garland, Mr Keith Johnson, Mr Keating, Mr Lloyd, Mr Scholes.

PARLIAMENTARY COMMITTEE SYSTEM—Senator Sir Magnus Cormack (Chairman), Senator Gietzelt, Senator McAlliffe, Senator Mulvihill, Senator Rae, Senator Tehan and Mr Cadman, Dr Jenkins, Mr Peter Johnson, Mr Morris, Mr Ian Robinson, Mr Yates, Mr Young.
AUSTRALIAN CONSTITUTIONAL CONVENTION

DELEGATION FROM THE AUSTRALIAN PARLIAMENT

Members appointed by the Senate:

*Liberal Party of Australia*—Senator Withers, Senator Durack (from 16 September) and Senator Greenwood (to 16 September).

*National Country Party of Australia*—Senator Webster.


Members appointed by the House of Representatives:

*Liberal Party of Australia*—Mr Malcom Fraser (Leader of the Delegation), Mr Ellicott and Mr Wilson.

*National Country Party of Australia*—Mr Anthony and Mr Sinclair.

*Australian Labour Party*—Mr E. G. Whitlam (Deputy Leader of the Delegation), Mr Lionel Bowen, Mr Jacobi, Mr Scholes and Mr Antony Whitlam.
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. Nicholas
Usher of the Black Rod—H. G. Smith

HOUSE OF REPRESENTATIVES
Clerk of the House—N. J. Parkes, O.B.E.
Deputy Clerk of the House—J. A. Pettifer
First Clerk-Assistant—D. M. Blake, V.R.D.
Clerk-Assistant—A. R. Browning
Senior Parliamentary Officers:
Table Office—L. M. Barlin
Bills and Papers Office—I. C. Cochran
Serjeant-at-Arms Office—D. M. Piper
Committee Office—J. K. Porter

PARLIAMENTARY REPORTING STAFF
Principal Parliamentary Reporter—K. R. Ingram
Assistant Principal Parliamentary Reporter—G. R. Fraser
Leader of Staff (House of Representatives)—J. F. Kerr
Leader of Staff (Senate)—A. J. G. Simpson

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

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

(FIRST SESSION: SECOND PERIOD)

Aboriginal Councils and Associations Act 1976 (Act No. 186 of 1976)—
An Act to provide for the Constitution of Aboriginal Councils and the Incorporation of Associations of Aboriginals and for matters connected therewith.

Aboriginal Land Rights (Northern Territory) Act 1976 (Act No. 191 of 1976)—
An Act providing for the granting of Traditional Aboriginal Land in the Northern Territory for the benefit of Aboriginals, and for other purposes.

Acts Interpretation Amendment Act 1976 (Act No. 144 of 1976)—
An Act to amend the Acts Interpretation Act 1901, and for other purposes.

An Act to amend certain Acts in consequence of certain Administrative Changes, and to provide for related matters.

An Act to establish an Advisory Council for Inter-governmental Relations.


Air Force Amendment Act 1976 (Act No. 138 of 1976)—
An Act relating to the establishment of an Air Training Corps.

Aged Persons Hostels Amendment Act 1976 (Act No. 92 of 1976)—

An Act to amend the Air Navigation (Charges) Act 1952.

Airline Equipment (Loan Guarantee) Act 1976 (Act No. 140 of 1976)—
An Act relating to the Provision of certain Equipment for a Domestic Airline.

Airports (Surface Traffic) Amendment Act 1976 (Act No. 125 of 1976)—
An Act to amend the Airports (Surface Traffic) Act 1960.

Apple and Pear Export Charge Collection Act 1976 (Act No. 198 of 1976)—
An Act relating to the Collection of the Charge imposed by the Apple and Pear Export Charge Act 1976.

Appropriation Act (No. 1) 1976–77 (Act No. 115 of 1976)—
An Act to appropriate certain sums out of the Consolidated Revenue Fund for the service of the year ending on 30 June 1977.

Appropriation Act (No. 2) 1976–77 (Act No. 116 of 1976)—
An Act to appropriate a sum out of the Consolidated Revenue Fund for certain expenditure in respect of the year ending on 30 June 1977.

Apple and Pear Export Charge Act 1976 (Act No. 197 of 1976)—
An Act to impose a Charge on the Export of Apples and Pears.

Apple and Pear Levy Act 1976 (Act No. 195 of 1976)—
An Act to impose a Levy on the Production of certain Apples and Pears.

Apple and Pear Levy Collection Act 1976 (Act No. 196 of 1976)—

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

Asian Development Bank (Special Funds Contributions) Amendment Act 1976 (Act No. 147 of 1976)—
An Act to amend the Asian Development Bank (Special Funds Contributions) Act 1970.

An Act to Authorize a further contribution by Australia to the Asian Development Bank for the purposes of the Asian Development Fund.

Australian Capital Territory Supreme Court Amendment Act 1976 (Act No. 158 of 1976)—
An Act to amend the Australian Capital Territory Supreme Court Act 1933.

Australia Council Amendment Act 1976 (Act No. 113 of 1976)—
An Act to amend the Australia Council Act 1975.

Australian Apple and Pear Corporation Amendment Act 1976 (Act No. 199 of 1976)—

Australian Film Commission Amendment Act 1976 (Act No. 107 of 1976)—
An Act to amend the Australian Film Commission Act 1975.

Australian Film and Television School Amendment Act 1976 (Act No. 110 of 1976)—
An Act to amend the Film and Television School Act 1973.
THE ACTS OF THE SESSION—continued

Australian Heritage Commission Amendment Act 1976 (Act No. 135 of 1976)—
An Act to amend the Australian Heritage Commission Act 1975.

Bankruptcy Amendment Act 1976 (Act No. 161 of 1976)—
An Act to make Provision for the Transfer of Jurisdiction from the Federal Court of Bankruptcy to the Federal Court of Australia and for the Abolition of the first-mentioned Court.

Broadcasting and Television Amendment Act 1976 (Act No. 89 of 1976)—
An Act to amend the Broadcasting and Television Act 1942—1975 and for related purposes.

Broadcasting and Television Amendment Act (No. 2) 1976 (Act No. 187 of 1976)—
An Act to amend the Broadcasting and Television Act 1942.

Broadcasting Stations Licence Fees Amendment Act 1976 (Act No. 188 of 1976)—
An Act to amend Section 6 of the Broadcasting Stations Licence Fees Act 1964.

Christmas Island Agreement Act 1976 (Act No. 118 of 1976)—

Civil Aviation (Carriers’ Liability) Amendment Act 1976 (Act No. 126 of 1976)—

Conciliation and Arbitration Amendment Act (No. 2) 1976 (Act No. 117 of 1976)—
An Act to amend the Conciliation and Arbitration Act 1904.

Conciliation and Arbitration Amendment Act (No. 3) 1976 (Act No. 160 of 1976)—
An Act to make Provision for the Transfer of Jurisdiction under the Conciliation and Arbitration Act 1904 from the Australian Industrial Court to the Federal Court of Australia and for the Abolition of the first-mentioned Court.

Compensation (Commonwealth Government Employees) Amendment Act 1976 (Act No. 166 of 1976)—
An Act to increase certain Amounts of Compensation payable to and in respect of Commonwealth Government Employees and certain other Persons, and for other purposes.

Customs Amendment Act (No. 2) 1976 (Act No. 174 of 1976)—
An Act to amend the Customs Act 1901.

Customs Tariff Amendment Act (No. 2) 1976 (Act No. 203 of 1976)—
An Act relating to Duties of Customs.

Customs Tariff (Coal Export Duty) Amendment Act 1976 (Act No. 145 of 1976)—
An Act to amend the Customs Tariff (Coal Export Duty) Act 1975.

Customs Tariff Validation Act (No. 2) 1976 (Act No. 204 of 1976)—
An Act to provide for the Validation of certain Collections of Duties of Customs.

Dairying Industry Research and Promotion Levy Amendment Act 1976 (Act No. 200 of 1976)—

Defence Forces Retirement Benefits Fund (Distribution of Surplus to Pensioners) Act 1976 (Act No. 128 of 1976)—
An Act to provide for the Distribution amongst certain Defence Force Pensioners of certain of the moneys paid out of the Defence Forces Retirement Benefits Fund into the Consolidated Revenue Fund.

Defence Service Homes Amendment Act 1976 (Act No. 185 of 1976)—
An Act to make provision for a Defence Service Homes Corporation, and for related purposes.

Estate Duty Assessment Amendment Act 1976 (Act No. 169 of 1976)—
An Act to amend the Estate Duty Assessment Act 1914

Export Finance and Insurance Corporation Amendment Act 1976 (Act No. 102 of 1976)—

Export Finance and Insurance Corporation Amendment Act (No. 2) 1976 (Act No. 148 of 1976)—

Family Law Amendment Act (No. 2) 1976 (Act No. 95 of 1976)—

Federal Court of Australia Act 1976 (Act No. 156 of 1976)—
An Act to create a Federal Court of Australia and to make provision with respect to the Jurisdiction of that Court.

An Act to amend certain Acts so as to make Provision for the Transfer of Jurisdiction of the Australian Industrial Court to the Federal Court of Australia.

Foreign Proceedings (Prohibition of Certain Evidence) Act 1976 (Act No. 121 of 1976)—
An Act to make provision for Preventing the Production of Certain Documents, and the giving of Certain Evidence, for the purposes of Proceedings in Foreign Courts.

THE ACTS OF THE SESSION—continued

Foreign Takeovers Amendment Act 1976 (Act No. 93 of 1976)—
An Act to amend the Foreign Takeovers Act 1975.

An Act to amend the Handicapped Persons Assistance Act 1974 to increase the Handicapped Children’s Benefit, and with respect to certain formal matters.

Health Insurance Amendment Act (No. 2) 1976 (Act No. 101 or 1976)—
An Act to amend the Health Insurance Act 1973

Health Insurance Amendment Act (No. 3) 1976 (Act No. 109 of 1976)—
An Act to amend the Health Insurance Act 1973, and for related purposes.

Health Insurance Commission Amendment Act (No. 2) 1976 (Act No. 100 of 1976)—

Health Insurance Levy Act (No. 2) 1976 (Act No. 97 of 1976)—
An Act to Impose a Health Insurance Levy upon certain Incomes.

Health Insurance Levy Assessment Act (No. 2) 1976 (Act No. 98 of 1976)—
An Act to amend the Law relating to Income Tax in relation to the Imposition, Assessment and Collection of a Health Insurance Levy.

Historic Shipwrecks Act 1976 (Act No. 190 of 1976)—
An Act relating to the Protection of Certain Shipwrecks and Relics of Historic Significance.

Homes Savings Grant Act 1976 (Act No. 183 of 1976)—
An Act to Assist Persons to Purchase or Build their Own Homes.

Homes Savings Grant Amendment Act 1976 (Act No. 114 of 1976)—
An Act to amend the Homes Savings Grant Act 1964–1975.

Income Tax Assessment Amendment Act (No. 3) 1976 (Act No. 205 of 1976)—
An Act to amend the Law relating to Income Tax.

An Act to amend the Income Tax Assessment Act 1936.

Income Tax (Companies and Superannuation Funds) Act 1976 (Act No. 208 of 1976)—
An Act to impose a Tax upon Incomes of Companies and Superannuation Funds.

An Act relating to the Taxation of Royalties.

Judiciary Amendment Act 1976 (Act No. 164 of 1976)—

Loan Act (No. 3) 1976 (Act No. 90 of 1976)—
An Act toAuthorize the Borrowing and Expendig of Moneys for Defence Purposes.

Loan (Drought Bonds) Amendment Act 1976 (Act No. 207 of 1976)—
An Act to amend the Loan (Drought Bonds) Act 1969.

Loan (Income Equalization Deposits) Act 1976 (Act No. 206 of 1976)—
An Act to make provision for and in relation to the making of Income Equalization Deposits.

An Act to Entitle Local Governing Bodies in the States to Share in the Personal Income Tax Collections of the Commonwealth.

Long Service Leave (Commonwealth Employees) Act 1976 (Act No. 192 of 1976)—
An Act to make Provision for Long Service Leave in respect of Employees of the Commonwealth and certain other Persons, and for other purposes.

Marriage Amendment Act 1976 (Act No. 209 of 1976)—

Narcotic Drugs Amendment Act 1976 (Act No. 176 of 1976)—
An Act to amend the Narcotic Drugs Act 1967.

National Health Amendment Act (No. 2) 1976 (Act No. 99 of 1976)—
An Act to amend the National Health Act 1953, and for related purposes.

National Health Amendment Act (No. 3) 1976 (Act No. 108 of 1976)—
An Act to amend the National Health Act 1953, and for related purposes.

National Health Amendment Act (No. 4) 1976 (Act No. 177 of 1976)—
An Act to amend the National Health Act 1953.

Nauru (High Court Appeals) Act 1976 (Act No. 131 of 1976)—
An Act relating to Appeals to the High Court from the Supreme Court of Nauru.
THE ACTS OF THE SESSION—continued

New South Wales Grant (Namoi River Wiers) Act 1976 (Act No. 137 of 1976)—
An Act to grant Financial Assistance to New South Wales in connexion with the Construction of Weirs and certain Associated Works on the Namoi River near Wee Waa in that State.

Nitrogenous Fertilizers Subsidy Amendment Act (No. 2) 1976 (Act No. 152 of 1976)—
An Act to amend the Nitrogenous Fertilizers Subsidy Act 1966.

Northern Territory Supreme Court Amendment Act 1976 (Act No. 159 of 1976)—
An Act to amend the Northern Territory Supreme Court Act 1961.

Ombudsman Act 1976 (Act No. 181 of 1976)—
An Act to provide for the Appointment of a Commonwealth Ombudsman, and to Define his Functions and Powers.

An Act relating to the Agreement establishing a Financial Support Fund of the Organisation for Economic Co-operation and Development.

Patents Amendment Act 1976 (Act No. 162 of 1976)—
An Act to amend the Patents Act 1952 and for related purposes.

Pay-roll Tax (Territories) Assessment Amendment Act 1976 (Act No. 172 of 1976)—

Prices Justification Amendment Act 1976 (Act No. 182 of 1976)—
An Act to amend the Prices Justification Act 1973 and for related purposes.

Psychotropic Substances Act 1976 (Act No. 87 of 1976)—
An Act to Approve Ratification of the Convention on Psychotropic Substances and to give effect to that Convention with respect to certain Psychotropic Substances and Psychotropic Preparations that enter Australia in the course of Consignment from one place outside Australia to another place outside Australia.

Public Service Amendment Act 1976 (Act No. 193 of 1976)—
An Act to amend the Public Service Act 1922.

Public Service Amendment Act (No. 2) 1976 (Act No. 194 of 1976)—
An Act to amend the Public Service Act 1922, and for related purposes.

Qantas Airways Limited (Loan Guarantee) Act 1976 (Act No. 139 of 1976)—
An Act relating to the Provision of certain Equipment for Qantas Airways Limited.

Queensland Grant (Proserpine Flood Mitigation) Act 1976 (Act No. 136 of 1976)—
An Act to grant Financial Assistance to Queensland for the purpose of Flood Mitigation Works in relation to the Proserpine River.

Queensland Grant (Special Assistance) Act 1976 (Act No. 153 of 1976)—
An Act to grant Financial Assistance to Queensland.

Remuneration and Allowances Amendment Act (No. 2) 1976 (Act No. 170 of 1976)—
An Act relating to the Remuneration and Allowances payable to Justices of the High Court, Judges of the Courts created by the Parliament and the holders of certain other Offices, and for purposes connected therewith.

Repatriation Acts Amendment Act (No. 2) 1976 (Act No. 112 of 1976)—
An Act relating to Repatriation and related Matters.

Roads Acts Amendment Act (No. 2) 1976 (Act No. 173 of 1976)—

Sales Tax (Exemptions and Classifications) Amendment Act 1976 (Act No. 175 of 1976)—
An Act to amend the Sales Tax (Exemptions and Classifications) Act 1935.

Seamen's Compensation Amendment Act 1976 (Act No. 168 of 1976)—
An Act to increase certain Amounts of Compensation payable to and in respect of Seamen, and for other purposes.

Social Services Amendment Act (No. 3) 1976 (Act No. 111 of 1976)—
An Act relating to Social Services.


Softwood Forestry Agreements Act 1976 (Act No. 155 of 1976)—
An Act relating to Agreements between the Commonwealth and the States in connexion with Softwood Forestry.

States Grants (Aboriginal Assistance) Act 1977 (Act No. 1 of 1977)—
An Act to provide for Financial Assistance to the States in relation to Aboriginals.
THE ACTS OF THE SESSION—continued

States Grants (Advanced Education) Amendment Act (No. 2) 1976 (Act No. 120 of 1976)—

States Grants (Advanced Education Assistance) Act 1976 (Act No. 130 of 1976)—
An Act to make Provision for the Grant of Financial Assistance to the States in connexion with Colleges of Advanced Education.

States Grants (Beef Industry) Amendment Act 1976 (Act No. 150 of 1976)—
An Act to amend the States Grants (Beef Industry) Act 1975.

States Grants (Capital Assistance) Act (No. 2) 1976 (Act No. 104 of 1976)—
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 Commonwealth.

States Grants (Fruit-growing Reconstruction) Act 1976 (Act No. 149 of 1976)—
An Act relating to an Agreement between the Commonwealth and the States with respect to the Provision of Assistance to Persons engaged in Fruit-growing.

States Grants (Housing Assistance) Act (No. 2) 1976 (Act No. 141 of 1976)—
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 Commonwealth.


States Grants (Rural Adjustment) Act 1976 (Act No. 201 of 1976)—
An Act relating to an Agreement between the Commonwealth and one or more of the States in respect of a Scheme to provide Assistance to Persons engaged in Rural Industries.

States Grants (Schools) Amendment Act 1976 (Act No. 134 of 1976)—

States Grants (Schools Assistance) Act 1976 (Act No. 133 of 1976)—
An Act to provide Financial Assistance to the States for and in relation to Schools, and for related purposes.

States Grants (Technical and Further Education) Amendment Act (No. 2) 1976 (Act No. 132 of 1976)—

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

States Grants (Universities) Amendment Act (No. 2) 1976 (Act No. 119 of 1976)—

States Grants (Universities Assistance) Act 1976 (Act No. 129 of 1976)—
An Act to make Provision for the Grant of Financial Assistance to the States in connexion with Universities.

An Act to grant Financial Assistance to the States in connexion with the Assessment of their Water Resources.

An Act to Entitle the States to Share in the Personal Income Tax Collections of the Commonwealth.

Stevedoring Industry Amendment Act 1976 (Act No. 178 of 1976)—
An Act to amend the Stevedoring Industry Act 1956.

Stevedoring Industry Charge Amendment Act (No. 2) 1976 (Act No. 180 of 1976)—
An Act to extend the operation of the Stevedoring Industry Charge Amendment Act 1975.

Stevedoring Industry (Temporary Provisions) Amendment Act (No. 2) 1976 (Act No. 179 of 1976)—

Telecommunications Amendment Act 1976 (Act No. 94 of 1976)—
An Act to amend the Telecommunications Act 1975.

Television Stations Licence Fees Amendment Act 1976 (Act No. 103 of 1976)—
An Act to amend the Television Stations Licence Fees Act 1964.

Television Stations Licence Fees Amendment Act (No. 2) 1976 (Act No. 189 of 1976)—
An Act to amend Section 6 of the Television Stations Licence Fees Act 1964.

Trade Marks Amendment Act 1976 (Act No. 163 of 1976)—
An Act to amend the Trade Marks Act 1955 and for related purposes.

Trade Practices Amendment Act 1976 (Act No. 88 of 1976)—
An Act relating to Trade Practices.

United States Naval Communication Station (Civilian Employees) Amendment Act 1976 (Act No. 167 of 1976)—
An Act to amend the United States Naval Communication Station (Civilian Employees) Act 1971.
Aboriginal Councils and Associations Bill 1976—
  Initiated in the Senate. First reading.

Aboriginal Land (Northern Territory) Bill 1976—
  Initiated in the Senate. First reading.

Aborigines and Islanders (Admissibility of Confessions) Bill 1976—
  Initiated in the Senate. Second reading.

Audit Amendment Bill 1976—
  Initiated in the House of Representatives. Second reading.

Australian Capital Territory Electricity Supply Amendment Bill 1976—
  Initiated in the House of Representatives. Second reading.

Crimes (Aircraft) Amendment Bill 1976—
  Initiated in the House of Representatives. Second reading.

Crimes (Internationally Protected Persons) Bill 1976—
  Initiated in the House of Representatives. Second reading.

Extradition (Commonwealth Countries) Amendment Bill 1976—
  Initiated in the House of Representatives. Second reading.

Extradition (Foreign States) Amendment Bill 1976—
  Initiated in the House of Representatives. Second reading.

Insurance (Deposits) Amendment Bill 1976—
  Initiated in the House of Representatives. Second reading.

Royal Australian Air Force Veterans’ Residences Amendment Bill 1976—
  Initiated in the House of Representatives. Second reading.

States Grants (Aboriginal Assistance) Bill 1976—
  Initiated in the House of Representatives. Second reading.
CONTENTS
MONDAY, 6 DECEMBER 1976

CHAMBER
Question
QUESTIONS WITHOUT NOTICE .......................................................... 2569
Question
WHITE PAPER ON MANUFACTURING INDUSTRY ..................................... 2569
Question
TORRES STRAIT BORDER ....................................................................... 2569
Question
AUSTRALIAN FIRE BOARD .................................................................... 2569
Question
WELFARE SERVICES IN NORTH QUEENSLAND ........................................ 2570
Question
JAMES RICHARDSON PTY LTD ................................................................. 2570
Question
TARIFF CHANGES .................................................................................. 2570
Question
ANTARCTIC DIVISION ............................................................................ 2571
Question
DUMPING OF NUCLEAR WASTE ............................................................... 2572
Question
KAPUNDA COPPER MINE ....................................................................... 2572
Question
SCHOOL LEAVERS: UNEMPLOYMENT BENEFIT ....................................... 2572
Question
COMMONWEALTH OMBUDSMAN ............................................................. 2573
Question
NAVY TRACKER AIRCRAFT: LOSS BY FIRE ............................................ 2573
Question
MARITIME COLLEGE ............................................................................... 2573
Question
COMMONWEALTH PUBLIC SERVANTS ..................................................... 2574
Question
EFFECTS OF DEVALUATION ................................................................. 2574
Question
MIGRANT RESOURCE CENTRE ............................................................... 2574
Question
OPTACON DEVICE .................................................................................. 2575
Question
GROSS FARM INCOME ........................................................................... 2575
Question
CONTAMINATED FOOD AND WATER ..................................................... 2575
Question
FAMILY ALLOWANCES: DEPENDENT CHILDREN .................................... 2576
Question
TAXATION: STOCK VALUATION ............................................................... 2576
Question
SCHOOL LEAVERS: UNEMPLOYMENT BENEFIT ....................................... 2576
Question
ECONOMIC PROPOSALS BY THE NEW SOUTH WALES PREMIER ......... 2577
Question
CONSUMER PRICE INDEX ................................................................. 2577
Question
PRIME MINISTER: DEPARTMENTAL EXPENDITURE ................................ 2577
Question
DARWIN: POWER FAILURES ................................................................. 2578
Question
UNEMPLOYMENT BENEFIT: SCHOOL LEAVERS ..................................... 2579
Question
DARWIN HOSPITAL: STAFFING ............................................................... 2579
Question
RAIN MAKING ...................................................................................... 2579

Indicators Of Community Well-being
Second Reading
Pay-roll Tax (Territories) Assessment Amendment Bill 1976
Second Reading
Roads Acts Amendment Bill (No. 2) 1976
Second Reading
Customs Amendment Bill (No. 2) 1976
Second Reading
Stevedoring Industry Charge Amendment Bill (No. 2) 1976
First Reading
Second Reading
Stevedoring Industry (Temporary Provision) Amendment Bill (No. 2) 1976
Second Readings
Long Service Leave Legislation
Suspension of Standing Orders
Long Service Leave (Commonwealth Employees) Bill 1976
Second Readings
Aboriginal Land Rights (Northern Territory) Bill 1976
Second Reading
National Health Amendment Bill (No. 4) 1976
Second Reading
Homes Savings Grant Bill 1976
Second Reading
Senate Standing Committee On Constitutional And Legal Affairs
Prices Justification Amendment Bill 1976
Second Reading
National Health Amendment Bill (No. 4) 1976
Second Reading
Homes Savings Grant Bill 1976
Second Reading
Ranger Uranium Environmental Inquiry-first Report
Question
RANGER URANIUM ENVIRONMENTAL INQUIRY
Question
RANGER URANIUM ENVIRONMENTAL INQUIRY
Adjournment

QUESTIONS IN WRITING

Answers To Questions
Water Pollution: Finniss River (Question No. 855)
Chrysotile, Asbestos Shop (Question No. 1089)
Tin and Wolfram: Small Producers (Question No. 1084)
Small Mineral Producers: North Queensland (Question No. 1085)
Small Mineral Producers (Question No. 1086)
Albury-Wodonga Development Corporation (Question No. 1127)
Northern Territory Legislative Assembly: Travelling Allowances (Question No. 1129)
Child Care Centres (Question No. 1140)
Family Law Act: Custody Orders (Question No. 1147)
Australian Beef Exports (Question No. 1175)
Aurukun Associates: Bauxite Deposits (Question No. 1201)
Prime Minister &#39;s Staff: Overtime (Question No. 1227)
Fraser Island National Park (Question No. 1230)
Australian Development Assistance Agency (Question No. 1236)
Queensland Government Submissions for Assistance (Question No. 1270)
Australian Capital Territory: Child Care (Question No. 1300)
Darwin and Alice Springs Councils: Staff Lay-Off (Question No. 1350)
Timorese Refugees: Rentals Charged (Question No. 1351)
Northern Territory: Daylight Saving (Question No. 1364)
Housing Allowance Voucher Experiment (Question No. 1366)
Great Barrier Reef: Oil Spillages (Question No. 1382)
East Timor (Question No. 1419)
Electronic Voting Machines (Question No. 1425)
Australian Ambassador to Yugoslavia (Question No. 1495)
Prime Minister &#39;s Overseas Visits (Question No. 878)
Questions Without Notice

Monday, 6 December 1976

The PRESIDENT (Senator the Hon. Condor Laucke) took the chair at 10 a.m., and read prayers.

QUESTIONS WITHOUT NOTICE

WHITE PAPER ON MANUFACTURING INDUSTRY

Senator WRIEDT—I direct a question to the Minister for Industry and Commerce. I remind the Minister that last week he informed the Senate that he had concluded his work on the White Paper on manufacturing industry about 2 weeks ago. I ask the Minister: Firstly, will the draft require reconsideration by him and his Department in view of the Government’s decision to devalue the Australian dollar by 17½ per cent? Secondly, in view of the fact that such a devaluation will result in a transfer of resources from the manufacturing sector to the mining sector, is not the basis of the paper already out of date? Thirdly, does the Prime Minister’s refusal to consider any tariff cuts of a substantial nature indicate that the Government has neither the intention nor the capability to take any long-term decisions in relation to manufacturing industry?

Senator COTTON—This sounds like a typical question drafted by somebody outside the Parliament. First of all, I should like to say that what I said about the White Paper is still true. It has been concluded insofar as the work by my own Department is concerned. It is now being studied by other departments which, of course, is to be expected. I should think that those departments will not be very long in making their inputs to the White Paper. I doubt whether there will be any great consequential change. The honourable senator is asking me to elaborate on the contents of the paper before it is published, but one would expect any sensible person to have studied the effects of consequential devaluations or exchange changes when looking at a paper like that.

One would have thought also that people would have studied the effect of a different type of exchange regime. What might be thought about in this regard—and I am trying to be helpful—is that we are now living in a rather different world. We used to have rather fixed exchange rates and fixed tariff rates, but we now have a new exchange regime which imposes some altered views in regard to the overall consideration of how to assist industries and how to handle resources for redistribution. That must be done very carefully and very thoughtfully, and this is what is happening. When it is completed, the paper will be produced. People who have a contribution to make will be very welcome to make that contribution. I have said all the time that what we need in this country is a thorough and objective analysis—a bipartisan approach—because the problems are the problems of the Australian people and should not be treated as part of a sort of political cat and mouse game.

TORRES STRAIT BORDER

Senator SHEIL—My question, which is directed to the Minister representing the Minister for Foreign Affairs, concerns the Torres Strait border issue. The question is divided into 2 parts: First, can the Minister guarantee that all the fishing grounds currently used by the Torres Strait Islanders will be included in the protective zone referred to in the agreement of 5 June 1976? Second, has the Government drawn up contingency plans to protect the Torres Strait Islanders’ interests in the event of a unilateral declaration of sovereignty and sovereign rights by Papua New Guinea in certain areas of the Torres Strait, as Papua New Guinea has suggested during negotiations it might do?

Senator WITHERS—The honourable senator asks 2 questions of great interest not only to his State of Queensland but also to Australia generally. I think, rather than attempt to answer the questions from my own knowledge I should get a definitive answer from my colleague the Minister for Foreign Affairs. That I will do.

AUSTRALIAN FIRE BOARD

Senator DOUGLAS McCLELLAND—I ask the Minister for Administrative Services: Is the Australian Fire Board required, as part of its responsibilities, to ascertain whether on Australian Government owned property or occupied property, personnel and property are protected by effective and efficient means against the occurrence and results of fire. Is it also the responsibility of the Australian Fire Board to advise on fire protection matters, to carry out inspections and to act as a source of advice in preventing outbreaks of fire? Has any advice ever been sought by the Royal Australian Navy from the Australian Fire Board as far as the Royal Australian Navy base at Nowra is concerned? Has the
Board ever carried out any inspections of the aircraft base at Nowra? Will the Board be submitting any evidence at the formal inquiry which is to be carried out?

Senator WITHERS—The honourable senator asks me 5 questions. As to the first 2 questions, the answer is yes. As to the other three I do not have a detailed knowledge but I shall seek the information and try to get it today for the honourable senator.

WELFARE SERVICES IN NORTH QUEENSLAND

Senator BAUME—I remind the Minister for Social Security that when I was travelling recently in north Queensland people expressed concern about 2 matters affecting welfare services. I ask the Minister whether she can throw any light on the claim made by citizens of north Queensland that they were not able to place reverse-charge telephone calls to the regional offices in that area. Can the Minister throw light on the concern expressed that in some areas it was not possible, because of delays in the mail, to respond by way of income returns during the periods normally set down? Will the Minister indicate whether appropriate flexibility exists in north Queensland to cope with the special conditions applying there with regard to welfare services?

Senator GUILFOYLE—I am able to say that in all areas remote from centres of regional or State offices it is possible to arrange for reverse-charge telephone calls to be made. The instances where reverse-charge calls would normally be accepted include cases where the non-acceptance of them would involve hardship, disruption or inconvenience to the clients. Also in cases of emergency or disaster we would receive reverse-charge telephone calls. Where it would expedite departmental business or where it would achieve savings in expenditure, it would also be appropriate for a reverse-charge call to be received. With regard to the second question, relating to the difficulties caused by mail services in the receipt of statements which are required by the Department, arrangements have been made and announced previously that telephones may be used to give this sort of information in order that benefits may be continued. So in both the instances raised by the honourable senator, appropriate circumstances lead to the Department accepting reverse-charge telephone calls or adopting other procedures to provide information.

JAMES RICHARDSON PTY LTD

Senator MULVIIHILL—My question is directed to the Minister representing the Minister for Employment and Industrial Relations. By way of preface I refer to information which I obtained in the appropriate Estimates Committee which indicated that $25,000 had been underpaid to the staff of concessionaires at the Sydney (Kingsford-Smith) Airport. Since that time I have received a letter from James Richardson Pty Ltd, a copy of which went to the Minister, in which this firm takes a dim view of the situation, queries the correctness of action taken and implies that I was breaching parliamentary privilege. The matter is all rather mixed up. In fairness to me and in deference to the authenticity of the witnesses who appeared before the Committee, and to Senator Durack, I would like an assurance that we will get the facts by Wednesday, otherwise I am sure that Senator Durack and myself will not sleep as a result of the letter from the James Richardson company.

Senator DURACK—I have received a copy of the letter from the company to which Senator Mulvihill referred. My time was taken up with Bills in the Senate last week and I have not had the opportunity of following up the matter, which Senator Mulvihill and I had discussed. I shall certainly do so and endeavour to get a clear statement from the Minister whom I represent as to whether inquiries are going on into this particular company as well as into other companies.

TARIFF CHANGES

Senator YOUNG—Has the Minister for Industry and Commerce seen Press speculation that the Government may change its current attitude towards tariffs? Will the Minister state the Government’s attitude and policy towards tariff changes? Has he seen reports that the Onkaparinga woollen mills in South Australia have dismissed some 90 people from the textile section? Is he aware that company officials state that this is due to lack of orders as a result of imports from New Zealand and other places? Following the recent devaluation of the Australian dollar and New Zealand very quickly following suit, will the Minister make inquiries in relation to wool and textile imports from New Zealand under the current New Zealand-Australia Free Trade Agreement?

Senator COTTON—There is rather a lot in the question; I hope I can remember it all. The New Zealand-Australia Free Trade Agreement is under current review. Some people have said that it has no effect on Australian industry. My
experience has been that it has recently had some quite serious effects. I am concerned to hear from Senator Young the effect that it has had on the Onkaparinga woollen mills. I do not have the precise details although I knew that the company was having some problems. These are amongst the problems which we are currently looking at on an official level with a view to having further discussions with the New Zealand Government in, I think, April of next year. Anyone who has up to date data on the relative effect of the Australia-New Zealand arrangements is always most welcome to bring the data to me. In certain areas I find that the position is very different from that sometimes stated by officials and industry. I am taking a little time on this answer because it is important. There is a relative between the two countries which we are anxious to maintain. We are anxious to help New Zealand but, at the same time, we are anxious to help ourselves. We do not want industries undermined by these arrangements. If this is happening we want positive evidence and we are very grateful when we get it. The Onkaparinga case will be studied by me in further detail as will any other case which comes along.

General considerations of what might happen in the tariff area over the whole scene have been wildly speculative for a little while now. I answered a question in the Senate last Friday about this matter. People have been making all kinds of proposals with the greatest authority, saying: 'This is what must be done'. I suggest to my colleagues in the Senate that this is a matter for very careful study and analysis. People who are talking about across-the-board tariff cuts ought to realise that this is not a sensible way to behave. We have clear experience of across-the-board tariff cuts. A 25 per cent tariff cut was made in the time of the Whitlam Government on the proposition of experts, economists and advisers both inside and outside the Parliament. The effect of that can be measured and seen. It was an unmitigated disaster. It did not improve employment; it added to unemployment. The cost of imported goods did not fall; they remained at about the same level. That sort of proposition has been studied. It can be seen that it does not work. People bring up these very simplistic solutions. I suggest that the whole matter is extremely complex. It is not capable of resolution by a bright idea in the middle of the night. We will all need to carry out extra work on this situation.

ANTARCTIC DIVISION

Senator DEVITT—I ask the Minister for Science: What is the present situation regarding the establishment in Tasmania of the base for the Antarctic Division of the Commonwealth Scientific and Industrial Research Organisation? Can the Minister say whether the base will be in Hobart or some outlying centre? What will be the nature of the base's installations and the range of its functions?

Senator WEBSTER—The decision by this Government to establish a headquarters for the Antarctic Division of my Department is particularly important to all Tasmanian people and the Australian community generally. As the honourable senator is aware, earlier this year the Government decided to transfer the headquarters of the Antarctic Division to Hobart. That decision naturally followed a review by me of the suitability of the site held at Kingston in Hobart. I have visited Hobart on 4 occasions and have viewed the proposed site at Kingston. I was not satisfied with the location of that area. The Minister for Administrative Services and I visited a number of sites in Hobart looking for an area which would more adequately suit the original criteria required for such a base. The current situation is that the Division will definitely move to Hobart.

Negotiations are going on at the present time with one or two bodies in Hobart and information is coming to me about a site which will perhaps be more acceptable, that is, one which is nearer to the wharf, as there will obviously be great activity there. The site at Kingston is about 12 kilometres away from the wharf. I am seeking to overcome other problems relating to housing and access in order to establish a base of excellence for the administration of the Antarctic Division. However, the honourable senator can be assured that the headquarters will move to Hobart and I hope that the exact location of the base will be decided in the not too distant future.

Senator DEVITT—I ask a supplementary question. In his answer the Minister mentioned the criteria but he failed to answer that part of my question which sought some information as to the nature of the base's installations and the range of its functions. He seemed to touch on them when he mentioned suitability according to certain criteria. Can he indicate the nature of the installations and functions?

Senator WEBSTER—Mr President, I answered the question with some thought to being concise. The question which I am now asked seeks elaboration on the functions of the
base. That is a fairly long story. The original concept in seeking to establish the base in Hobart was to allow the various interests of the Department of Science to have their headquarters at the base. For instance, as Senator Devitt would know, the Australian Government Analytical Laboratories are situated in Hobart and it was anticipated that new premises would be found for those laboratories, which carry out very important work and which urgently need new facilities. In relation to the Antarctic Division the premises would be used mainly for the administration of the Division. It is desirable that the site be located near a university in the interests of studying subjects such as glaciology, which study is currently being carried out at the University of Melbourne, upper atmosphere physics and cosmic ray research, which is to some extent carried out in Hobart at the present time. A variety of other matters such as medical research into conditions in the Antarctic and the provision of administrative quarters and laboratory facilities must also be considered in relation to the establishment of the base. Discussions are going on as to whether it is wiser for scientists to work with universities which are doing similar work in those fields which I have mentioned or whether they should work in an isolated way within the headquarters of the Antarctic Division. It will be readily evident to the Senate that a great deal of discussion and consideration is needed. Senator Devitt has demonstrated an interest in the matter and I will be pleased to produce a paper for him which will indicate what the Antarctic Division is attempting to achieve by the definite decision to move to Hobart.

DUMPING OF NUCLEAR WASTE

Senator JESSOP—I direct a question to the Leader of the Government in the Senate, probably in his capacity as Minister representing the Minister for Defence. I refer to recent statements concerning the dumping of nuclear waste material at Maralinga in South Australia in 1960 and 1961. Is the Minister aware that a spokesman for the United Kingdom Atomic Energy Commission has said that this is highly unlikely? Is he also aware of a statement made by the South Australian Minister of Mines and Energy that the dumping of such waste at Maralinga is a Commonwealth matter? In view of further claims that these dumps present a health hazard, will the Minister ask his colleague in the other place, either the Minister for Defence or the Minister for Environment, Housing and Community Development, to make a public statement on the matter in order to dispel the concern that has been expressed?

Senator WITHERS—I certainly will take up the honourable senator's suggestion.

KAPUNDA COPPER MINE

Senator McINTOSH—I direct my question to the Minister representing the Minister for National Resources. Is the Minister aware that an Australian company may be forced to withdraw from further exploration and development of the Kapunda copper mine in South Australia because of a shortage of funds? Will the Government take steps, as outlined in its Australian equity policy, to ensure that this does not happen?

Senator WITHERS—I will ask my colleague in the other place for his views on that matter.

SCHOOL LEAVERS: UNEMPLOYMENT BENEFIT

Senator CAVANAGH—I ask the Minister for Social Security a question relating to the payment of unemployment relief to those leaving school this year, and I know that many questions have been asked on this subject. Does not section 107 of the Social Services Act lay down the criteria which shall apply to people seeking unemployment benefit? In accordance with the parliamentary direction indicated in section 107, is it not obligatory that those who meet the criteria shall receive social security benefits? Is one of those criteria that the Director-General must be satisfied that the applicant is able and willing to accept employment? Is not the Government's decision not to pay unemployment relief until after the resumption of school taking away the option that the Parliament gave the Director-General? Is there not a British case, well known to all lawyers, that establishes that where a public servant has an option and such option entitles a benefit to be paid the public servant must exercise the option in favour of payment of the benefit?

Senator Wright—I hope that you will cite that case.

Senator CAVANAGH—In view of all that, I ask the Minister: How can the Government maintain that its present action is valid? In reply to Senator Wright, let me say that I shall attempt at a future date to supply the decision in that case, which was a judicial decision of the House of Lords, as it was submitted to the Regulations and Ordinances Committee.

Senator GUILFOYLE—The honourable senator has quoted in part the section of the Social Services Act which relates to the criteria
for the payment of unemployment benefit. Other relevant parts of the Act state that the Director-General must be satisfied that reasonable steps have been taken to obtain employment. Earlier this year I stated the Government’s policy with regard to the payment of unemployment benefit for school leavers on the basis of experience and on the basis of a report from a working party which was established by the former Government to look at many aspects of unemployment benefit. It will be recalled that statistics show that in previous years unemployment benefit has been paid to thousands of school leavers who have returned to school at the beginning of the school year. In the light of legal opinion given to the Government, unemployment benefit is not payable to students on vacation. The matters that have been raised by the honourable senator with regard to the Government’s decision not to pay unemployment benefit until the resumption of the school year form a part of Government policy which was announced earlier this year.

I am unaware of the details of the case that was cited concerning public servants exercising options and paying benefits. However, I note that at a later stage the honourable senator will cite the actual case to which he has referred. I simply reiterate what has been said in answers given throughout the past few weeks with regard to unemployment benefit: Where the Director-General is satisfied that reasonable steps have been taken to obtain employment, unemployment benefit will be paid to those who are unable to find the employment that they seek.

COMMONWEALTH OMBUDSMAN

Senator MAUNSELL—I ask the Minister representing the Attorney-General: Has the Minister seen a report of a statement made by Mr Edward St John indicating that he was approached by the Labor Government to fill the role of ombudsman but was not approached by the Liberals? In view of the question asked last week by Senator James McClelland, is this another example of the breakdown in the so-called open government of the Labor Administration?

Senator DURACK—My attention was drawn by Senator Maunsell to the article which appeared in the *Australian* this morning. The matter which interested me particularly in regard to that article was the fact that last Friday afternoon, I think it was, in this chamber Senator James McClelland referred to a strong rumour that the present Government had approached Mr St John to offer him the position of Commonwealth Ombudsman. In my reply I told the Senate that the Government had made no decision in relation to the person whom it was selecting for that position. I am very pleased to find that apparently in a statement made over the weekend Mr St John has confirmed very clearly the information which I conveyed to the Senate on Friday—that he has not been approached for the position, as the rumour referred to by Senator James McClelland would indicate. As to the other part of the question asking whether or not he had been offered the position by a former government, I presume one must only take his word for that. It is one of various interesting pieces of information which come to light from time to time about the appointments that were contemplated by the Labor Government and about the people who were offered positions by that Government. But apart from adding it to that interesting list I do not think it has any significance.

NAVY TRACKER AIRCRAFT: LOSS BY FIRE

Senator BISHOP—My question is directed to the Minister representing the Minister for Defence, and it refers to the loss of 12 Navy trackers. I ask the Minister: Can he give the Senate any information about temporary and long term arrangements which will be set up by the Department of Defence to provide what is considered by the defence Services to be adequate surveillance of fishing waters and also to continue anti-submarine activities?

Senator WITHERS—All I can inform the honourable senator is that my colleague, the Minister for Defence, will be raising this matter with his colleagues to determine how these aircraft can best and most speedily be replaced.

MARITIME COLLEGE

Senator ARCHER—Can the Minister for Education advise whether the Interim Council of the Maritime College has yet been called together? If so, can he provide any progress report on the development of the College?

Senator CARRICK—The Interim Council of the Maritime College has met. It has made a number of decisions, the most significant of which is the precise determination of the site for the College, that site being adjacent to the Newhaven campus of the College of Advanced Education. It is understood that the Premier of Tasmania has agreed to an invitation by the Prime Minister and myself to make the land
available free of charge. In my capacity as Minister for Education I have written to the appropriate Minister, the Minister for Administrative Services, asking that his Department take the steps necessary to obtain the land. The Maritime College Interim Council also, I understand, has made a decision that the seamanship course should be located at Beauty Point. Of course, these are two quite significant decisions. The Council will be looking also at the use of the facilities of the College of Advanced Education and the technical college to provide additional help by way of running courses for the College. Our aim is to get the College going as fast as possible.

COMMONWEALTH PUBLIC SERVANTS

Senator Ryan—My question is directed to the Minister representing the Minister for Employment and Industrial Relations and it refers to the Government’s proposed legislation for management initiated retirement in the Commonwealth Public Service, that is, arbitrary and selective sacking of public servants 55 years of age and over. To what extent have the relevant unions been consulted about this provision? Has the Government conducted any surveys of Commonwealth Public Service employees in the 55 to 65 years age group to determine the numbers involved, their working capacity and their wishes regarding retirement? If not, what is the basis for the Government’s assumption that sacking people in the over-55 age group would lead to an increase in efficiency and a rational reduction in staff numbers in the Commonwealth Public Service?

Senator Durack—I will refer that question to the Minister whom I represent in the Senate.

EFFECTS OF DEVALUATION

Senator Walters—My question is directed to the Minister representing the Minister for Primary Industry. Has the Minister’s attention been drawn to the decision of the Government and Opposition members of the Senate Standing Committee on Mount Lyell Mining Operations that the devaluation decision converts the company’s forecast cash position during the period 1977-79 from a calamitous cash deficit of $21m to a position of near balance? As this is so, is it not an obvious flow-on that similar results will be achieved in the rural industries of the order of an additional $150m in rural income, as stated by the Minister for Primary Industry?

Senator Cotton—The Committee’s report is an excellent report and it is very helpful. What it does is demonstrate the position as the honourable senator has stated it to be. At the time the problem of the company arose I tried to help by finding out what sort of increase in the price would be needed to put it back into a state of being able to operate. It was not an increase of tremendous magnitude—of the order of 20 per cent—which looked like being necessary, and what has happened since really has achieved that in the reverse direction. I would imagine that the company now would have a much greater ability to survive and do the sorts of things we hoped it would be able to do. I do not want to be expansive on the question of the rural industry aspects of the devaluation decision. There is further need for study of the rural industry position. In this respect we have been getting from some people rather bland statements about what this decision means, but there is a need to study carefully its effect. Little consideration has been given to the possible effect of freight and insurance cost increases on the rural industries export content, and that kind of analysis has to come into the total equation.

MIGRANT RESOURCE CENTRE

Senator Georges—My question is directed to the Minister for Social Security. Is it the intention of the Government to establish 2 migrant resource centres, one in Sydney and one in Melbourne? Is it correct that the fund allocation for these 2 centres is $70,000? If so, how can such a paltry sum be adequate to support the grandiose functions which have been assigned to these 2 centres? Can one rightly assume that the inadequacy of the sum allocated indicates that this is an exercise to gain cheap political advantage and not one to further migrant welfare?

Senator Guilfoyle—Perhaps I should restate the concluding remarks of the honourable senator’s question to suggest that his question in the form in which it was asked may be designed to obtain cheap political advantage and not to assist migrant welfare. I am unaware whether the Minister for Immigration and Ethnic Affairs has announced the formation of 2 resource centres. I will refer the matter to him and discover what announcements he has made with regard to these matters. It is the intention of the Government to assist ethnic and migrant groups to conduct centres where they are able to have close contact with migrants and to deliver some of the services that have formerly been delivered by government. If that is designed to create a cheap political advantage, I am afraid that I cannot quite see the point of the question in the way the honourable senator framed it. I will seek from
Questions Without Notice

6 December 1976  SENATE  2575

the Minister for Immigration and Ethnic Affairs what statements he has made on this matter so that I do not pre-empt any information that he may care to provide.

OPTACON DEVICE

Senator KNIGHT—My question is directed to the Minister representing the Treasurer and concerns the Optacon, which is a device to assist the visually handicapped in reading. I ask this question because I have had inquiries from people who have informed me that sales tax is charged on the Optacon although it is not imposed on, for example, Braille equipment. I ask the Minister whether sales tax is in fact charged when the Optacon is purchased by a blind or visually handicapped person? If such sales tax is levied on the Optacon, will consideration be given to an exemption for visually handicapped people purchasing this device which, as I understand, can be used only for the purpose of assisting the visually handicapped in reading?

Senator COTTON—I have some information about this matter, as the honourable senator was good enough to ask whether I could have it ready for him. The device which he mentioned is taxable at 15 per cent. Under the sales tax exemption list item 123 exempts specified classes of goods that are used by blind persons. These include Braille watches and clocks, Braille writing frames, Braille machines, Braille playing cards and talking book machines. The Optacon is not amongst the classes specified in the item and does not at the moment qualify for exemption. As the honourable senator, who has taken a great interest in this subject, will know, exemptions are provided for a range of goods used by blind persons; but there have been suggestions in recent years that this may not be the best way to help blind people because only those who can afford to buy the goods receive the benefit. The Woodhouse report recommended that, for example, aids in the form of low vision optical aids to assist the partially sighted should be provided free of charge. I think the whole matter should be put to the Treasurer to see what he can do to assist in an area of obvious genuine need.

GROSS FARM INCOME

Senator WALSH—My question is directed to the Minister representing the Minister for Primary Industry. I ask: Has the Bureau of Agricultural Economics, as reported in last Tuesday’s Australian Financial Review, forecast a $321m increase in gross farm income this year as a result of devaluation? What proportion of that $321m is attributed to increases in f.o.b. prices for agricultural exports? Does this proportion equal 21.9 per cent or, as some would say, 21.2 per cent of the previous estimated value in Australian dollars of exports for the remaining 7 months of this financial year, or does it represent something less than 21.9 per cent? Finally, can the correct answers to the questions be reconciled with the Treasurer’s claim in his post-devaluation statement last Tuesday that agricultural export receipts would increase by $700m?

Senator COTTON—I have very considerable regard for the work of the Bureau of Agricultural Economics. I have not read its report but I would like to do so. I do not know what kind of conclusions the honourable senator is seeking to draw out of a newspaper comment on what somebody else is supposed to have said. What he is entitled to have is an accurate analysis of the position and I shall endeavour to obtain it for him.

CONTAMINATED FOOD AND WATER

Senator BAUME—My question, which is directed to the Minister representing the Minister for Transport, relates to the increasing occurrence of diseases due to contamination of food and water taken on to aeroplanes at intermediate airports. Can the Minister give an indication of the procedures and precautions taken and the hygiene standards demanded by Qantas Airways Ltd in arrangements it makes for food and water taken on to flights by Australia’s international flag carrier at intermediate ports along its international routes?

Senator CARRICK—I imagine that Senator Baume’s question has some immediacy of interest arising out of an outbreak of apparent food poisoning on a British Airways flight. I inform the Senate that my understanding is that that flight took the ordinary route—London, Rome, Bombay, Hong Kong, Sydney. Whilst the contamination might have occurred anywhere in the interval of time that elapsed, it is thought that it is likely to have taken place in the consumption of food or water at either Bombay or Hong Kong. That is being investigated. I point out that at both those places the caterer used by British Airways is a different caterer from the one used by Qantas Airways Ltd. Nevertheless, Qantas is investigating this matter because it regards it as of interest. The honourable senator will know, of course, that the question of food-borne gastroenteritis is now becoming of major importance, particularly with regard to seafood contamination and even including the consumption of raw seafood, which even if it is not eaten may contaminate other food stacked alongside it. My
advice is that Qantas has always stressed very high standards of hygiene and health maintenance. It has 3 company doctors and one hygiene officer frequently travelling along all routes checking on the hygiene and health matters. Qantas undertakes hygiene checks of all caterers, water suppliers and other facilities used along the route. I stress that it is now busily chasing down the apparent origin of this present outbreak of food poisoning. It is an important question. The speeding up of flying times means that people can contract contamination in ports on route and have the symptoms emerge in Australia. This of course has significance for the whole of the Australian population. Qantas is conscious of this possibility and is working on it now.

FAMILY ALLOWANCES: DEPENDENT CHILDREN

Senator DONALD CAMERON—My question to the Minister for Social Security relates to the family allowances paid to mothers and the whole range of benefits for dependent children paid to pensioners, supporting mothers or recipients of unemployment and sickness benefits. Is it a fact that the payment of benefits under this scheme to full-time students ceases on notification by the student that he or she has left school? If so, and since the Government policy is that such students are not regarded as unemployed for unemployment benefit purposes until 15 February 1977, will the Minister take steps to eradicate this inconsistency?

Senator GUILFOYLE—Family allowances are paid in respect of dependent children. I shall check what has been stated by the honourable senator to see whether it is an accurate statement. If it is, I believe that some clarification should be made. Whilst a student is a dependent student or is a student child the family allowance is payable to the mother or in some cases to the father if he is the person who has custody, care and control of the child. I shall check the matter and make a statement about it if it needs clarification.

TAXATION: STOCK VALUATION

Senator JESSOP—Is the Minister representing the Treasurer aware of the interest by the business sector in the Treasury definition of stock for stock value adjustment for tax purposes? Is it a fact that a decision on this matter still has not been made? As this is of some concern and is impeding cash flow estimates and the estimates of taxation requirements of companies, will he request that the Treasurer treat this as a matter of urgency?

Senator COTTON—I am well aware of the interest of the business community and indeed of the financial community in this matter. A lot of things have been said about it. Quite a number of seminars have been held on it. I have been involved in some of those seminars myself. I also have been involved in discussions within Government circles about this matter. The Treasurer knows about it. He has it under continuous review. All I can do to further the matter for the honourable senator is to ask the Treasurer to let us have more definite information on it once he is able to do so.

SCHOOL LEAVERS: UNEMPLOYMENT BENEFIT

Senator GRIMES—My question, which is directed to the Minister for Social Security, refers to the 2 reasons given by the Government for its failure to pay unemployment benefit to school leavers. The first is the alleged legal advice and the second, which was announced in a Government statement over the weekend and repeated by the Minister this morning, is that in previous years some people have returned to school after receiving unemployment benefit. I ask: What percentage of school leavers in the past has returned to school after receiving unemployment benefit? What percentage is this group of total school leavers? When will the Minister table the alleged legal advice that payment of unemployment benefit to school leavers is illegal? Is not the reason for the failure to pay this benefit an attempt to cut government spending? If so, why does the Government not come out and say so?

Senator GUILFOYLE—I do not have with me information about the percentage of school leavers who, after having received unemployment benefit, returned to school after the long vacation in previous years. I will obtain that information and give it to the Senate as soon as possible. I will table the legal opinion regarding students on vacation not being able to be regarded as being unemployed. I regret that I have not brought it with me today to do so, but I will table it. In the third part of the question it was suggested that we have adopted our attitude on this matter in an attempt to cut government spending. That is not the paramount reason why it was felt that students who have left school should not automatically be entitled to unemployment benefit. Perhaps it would be appropriate to remind the Senate that if we are saying that the 200,000 students who have left school this year should automatically be entitled to unemployment benefit for, say, 8 weeks, we could be talking of an amount of more than $50m.
Perhaps we could ask the Senate whether, if that course were followed, we were directing the resources this year to the most needy section of the community.

I have no more to say except that this is not exclusively an attempt to cut government spending. The Government has a policy that students who have left school or who are on vacation are not automatically entitled to unemployment benefit. It may also be appropriate to remind the honourable senator that the British Government recently has introduced a Bill to prohibit the payment of unemployment benefit to students on vacation. It may be of some amusement to Senator Grimes, but it is a statement of fact—

Senator Georges—We are talking of students who leave school; not students who are on vacation.

Senator GUILFOYLE—The question to be determined is whether the students are on vacation or whether they have left school and are genuinely seeking work. That matter will be determined by the Director-General when the evidence regarding attempts genuinely made to seek employment in terms of the relevant Act is able to be established.

ECONOMIC PROPOSALS BY THE NEW SOUTH WALES PREMIER

Senator SIBRAA—Is the Minister representing the Minister for Construction aware that the 6-point plan for economic recovery put forward by the New South Wales Premier, Neville Wran, enjoys the wholehearted support of the New South Wales Master Builders Association? Is the Minister further aware that this balanced plan was prepared in total rapport with the New South Wales building and construction industry and has been acclaimed as one which would revitalise that sector of the economy? In the light of these developments, will the Minister give favourable consideration to implementing the Wran proposals so far as they relate to the national construction industry?

Senator WEBSTER—The honourable senator asks a question which concerns mainly the Treasury portfolio. I have noted the proposals of Mr Wran and the comments of the New South Wales Master Builders Association. I imagine that it is the right of any association, provided extra funds are to be made available for its particular area of interest, to support such proposals put by a government. The matter is one of balance. It is for the New South Wales Government itself to take some action in this matter if it feels that a depression has been created in the building industry by a lack of work. In actual fact the New South Wales Government obviously has an ability to devote funds towards solving this problem. However, from a Commonwealth point of view, it is for the Treasury to decide where the priorities in relation to allocations should lie. I am sure that the Treasurer has already given this matter sound thought.

CONSUMER PRICE INDEX

Senator WRIGHT—I direct a question to the Minister representing the Treasurer or to whomever is the appropriate Minister. I have an increasing concern about major Government policy, namely, taxation and social services policy, being automatically geared or indexed to the consumer price index. I want to know: What is the basis or stability of the composition of the CPI. Who originates it? Has Parliament made any prescription of the component items? Who reviews it? I take 2 instances. One is radio and television licence fees, which were a component item. I have noticed that rates are included but not land taxes. I want to know: What is the basis of the CPI and who is responsible for varying it or maintaining it?

Senator COTTON—There is an involvement in this area of the Treasury, the Bureau of Statistics—that is, the Commonwealth Statistician—and the Department of Employment and Industrial Relations. Those 3 bodies have a common interest in the matter. The Department of Industry and Commerce also has some interest in the matter. A study has been going on for some time of the structure of the index and its component parts. It is clear, as the honourable senator has said, that the component parts of the index vary from time to time as the propensity to spend and the areas of expenditure in Australian society change. He knows very well that they are not fixed immutably in time. I think that I should get for the honourable senator a much clearer definition as to the current state of the index and what steps are being taken in effect to update it and to keep it updated. It is an important question on a very important matter.

PRIME MINISTER: DEPARTMENTAL EXPENDITURE

Senator McLAREN—I direct a question to the Minister for Administrative Services. The Minister will recall the question without notice that I asked him on 30 November in respect of questions that I have had on notice for quite some time regarding expenditure incurred in the Department of the Prime Minister and Cabinet and
in the Prime Minister’s office. The Minister will also recall his answer to the effect that he was not satisfied with the figures given to him to enable him to provide me with an answer and that he then went on to criticise the accounting of the Public Service. I now ask: How is it that the Press has been reporting almost daily in the last week that the Prime Minister’s secretary has received in excess of $25,000 in overtime since last November—

Senator Walsh—How much?

Senator McLaren—... and that the Canberra Times has reported today that the figures it has quoted were obtained from government sources? Can the Minister explain how the Press has been able to obtain this information before the Government has been prepared to provide answers to questions asked in this Parliament by honourable senators?

Senator Withers—I was a bit surprised at Senator Walsh’s interjection. He evidently interjected out of some sense of shock or surprise that somebody should be paid his award rates under an arbitration award.

Senator Georges—It is the hours worked that we are objecting to.

Senator Withers—As I understand the situation, Senator Georges, the journalists do not make their own award; the award is made for journalists. I should have thought that honourable senators opposite, of all people, would have agreed that members of a union ought to abide by their award and be paid according to their award.

Senator Georges—We are not arguing about that. Who authorised their hours of work?

Senator Withers—The interjection by Senator Walsh gives the impression that something improper is going on. I have not been satisfied with the figures that have come forward. I think that the figures sought by the honourable senator will be contained in an answer to a question on notice which will be put down today in the normal way. We are saying quite deliberately that the figures are according to our records. We now appear to be in the age of the computer and whilst the computer is quite useful for pay purposes in some areas, it is not terribly useful in giving back information to answers to questions by honourable senators and members. I am informed by one of my officers that all the Treasury computers used for the payment of people are based on paying them fortnightly, taking off their tax deductions and so on. If one attempts to get the information sought by Senator McLaren one would have to get a print-out of those dockets and they do not necessarily always print out correctly. It would have been most unfair to put down the one minor error that was picked up in relation to the payment of overtime to a staff member. Included in the overtime, by error, was the amount of his travelling allowance. This was not discovered until checking and rechecking had been carried out. I do not think the honourable senator would want me to put down information which would appear to damage employees who are abiding by their award.

Senator McLaren—I wish to ask the Minister a supplementary question. I did ask him whether he could tell me why the Press have access to this information, as reported in the Canberra Times today, before the information is given to honourable senators who have had questions on notice for quite some time.

Senator Withers—I do not know how the Press got hold of this information. I have heard of some figures which have been banded around in the Press. All I can say is that they are terribly wrong. I would not have a clue about what the Press is bandying around today and I suggest that if Senator McLaren wants that information he should ask the media. I have no intention of running a witch-hunt within the Public Service or of asking the media themselves.

DARWIN: POWER FAILURES

Senator Kilgarriff—I direct a question to the Minister representing the Minister for the Northern Territory. Darwin is beset by continual power failures which, it is reported, can last for several hours causing loss of air conditioning and normal electricity requirements. In this hot and humid period of the year, the Darwin community is suffering considerable discomfort. Can the Minister have the matter investigated in an effort to bring about a more efficient reticulation of power or, in the event that there is insufficient power generated for the community, take urgent steps to bring back production of electricity to a normal state?

Senator Webster—I acknowledge the honourable senator’s interest in ensuring that the people of Darwin have an adequate and sufficient power supply. I shall certainly refer his question to the Minister. I believe that the appropriate Minister is the Minister for the Northern Territory. However, I believe that the power supply of Darwin has been a problem for some time. If my recollection serves me correctly a scheme has been proposed for the redevelopment of the Darwin power house and I understand that that
is progressing. It is not acceptable to those in the Northern Territory that breakdowns in the power supply should occur. I believe that the Department of Construction has some responsibility in this area and I shall refer the honourable senator's question to the Minister responsible for that Department.

UNEMPLOYMENT BENEFIT: SCHOOL LEavers

Senator BROWN—I ask the Minister representing the Minister for Employment and Industrial Relations: If a school leaver approaches the Commonwealth Employment Service, is he or she entitled to register for employment?

Senator DURACK—The answer to this question demands complete accuracy. I shall refer it to the Minister whom I represent and endeavour to obtain an early answer for the honourable senator.

DARWIN HOSPITAL: STAFFING

Senator ROBERTSON—My question which is directed to the Minister representing the Minister for Health, relates to the staffing situation at the Darwin Hospital. In view of the long waiting list for elective surgery on the one hand and claims that routine maintenance cannot be carried out because of shortage of staff on the other hand, will the Minister obtain figures comparing the present staffing level with that of pre-cyclone Tracy. Will the Minister agree that the Hospital has been disadvantage by having its staff ceilings set on December 1975 figures, given that December figures are always lower than those at any other time of the year because it is the time when most staff move away from the tropical areas?

Senator GUILFOYLE—I will obtain the precise figures on staffing at the Darwin Hospital from the Minister for Health. I am aware of the Minister's concern in this matter and the attempts that have been made to secure adequate staffing at the Hospital. I will obtain the precise figures as soon as possible.

RAIN MAKING

Senator TEHAN—Has the Minister for Science seen newspaper reports to the effect that Government scientists are working on a plan to change the weather over Victorian wheat fields to increase production by an estimated $1 m? Can he confirm the report, give some detail of the progress made to date and indicate when a final report might be available?

Senator WEBSTER—The question which the honourable senator asks is one of great interest to him and to the people of Victoria. The problems of rain making have had a great history. My understanding is that people have prayed for rain, they have danced for rain, and at some times in history they have made human sacrifices to obtain some moisture out of the atmosphere. Science has a much better approach these days. One can see the importance to the Commonwealth of the Department of Science. I did note a report in the Australian today which indicated that scientists from the Commonwealth Scientific and Industrial Research Organisation were working in the Horsham-Warracknabeal area, as they have been doing for some little time, on the possibility of producing an increase of rain prior to harvest time, which is considered to be the most important time to gain extra production for the people in the area. My understanding is that they are working with the Victorian Ministry of Agriculture in this matter.

I cannot tell the honourable senator exactly what the results are in that area, but I think it is of use to note that at present the science of rain making is not such as to enable us to speak with certainty as to the outcome of the tests that are carried out. Over a period of years there have been efforts at artificial rain making involving seeding suitable clouds with silver iodide smoke, which contains a large number of particles. Some of the properties of those crystals resemble ice crystals. As they fall through the clouds they are swept up, they grow and form snowflakes. When the snowflakes melt they become rain. Suitable clouds are needed for successful propagation. In areas where there are no clouds and only clear skies the art is not such that we are assured of rain.

INDICATORS OF COMMUNITY WELL-BEING

Report and Ministerial Statement

Senator GUILFOYLE (Victoria—Minister for Social Security)—For the information of honourable senators I table the report entitled 'Indicators of Community Well-being'. I seek leave to make a short statement with regard to this recently completed research.

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

Senator GUILFOYLE—Professor T. Vinson of the University of Newcastle has written this report under the research fellowship program of my Department. It describes how selected statistics can be used as social indicators for public
administration. The contract for this research was initiated by the Social Welfare Commission. The Commission's research fellowship program was designed to enable practitioners, professionals and academics to undertake special studies into social welfare programs and made recommendations designed to improve their efficiency and effectiveness. Following the Government's decision to abolish the Social Welfare Commission my Department arranged for the Commission's current commitments in respect of social research to be met. Professor Vinson's report is the first fruit of this fellowship award program in social welfare. The Organisation for Economic Co-operation and Development is currently encouraging research into the use of statistics as social indicators in public administration. Governments are endeavouring to transpose their use of economic indicators to the social welfare area. In designing a set of 25 social indicators Professor Vinson has put a major emphasis on analysing the statistical information which is a constant by-product of the administrative procedures of government departments and institutions. Such information, which might otherwise lie idle, can be put to good use in identifying areas of greatest social welfare needs.

Although Professor Vinson's study was conducted in New South Wales, his basic research techniques could be utilised in any State. For this reason I have sent copies of the report to my colleagues the Ministers for Social Welfare in each of the States. I am aware of their common interest in this matter, which is exemplified by a recent report on social indicators which I have received from the honourable Ron Payne, Minister for Community Welfare in South Australia. The results Professor Vinson has produced are indicators only and neither explain causes nor propose solutions. They do, nevertheless, provide a most illuminating picture of one State and it would be valuable to follow up the results of this research. I believe that this work represents an important milestone in the development of social indicators in Australia. For tabling my Department has supplied a limited number of photocopies of the research. However, in January next year, the Australian Government Publishing Service will also make printed copies available to all honourable senators and honourable members.

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

That the Senate take note of the paper.

The Opposition welcomes the report; I do particularly. Professor Vinson's work is very important. This country has been bedevilled for a long time by the lack of hard statistics and of social indicators backed by such statistics. We certainly hope that work of this type will lead to a greater efficiency in the planning of social legislation and social welfare measures in general. We believe that this work should be encouraged and that Professor Vinson's work will encourage others to carry on from where he has left off. We believe that, in future, we will be able to produce social security and social welfare legislation which will be based on facts and in respect of which we will have some basis to expect decent results. We hope that, in the future also, this work will lead to a proper assessment of social welfare plans in this country. With those few remarks, I welcome the report. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

THE SENATE: VOTING ARRANGEMENTS

Senator CHANEY (Western Australia)—by leave—By arrangement between the Whips in the Senate, Senator Melzer will not vote in divisions today or tomorrow, to compensate for the vacancy caused by the death of Senator Greenwood.

STATES GRANTS (WATER RESOURCES ASSESSMENT) BILL 1976

Second Reading

Debate resumed from 30 November, on motion by Senator Withers:

That the Bill be now read a second time.

Senator MULVYHILL (New South Wales) (11.9)—This is a Bill which receives bipartisan support. I do not think there is any need to deal chapter and verse with the provisions of this Bill, the purpose of which is to provide for the assessment of the quantity and quality of water and to emphasise the extent of our underground water resources. When the Senate some 5 or 6 years ago engaged in its trail blazing activities in relation to water pollution, we heard of the neglectful way in which Australia was using its water resources. I cannot help thinking that it takes a long time for the message to get through. My colleague, Senator McLaren, has been asking about unanswered questions. I am reminded of an unanswered question that I placed on the notice paper seeking to determine who were the guilty men in the Australian Atomic Commission years ago whose action resulted in the despoiling and ravaging of the Finnis River. I still have not
States Grants (Water Resources) Bill

6 December 1976 SENATE 2581

received an answer to that question, even though I raised the matter publicly in the columns of the Australian Financial Review to see whether I could smoke out the guilty men of that Commission. But this has not happened.

I suppose the question of water resources in Australia would be epitomised by that American folk singer, Burl Ives, who sings a ballad called Cool Water. I think that song sums up what water means to Australia. It amazes me at times when we become enraptured about mining bonanzas that we do not realise the damage that mining operations can do through raising the level of the river waters in the Northern Territory or of the Gordon River in Tasmania. I think there is no question that a co-ordination of activities is needed. When I look across the chamber and see the West Australian senators I recall that the expectations of some people for the Ord River venture were not realised. When we compare the dividend and return from the Ord River venture with those from the Snowy Mountains project, which is able to meet both irrigation and electricity requirements, I would say that the Ord River scheme did not achieve what it was supposed to realise. It may be that it was one of those rush ventures, but on the subject of justifiable expenditure I would like to know from the Minister for Administrative Services (Senator Withers) how close an eye we keep on some of these water conservation programs that apparently are spawned in haste and do not live up to expectations.

I refer honourable senators to the special 18th meeting of the Australian Water Resources Council on 24 June. I point out that it is now December. Paragraph 3 (1) of item 3 of the report refers to the United Nations Water Conference to be held in May 1977. I am wondering whether the Minister is in a position to update this document to indicate the extent of Australia's participation in that conference. There are arid continents other than Australia. Perhaps with the joint expertise of all those continents it is possible to overcome some of the problems of these areas which become apparent when viewed from a landrover or from the air.

With all due respect to Lang Hancock and his thinking, I still hold the view that if a little more money were put into research into some of these underground water resources, perhaps even by private enterprise, they would give us just as good a return as would mining because the benefit derived from water could be more enduring.

I think we have seen what can be done in this country with adequate irrigation schemes. I know there is a school of economists which disputes this idea of water storage and says that it is rather wasteful having all that water, but we have all seen in many places in Australia what can be done by providing adequate water storage. I think it is an indictment on Australia that in the period between the 2 wars the Bradfield scheme was scoffed at. Yet I am sure it is accepted in north Queensland that more could have been done to harness many of the rivers in that area. I well remember in one of the early post-war years being marooned with a lot of other travellers by Eye Creek and seeing the River Burdekin in flood. It seemed to me that if some of the expertise which was used in the Snowy scheme had been used in north Queensland there would have been a bigger dividend from that area. Senator Collard was eulogising the Utah coal people the other week. I would like to believe that the same diligence was being applied to water resources as has been given to fuel resources.

Turning again to the Australian Water Resources Council paper, I notice that there was some impatience about when this legislation was going to be ratified. I think the fact that this legislation is getting fairly speedy passage through the Parliament should indicate to the State governments concerned that the entire Senate realises that the words of Burl Ives in the song Cool Water certainly apply to Australia.

Senator DAVIDSON (South Australia) (11.15)—I enter this debate on the States Grants (Water Resources Assessment) Bill only briefly because very naturally and very properly, and I imagine very obviously, one gives a measure of this kind a great deal of support. One is appreciative of the extension of a States grants measure which will provide for on-going work in connection with the assessment of the quantity and quality of surface waters and underground water resources. This Bill will provide for a continuing study and a continuing collection of details and information relating to this most important area of Australian development. I think that the Minister for Administrative Services (Senator Withers) said in his comments about this Bill that there is a great need to gather this information because Australia, over its long history, has experienced a great many problems in relation to water resources and water quality.

A State like South Australia is keenly interested in the nation's water resources. Because of the geography of rivers and streams in Australia, South Australia finds itself at the end of one of the major river systems. Cities, country areas and various other irrigation establishments
draw greatly upon the contents of the lower end of that major river system. Furthermore, with the development of the decentralisation processes in South Australia further demands are likely to be made upon the River Murray system and other water systems within that area. Therefore it is very important that there be continuing research and continuing activity so that there can be a total assessment of the nation's water resources.

I have a particular interest in this subject apart from the references I have just made and apart from South Australia's interests. One must sound a note of warning about the increasing demand upon the River Murray system and its related systems. Any development must take into account a total assessment and a total understanding of a nation's water resources. Cities, towns, irrigation areas and other rural activities, in other words, decentralisation in general, must be properly and efficiently developed.

As honourable senators are probably very well aware, my other interest in this matter was mentioned by Senator Mulvihill. He referred to the report of the Senate Select Committee on Water Pollution over which it was my very great privilege to preside. You will recall, Mr President, that when that report was put down a few years ago the government of the day had a look at it but was unable to give an indication that at that time it would put into effect any of the recommendations of the report. You may very well recall, Mr President, as the Senate may recall, that at the time that Committee was established there were little or no operations in any of the States relating to water resources. Government committees had been established to look specifically at the situation of the River Murray and the River Murray system but there was no specific Australia wide activity relating to the preservation of water resources and to deal with the matter of water pollution, and certainly there was no Australia wide activity relating to the provision of funds for the assessment of the nation's water resources.

I very well recall that there was a great deal of opposition to the establishment of that Committee. Its establishment was seen as an inroad into the State sphere. Throughout the 2 years of our hearings there was a considerable amount of questioning about our activity. However, in fairness and appreciation it must be said, and I do say it, that as we established our activity various State departments and State governments extended their co-operation. Indeed, by the time the Committee had finished its activity 2 years later every State in the Commonwealth had some establishment relating to the prevention of water pollution and the curing of water pollution, and in some cases that activity extended to assessments of the States' water resources in one way or another.

However, it was not all totally plain sailing in that way, because I remember that when we put down the report in the Senate and sought reaction from the States one State Premier declared quite firmly—he is on record as saying this—that he probably would not read the report. My reply to that statement at that stage was that I was not the least bit concerned whether he personally would read the report because it would cross his desk sooner or later and no doubt the officers of the appropriate department certainly would read it. Indeed, evidence of the fact that the report had been read and studied, not only by the officers in that particular State but also by those in all States, finds its expression in the very Bill that is before the Senate this morning, and that is that the Commonwealth and the States have now moved into a situation of co-operation and of working together in studying the water resources of this nation, and also that the Commonwealth is continuing to provide funds. I think it is important to say that while the Commonwealth Government of 1970 was not able to see its way clear to implement the recommendations of the report of the Senate Select Committee on Water Pollution, we have reached a stage where all of the major recommendations of the Senate Select Committee's report have now been put into effect in one way or another. I will not take the time of the Senate in specifying those recommendations, but I refer the Senate to the 17th meeting of the Australian Water Resources Council which was held in October last year and at which the matter for discussion was "A proposed national approach to water resources management". The items set out in the document which resulted from that meeting, the references in the Minister's second reading speech, and the references in the Bill in relation to the association between the Commonwealth Minister and any of the State Ministers, together with the work undertaken since then, indicate that although we have not been able, as I had hoped we would and I still hope we will, to set up a national water commission at least a systematic assessment of water quality, which is of interest to various societies and which is outlined in recommendation No. 4, and other things are already in operation in one way or another. The only request I would make—I would prefer and would wish it—is that from time to time Commonwealth Ministers and State Ministers recognise and give some credit to the work which was...
done by the Senate Select Committee on Water Pollution, because the Committee involved itself not only in dealing with water pollution as a national hazard but also in studying and recommending further studies of water resources assessment, which is the very subject of the Bill before the Senate today.

Because I have an interest in this subject which is perhaps a little different from some other interests, and because of my involvement in what was a pioneering exercise in water assessment in Australia, I place on record the fact that the work done by that Senate Select Committee some years ago has been very worth while. Its report is still recognised by leaders in the field of water engineering throughout Australia, and indeed the recommendations contained in that report have been gradually implemented in one way or another. Therefore the measures outlined in this Bill, providing as it does for funds for States grants, will result in money being well spent. I hope that the planning, development and management of our valuable water resources can be further understood so that our various national developments can proceed in an orderly and efficient manner. I support the Bill.

Senator McLaren (South Australia) (11.24)—I rise to say a few words on the States Grants (Water Resources Assessment) Bill 1976. It is one piece of legislation with which the Opposition is in complete agreement with the Government. As has been pointed out by Senator Davidson and Senator Mulvihill, this is a most important piece of legislation which is now being debated by the Senate. Senator Davidson referred to the Senate Standing Committee on Water Pollution, of which he was the Chairman. In my view, there is a need now for the Senate to refer to the appropriate committee a reference dealing with water desalination. Like Senator Davidson, I come from South Australia, which is often referred to as the driest State in the driest continent. That State certainly has very grave water problems. It depends to a large degree on the water that comes down the River Murray to supply it with its water needs. The Minister for Administrative Services (Senator Withers), in his second reading speech when introducing the Bill, said:

Commonwealth involvement with the States in water resources assessment goes back to 1964. Following a recommendation by the Australian Water Resources Council, the States, with financial support from the Commonwealth, embarked on an accelerated program to establish a comprehensive network of stream gauging stations and substantially to improve knowledge of underground water resources.

The Minister set out in detail the amount granted to the States in successive 3-year periods. The total was $31.4m over 12 years. The Minister also said:

The success of the Commonwealth support for these activities is reflected in expenditure by the States at levels in excess of those required to attract the maximum Commonwealth grant.

I think the States are to be commended for spending in excess of what they were obliged to spend. They are doing all they can to have every possible examination of the Commonwealth's water resources. The Minister also said:

Australia has experienced severe and, in places, record droughts and floods during the past decade. Senators with a close interest in Australia's water resources will be acutely aware of the variability of our rainfall and stream flows . . .

Senator Davidson and myself, in particular, would come within that category of senators who are extremely aware of the position, because we live in South Australia. Senator Davidson quoted from the statement issued by the Australian Water Resources Council's 17th meeting held in Melbourne on 24 October. I quote from the foreword to that statement:

This statement, which has been adopted by the Australian and State governments, sets out the basic principles and goals underlying the approach to the development and management of water resources in Australia. Responsibility for these matters in the States and Territories rests primarily with the respective governments, and each government retains the right to determine the basis for implementing particular proposals. This statement can be regarded as providing a broad framework for the general development of programs, and an outline of the main activities likely to be involved. Some aspects of this work will require close cooperation between governments, local authorities and others with interests in this general area.

Mr President, prior to my speaking in this debate I approached you and showed you a document which I intended to seek leave to have incorporated in Hansard. That document is the second reading speech on a water resources Bill which was introduced into the South Australian Parliament. That Bill was assented to on 4 March this year. I think it signifies how we in South Australia, in particular, have taken note of the mention in that foreword of the States collaborating with the Commonwealth to look after the water resources of this nation. The second reading speech sets out in detail what we in South Australia are doing to carry out the wishes of the Australian Water Resources Council. I hope that other States would follow suit by introducing respective State legislation to cover the needs of every State and the Commonwealth.

The PRESIDENT—Order! Do you seek leave to incorporate that document in Hansard now?

Senator McLaren—I will seek leave in a moment. If I had it incorporated now it would come in in the wrong place. Senator Davidson
referred to the provisions set out in the proposed national approach to water resources management. With the Senate’s concurrence, I would like to have those matters incorporated in *Hansard* at this stage. They are very brief, although there are a few pages of them. They are set out in detail. I seek leave of the Senate to have those proposals incorporated in *Hansard*.

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

*The document read as follows—*

Within this broad framework, a balanced approach to water resources management would include the following desirable goals (some of which may not be achieved quickly):

(a) the provision of water supplies, adequate in quantity and quality—
   (i) to meet the needs of people throughout Australia
   (ii) to meet the needs of or stimulate primary and secondary industry in such a way as to be compatible with projected market outlooks for the commodities concerned, a compatible with the resources and characteristics of the region concerned;

(b) the development and management of water resources so that, where practicable and desirable, other purposes such as flood mitigation, power generation, recreation and wildlife conservation are achieved in parallel with the purposes referred to above;

(c) the development of waste water treatment facilities in conjunction with water supply systems and the encouragement of recycling and re-use where appropriate;

(d) the adoption of water pricing policies which enable water needs to be met at a fair and reasonable price, but which provide an incentive to all water users to avoid wasteful or environmentally harmful practices and which encourage the efficient allocation of resources;

(e) the continued development of policies and practices, as far as possible consistent throughout Australia, aimed at achieving appropriate water quality objectives, and the highest practicable level of pollution abatement;

(f) the adoption of the general principle that direct costs, or costs related to loss of amenity, attributable to pollution should be borne by the polluter. Although the immediate and full implementation of this principle may not be feasible, it is none-the-less a goal to be pursued;

(g) the zoning of flood-prone land, with a view to its orderly management;

(h) the maintenance of adequate undisturbed aquatic environments as reference areas and the preservation of appropriate wetlands for the benefit of native wildlife;

(i) implementation of a program of public education aimed at ensuring a proper understanding of the factors affecting the development and use of water resources and a sense of responsibility in relation to these matters;

(j) the encouragement of an active interest and involvement of the community in the planning and management of water resources.

In order to implement a continuing planned program in the water field, the following specific activities are proposed which in some cases will require collaboration and consultation between the Australian and State Governments, and the many other bodies with interests in this field:

(a) continue the collaborative program of measurement and investigation of surface and underground water sponsored by the Australian Water Resources Council, and develop it as required in order to provide adequate basic data on the quantity and quality of Australia’s water resources;

(b) accelerate the studies which have been initiated by the Australian Water Resources Council to determine, on a region-by-region basis, the quantity and quality of water likely to be available for use under man’s control;

(c) undertake, as soon as practicable, such additional measures as may be needed to provide reliable data on water diverted from all sources (surface and underground), water actually used, and the quantity and quality of effluent in all sectors—municipal, industrial and agricultural;

(d) keep under review the possible merit of restructuring any existing water projects and systems with a view to achieving more effective use of resources in the light of changing conditions;

(e) undertake projection of regional water requirements in appropriate areas for approximately 10 to 30 years ahead, taking into account requirements for domestic and municipal purposes, primary and secondary industries, power generation, recreation and wildlife habitat, and with due regard to the sensitivity of demand to various factors such as technological and social change and price;

(f) collate the material outlined above in order to provide a picture of likely requirements in relation to the development, allocation and management of water for all purposes in the various regions;

(g) develop programs in the water field, including the provision of sewerage facilities, and the handling of liquid wastes generally, by collaboration between governments or authorities where appropriate;

(h) maintain a system of data acquisition, storage and retrieval in order to provide an adequate information base to meet the requirements of interested parties;

(i) maintain a program of research, studies, dissemination of results, education and such other measures as may be required to enable the water management goals set out in this Statement to be achieved;

(j) further develop systems for monitoring floods and droughts and assessing and minimising their adverse effects.

Senator McLAREN—Mr President, I seek leave of the Senate to incorporate in *Hansard* a paper relating to the South Australian Water Resources Bill 1976 which I showed to you earlier.

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

*The document read as follows—*

**SOUTH AUSTRALIA**

**WATER RESOURCES BILL, 1976**

REPORT FOR SECOND READING SPEECH

The development and management of South Australia’s water resources and hence its supplies is one of the greatest social issues facing the State.
The quantity and quality of our water resources is probably the most important and generally least appreciated asset we have.

It hardly needs stating that South Australia is the driest State in the world’s most arid continent.

Our State possesses less than two per cent of the total water resources of Australia, while accounting for 12½ per cent of Australia’s land mass and more than nine per cent of its total population. This gives some indication of the problems facing the Government in conserving, developing and managing our water resources.

Increasingly the pressures of exploitation are giving rise to instances where damage to the resource, or hardship to communities and individuals, will result if sound management and conservation policies are not properly carried out.

At the same time increasing industrial, agricultural and urban development are giving rise to problems of waste disposal, which, especially when accompanied by diminishing quantities of water in streams and underground, result in increasing dangers of deterioration in water quality.

The existence of these pressures, felt in our State to a degree not paralleled anywhere else in Australia, and the necessity of taking positive management initiatives to overcome them, underline the importance of this measure to the State.

The purpose of this Bill, therefore, is to enable the water resources of the State to be conserved, developed and managed in the manner that is most beneficial to the people of the State, with provision for enlisting their involvement to the greatest degree in the planning and management process.

This measure is the legislative expression of the South Australian Government’s Water Resources Management Policy, which was announced just over two years ago.

It will make possible the achievement of the fundamental principles of this policy by:

1. Providing a framework for consolidating the responsibility and authority for the conservation and management of water resources under the one Ministry and hence preventing the fragmentation that has caused difficulties elsewhere.
2. Promoting greater opportunity to incorporate water resources planning and management within the framework of comprehensive economic, environmental and social policy at the local, regional and State levels.
3. Providing a basis for multipurpose planning and management, in which not only the objective of economic efficiency is taken into account but also the objectives of environmental quality, regional economic development, and social well-being.
4. Providing a basis for multipurpose planning and management of the State’s water resources. In the past the main thrust of Government policy and activity has been directed towards the provision of water for domestic and industrial use and for irrigation purposes. It is now recognised that there are many other purposes of water use that interest and affect the community—the enjoyment of water in recreational pursuits, and the preservation of flora and fauna, to name but two.
5. Recognising the interdependence of surface and underground water, and of quality and quantity, which entails the adoption of a consistent and unified approach to each of these aspects of water resources.
6. Providing means whereby the planning and management efforts, already upgraded in tempo to meet the unique problems encountered in this State, can take the initiative. Only thereby can the water resources of the State be enhanced, especially in quality. In contrast, if this Act were not enacted, water resources management would inevitably become a matter of attempting to remedy damage after it has been done, and of alleviating hardship after its worst effects have been suffered.

Many aspects of this policy were expressed in a statement of water resources policy that was adopted last year by all States and the Australian Government. The relevant objectives of this policy are:

1. The provision of adequate water supplies of appropriate quality to meet urban and rural domestic needs, as well as those of viable primary and secondary industries.
2. The conservation, development and management of water resources so that other purposes such as flood control, recreation needs and wildlife conservation are also achieved.
3. The more intensive prevention of harmful pollution and the maintenance of high standards of water quality.
4. The development of effective waste water treatment facilities in conjunction with water supply systems and the encouragement of recycling and re-use of water where appropriate.
5. The adoption of water pricing policies which enable water needs to be met at a fair and reasonable price, but which provide an incentive to all water users to avoid wasteful or environmentally harmful practices and which encourage the efficient allocation of resources.
6. The maintenance of adequate, undisturbed aquatic environments as reference areas and the preservation of appropriate wetlands for the benefit of native wildlife.
7. The implementation of a program of public education aimed at ensuring the proper understanding of the factors affecting the development and use of water resources and a sense of responsibility in these matters.
8. The involvement of the public in the planning of water enterprises.

The principles on which this Bill has been based are therefore in accordance with the most modern developments in water resources management that have been evolving recently at the national level, and indeed internationally. Furthermore in its treatment of all aspects of water resources as a unified whole, it is believed to be the most advanced legislation in this field in the world.

At the same time, it remains a purely South Australian Bill, designed to meet the unique and various needs of all regions of this State.

Until now, legislation related to water resources management has been provided by a number of separate acts in the fields of surface waters, underground waters and water quality. The present situation is fragmented and inadequate from the legislative viewpoint, and as a result is fraught with administrative difficulties.

Completely new and consolidated legislation is required in these three fields, and in addition new ground must be covered.

In the surface waters area, management is currently exercised using the Control of Waters Act 1919-1975. This Act is somewhat archaic in its wording and structure, and in practice has proved to be applicable only to the management of diversions from the River Murray, which indeed require management since the resources of the river have a definite limit. There is a need for completely new legislation in the surface waters field, a need which is fulfilled by this Bill.

The management of underground waters is effected through the Underground Waters Preservation Act 1969-1975. This Act provides for a rather wider range of
controls than the surface waters legislation because by their nature underground water resources are much more liable to permanent damage or destruction by ignorant or self-interested mismanagement. Its very necessary powers are exercisable only in defined areas which at present are the northern Adelaide plains and parts of the South-East and Eyre Peninsula.

It is worth noting that, in the northern Adelaide plains, underground water is being extracted three times faster than it is being replenished.

In this Bill opportunity is taken to upgrade technically the provisions for underground waters management, and to transform the management approach into one that is consistent with the approach used in respect of surface waters. Among other things, provision is made for the protection of aquifers throughout the State from faulty or inappropriate well construction.

To date only certain limited aspects of water quality have been provided for in existing legislation. Only the Health Act and the Waterworks Act contain effective provisions, and these are limited to water for human consumption and, in the latter case, are confined to strictly limited areas.

This Bill provides for the control of the discharge of wastes into waters throughout the whole State, and in respect of all beneficial uses of water.

The method provided for exercising the necessary controls is relatively simple, and differs somewhat from the methods commonly used in other States and countries which in some respects have proved to be unsatisfactory.

Some have adopted the method of classification of waters by type of use, and provide penalties for those who cause the quality of receiving waters to exceed the limits laid down. This approach is proving unenforceable.

The approach in this Bill is firstly, to prohibit the discharge of wastes into waters where such action would result in the impairment of water quality, and secondly, to provide for the Minister, by Order, to authorise the discharge of wastes into waters only in strict accordance with the terms of the Order, thus enabling a positive approach to water quality enhancement to be taken. The Bill also contains powers to take action to mitigate the resulting pollution caused by an emergency or accidental happening.

New ground is broken by the Bill in three further areas:

1. The establishment of a South Australian Water Resources Council and Regional Advisory Committees. This provides a formal mechanism for public involvement in the management process.
2. The establishment of an Appeal Tribunal which will provide the individual with an additional opportunity to have his or her case examined by an independent body.
3. The provision of powers to construct works necessary for the purposes of the Act, such as those required for water quality mitigation, and further provisions to facilitate efficiency in administration.

Senator McLAREN—As I said earlier, that legislation was assented to on 4 March and the regulations governing it were to come into force on 1 July of this year. The regulations are titled 'Regulations under the Water Resources Act, 1976'. They are divided into the following parts: I--Preliminary; II--Water Resources Advisory Committees; III--Surface Waters; IV--Underground Waters; V--Well Drillers; VI--Well Drillers' Examination Committee; VII--Water Quality; VIII--Appeals; and XI--General.

So it can be seen from that document that we in South Australia have lived up to the obligations that have been placed upon us to carry out what we are obliged to carry out in respect of the Water Resources Council and the legislation that is now going through this Parliament. The present Commonwealth Government can be well assured that the money set out in the schedule to the Bill we are considering, particularly the money which has been allocated to South Australia, will be very wisely spent. I have much pleasure in supporting the legislation.

Senator WITHERS (Western Australia—Minister for Administrative Services) (11.32)—in reply—I thank the 3 honourable senators, particularly the Opposition senators, who have spoken in this debate. Senator Mulvihill asked 2 questions, one of which referred to the Ord River project. I do not think that he was referring to this project in particular but he made the general comment, and I think that there would be general agreement with the comment, that in the past many water conservation projects have been spawned in haste without any real investigation as to results which might flow—not just the economic results but especially the environmental ones. The Senate would be well aware that the creation of a fresh water inland sea such as the one on the Ord in an environment which has a 6-month dry season naturally will change the environment of the region. It will change the bird life, the insect life and even the animal life of the region. I think that would be fair comment. On occasions people interested in the medical side have raised questions as to how the change in the environment might affect the health of the people in the region. I think it would be fair to say that even though the Ord River dam has been finished for a number of years the project is still very much in its infancy. The special techniques appropriate to a tropical environment need to be used before the full benefits of that scheme will come into being. This aspect is certainly under study at the moment.

Senator Mulvihill also raised the question of the United Nations water conference which I think he said was to take place in May 1977. I am informed by my advisers that it is proposed that a delegation including both Commonwealth and State representatives will attend this conference. The composition of the delegation is tentative at the moment but it appears that it will consist of 6 representatives, three from the Commonwealth and three from the States. Therefore people representing a wide area of interests will attend
that conference and Australia will be able to play a full and proper role.

Senator Davidson's interest in water resources matters has been well known for many years. We all know of his work as chairman of the Senate Select Committee on Water Pollution. That Committee was one of the original committees in this area. I often think that so much of what might be called the current environmental movement was, if not spawned—if that is the right word—certainly given a great deal of assistance and publicity as a result of the work of that Committee and the Senate Select Committee on Air Pollution.

Senator Devitt—Senator Henty initiated them both.

Senator WITHERS—Yes, and it is rather remarkable that whilst there was some interest in these areas prior to the initiation of those 2 committees, there was not a great deal of interest. I have often thought that those 2 committees provided a forum whereby interested groups in the community could put their views. They gave a very great impetus to the whole environmental movement in Australia. I think the Senate ought to remind itself occasionally that through those 2 committees it has given the environmental field an enormous push along.

One matter raised by Senator McLaren which really took my interest was whether or not there ought to be an inquiry on water desalination. I think that is a most interesting proposition. It covers a range of waters right round the continent, including the sea, and all brackish waters. As the honourable senator would well know, salt problems do develop in agricultural areas in some States, particularly my own State of Western Australia. From my limited knowledge of these problems, as I understand it generally too much clearing and bad land use tend to bring about salt problems in agricultural areas. As I understand it, the Western Australian Department of Agriculture has done an enormous amount of work on these problems in recent years. The whole problem of desalination, particularly of water, is a worrying one. As a result of Senator McLaren's remarks, I shall certainly take up this matter with my colleague, Senator Thomas, who is Chairman of the Committee on National Resources. I think his committee would look after this matter.

Senator McLaren—I am a member of that Committee.

Senator WITHERS—I shall certainly mention the matter to Senator Thomas. Perhaps at the next Committee meeting Senator McLaren might mention that this is a matter that ought to be looked at by the Committee. I thank the Senate for its support of the Bill.

Question resolved in the affirmative.

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

PAY-ROLL TAX (TERRITORIES) ASSESSMENT AMENDMENT BILL 1976

Second Reading

Debate resumed from 30 November, on motion by Senator Cotton:

That the Bill be now read a second time.

Senator WRIEDT (Tasmania—Leader of the Opposition) (11.38)—This Bill concerns the raising of the general level of exemption from payroll tax on wages paid or payable in the Australian Capital Territory and the Northern Territory to a figure of $48,000. The Bill brings the exemption into line with the position in New South Wales where recently the New South Wales Government also increased the basic figure. It was quite obvious that to have had a differential between New South Wales and the Australian Capital Territory would have invited all sorts of anomalies for business activities in both the State and the Territories. It will of course also provide some relief for small businesses. For those reasons the Opposition is not opposing the legislation.

However, quite apart from what effects the Bill might have on some small businesses, it also has to be taken in the light of other much more important decisions that the Government has been taking over the past few months. During his second reading speech, the Treasurer (Mr Lynch) invited the Senate to recall a particular provision in his Budget Speech. The Opposition did not need to be reminded of what he said in that speech. I take the opportunity to remind the Government also of some other things the Treasurer said during the course of that speech because those things have since been forgotten by the Government. They have been retracted because of the total failure of the Government's policies. Because those policies have failed advantages which may accrue to small businesses under this legislation will largely be lost. For example, the Treasurer in the opening of his speech made the following point:

Recovery is now getting under way. The private sector is growing again and confidence is gradually returning. The Budget will aid that recovery and rebuild confidence further.

In the wake of policies and events since then, in particular the devaluation decision, those words
have a very hollow ring. The fact is that even before the decision on devaluation, recovery had collapsed and confidence almost disappeared. Of course, it is true that the Budget strategy has disappeared along with recovery and the confidence. I remind the Senate that during the Treasurer's Budget Speech he stated:

As we have stressed from the outset, we have made our first priority the absolute necessity to combat inflation.

The question I ask the Minister is: What has happened in the last 3 months to change the Government's priorities from the need to combat inflation to the need to fuel inflation? That is exactly what the decision of last week has resulted in. It means that the whole of the Budget strategy has really been thrown out the window. There is no more convincing evidence of this than appears in the Treasurer's Budget Speech:

We had earlier made clear that, contrary to views in some quarters, we had no intention of depreciating the exchange rate for the Australian dollar.

During the course of the Budget debate in this chamber over the past few months I used the term: 'The Budget was a complete gamble'. I believe I have been proven right and that it is a gamble which has failed. As the Treasurer invited us to recall some of the remarks made in his speech, I ask him to recall that he stated:

The key question hanging over the future course of the recovery is whether the main components of private demand—consumption and business investment—will join stocks and exports in completing a continuing recovery. If they do not, that recovery will falter and expire.

Those are the words of the Treasurer, not of any critics of the Treasurer. It was clear prior to devaluation that the gamble had been lost. Both consumption and business investment had been on the wane and the country was facing a period of deep recession. The decision to devalue was not only a recognition that the gamble was lost but also ensured that there was no hope whatsoever that the situation could be saved. As a result of this we are facing increasingly difficult times in this country. Because of this Government's policies, not only has business confidence gone with no sign of recovery but also the very deep problem in relation to unemployment is increasing. It is evident that the alleged management skills of this Government have been found wanting, to say the least.

It is true that in the Australian Capital Territory there will be some relief for small businesses. But that relief cannot possibly offset the damage which has been done by other Government decisions.

Even within the Australian Capital Territory we see the almost complete destruction of the building industry. We have seen very savage ceilings imposed on the Public Service by this Government in its mad effort to reduce expenditure in the public sector. All these things have had the most adverse effects on people living in the Australian Capital Territory. We find now that rents and interest rates have also gone up. This legislation will provide some assistance to the business community in the Australian Capital Territory and the Opposition does not oppose it, but the fact is that the basic damage has been done by the present Government. We are quite certain that, unless this Government is prepared to recognise the wrongness of the direction in which it is taking this country, these problems will be exacerbated over the months ahead. Despite all those comments, we will not oppose this piece of legislation because we believe it has limited benefit at least for some people in the community.

Senator KILGARIFF (Northern Territory) (11.46)—I think Australians realised at the last election that the need was to get Australia back on its feet. It was clearly indicated by the Liberal and National Country Parties that, at that stage, the country was in a poor state. It was expected that in the following year or two Australia would go through an extremely difficult time. This was obvious when one looked back at what happened over the previous three or four years with spiralling costs and the development of galloping inflation bringing the Australian economy into chaos. The ills of the economy cannot be cured overnight. Any reasonable person would agree with that view. Since being elected, the Government has taken many actions to bring about a decrease in inflation. Once again, I think every reasonable person would have to agree that the measures that have been taken have been successful.

Senator Ryan—Is he serious?

Senator KILGARIFF—At the date of the election, December 1975, Australia's inflation rate was over 17 per cent. That was the third highest of the developed countries in the world. Senator Ryan might say: 'Is he serious?' I think the whole situation was and still is serious. If the Labor Government had been allowed to continue with the trend that it was following 3 years ago, Australia would have now been in economic chaos. One has only to look at some of the policies of Labor to see that this is so. I refer to the books by Dr Cairns and others. I am not saying that all members of the Labor Party advocated such policies—far from it. Some people within the Labor Party and within the
Senate were very interested in seeing that inflation was reduced and the economy controlled. However, a section of the left wing desired to bring economic chaos into the country. This economic chaos would have meant the finish of the private enterprise system and Australia would have developed rapidly into a socialistic state from which it would never have escaped. The situation was serious. Since then, despite the problems which now beset us, the inflation rate has been cut back by possibly 7 per cent. It is anticipated and hoped that——

Senator Ryan — What?

Senator KILGARIFF — The honourable senator says: ‘What?’ The inflation was 17 per cent. Now several percentage points have been cut from it. This has been the result of the restrictions and the policies introduced by this Government. As I said before, at the beginning of this Government’s term of office it was anticipated that Australia would be in a difficult position for a long time. A country does not climb out of such a mess overnight. As can be seen from the present position, that will take some considerable time. We must continue to work on the problem.

This Bill provides an incentive to small business. As one who lives in the Northern Territory, I applaud the Government for introducing this legislation which brings the Northern Territory and the Australian Capital Territory into line with the States. It will provide some incentive to small business in those areas. Small businesses, particularly those in the Northern Territory, are experiencing an extremely difficult time. Before the last election, with the galloping inflation rate, with costs increasing rapidly week by week and with wages increasing, many small businesses went broke. Under this legislation an employer who pays wages of $900 or less a week will not have to pay any payroll tax. At present the limit is $400. This legislation will provide considerable support for small business. This is an election promise of the Liberal and National Country Parties which is now being implemented. This legislation will give some assistance to small businesses in the Northern Territory.

The people in the Northern Territory are in an extremely difficult situation. As I have said so often in the Senate, I believe that many Australians forget the people of the outback. They forget that people were encouraged to go to the outback in order to assist in the development of Australia. These pioneers had to be given special assistance in some instances, and that occurred under previous Liberal-Country Party governments. I refer to such schemes as fuel prices equalisation and freight rate assistance, which assisted small businesses and individuals in the Northern Territory. The Australian Labor Party Government introduced cost recovery policies, which are being continued because of the monetary difficulties facing this nation at the moment, and user-pays policies. The fuel prices equalisation scheme for the people of the outback was discontinued. Freight rate assistance was taken away and freight rates have increased by 100 per cent or more. This has put the people in the outback in an extremely difficult position.

Once again I emphasise the fact that many small businesses and big businesses in the Northern Territory are going broke because the costs they have to bear are absolutely beyond them. In many cases people on the land are receiving no income whatsoever. School fees are increasing. This means that some children no longer can go to school, whereas previously they were able to attend schools in the main centres or various colleges in the south. I must emphasise that, whilst legislation such as this is very acceptable to the people of the Northern Territory and will take away some of the pain and tribulation and some of the costs of business, we must not forget the people in the outback. There is much more which should be done to assist them in these very difficult times. The people on the seaboard also have difficulties, but it should be remembered that people on the seaboard are close to the markets and incur lower freight costs. When they move they do not have to travel 500 miles, 1000 miles or 2000 miles, as do the people of the Northern Territory. People are inclined to forget that families in the outback of the Northern Territory, who do not work for the Government or for an employer who pays their fares, are in a most difficult position when leaving the Territory on holidays. Often they do not have the financial ability to do that. I do not wish to go on at length about this problem. The point I make is that the decision regarding payroll tax restrictions is very acceptable in the Northern Territory. I hope that in the future, as the Government gets the country back on its feet, it will recognise more and more the problems of outback businesses and bring back the many facilities which such businesses enjoyed in the past.

Senator RYAN (Australian Capital Territory) (11.56)—The Senate is debating a Bill for an Act to amend the Pay-roll Tax (Territories) Assessment Act 1971. As the Leader of the Opposition (Senator Wriedt) has pointed out, the Opposition does not oppose this Bill. I was prompted to rise to speak on the Bill by some of the extravagant claims made for it by the Minister
for Industry and Commerce (Senator Cotton) in his second reading speech. Before I proceed, I feel that I must comment on some of the more wildly inaccurate statements made by the speaker who preceded me in this debate, the honourable senator from the Northern Territory, Senator Kilgariff devoted some of his speech to telling the Senate how, if the Labor Government had been allowed to continue, economic chaos would have ensued. I submit that the facts relating to the Australian economy today are such that they cannot be interpreted to mean anything other than economic chaos.

The factors in the economic situation today are different from those which would have come about had a Labor Government been permitted to continue, in the words of Senator Kilgariff. The fact of our economic situation as it is today, which has been brought about after 12 months of a Liberal-National Country Party coalition, are these: Unemployment has risen by 40,000 people; the deficit about which we heard so much from Mr Fraser, the Leader of the Liberal Party, during the election campaign, the deficit which had to be reduced at all costs, the deficit which for the coalition Parties was the most telling evidence of the incompetence of the Labor Government, is now at $5,000m, which is greater than it ever was under a Labor Government. Business investment, which was guaranteed by the coalition Parties and was the reason for which the business community voted for those Parties, is at its lowest point for the last 4 years. The most recent blow to the Australian economy by the present Government is devaluation, which has resulted in a situation where the Australian currency is at its lowest value for 5 years. I submit that those 4 factors—unemployment, the deficit, low business investment and the low standing of Australian currency—add up to economic chaos, and that that economic chaos has resulted from the economic strategies of the Fraser Government and bears no resemblance to the situation which would have prevailed had the Labor Government continued.

I wish to turn my attention to the Australian Capital Territory. Because the Australian Capital Territory, along with the Northern Territory, is one of the prime beneficiaries of the Bill before the Senate, I have no quarrel with the measures to provide a level of exemption from payroll tax equal to that which will apply in New South Wales from 1 January 1977. The Treasurer (Mr Lynch), in introducing this legislation gave as his reason for adopting this strategy the intention that payroll tax considerations should not affect the choice of location of business activity between the Australian Capital Territory and adjacent parts of New South Wales. It may be true to say that, as a result of this Bill, in respect of payroll tax exemption business in the Australian Capital Territory will be on an equal footing with business in the surrounding States. However, that would be the only respect in which business in the Australian Capital Territory is not at a serious disadvantage compared with business in the adjacent States.

We only have to look at the current employment figures, which were released within the last couple of days for the Australian Capital Territory to see the point in what I am saying. Unemployment in the Australian Capital Territory rose by 458 people to 3695 people last month according to figures released on 3 December 1976. This is a record for the region. With unemployment in the Australian Capital Territory at a record level it seems to me to be a rather feeble attempt on the part of the Government to attract business to the Australian Capital Territory only by way of amending the payroll tax provisions. The Government has failed to make any effort to create employment in the Australian Capital Territory and thereby to create conditions under which business may be attracted to the Australian Capital Territory. Why should investors turn their attention to the Australian Capital Territory and invest money here when business is at an all time low and unemployment at an all-time high? There must be many other parts of Australia which are not in quite as bad a position as the Australian Capital Territory and which will attract business ahead of the Australian Capital Territory.

In September of this year we thought there might be some improvement in the situation in the Australian Capital Territory when the Minister for Employment and Industrial Relations (Mr Street) announced the creation of a new employment scheme, called a 'relocation assistance scheme', which was some sort of a late-in-the-day reversal of the Government’s opposition to the earlier Labor schemes—the National Employment and Training scheme and the Regional Employment Development scheme. At the time when this relocation assistance scheme was announced I publicly asked of the Minister for Employment and Industrial Relations and the Minister for the Capital Territory (Mr Staley) how this scheme would apply in the Australian Capital Territory which, like many other country regions, suffers from structural unemployment. I received no reply from either Minister. In my close observation and monitoring of the business
and employment situation in the Australian Capital Territory I have seen no evidence that the Australian Capital Territory has benefited one iota from the much vaunted relocation scheme announced in September.

If we look at the figures provided by those people who perhaps have the most personal interest in what is happening in the construction industry in the Australian Capital Territory—I refer to the Master Builders Association of the Australian Capital Territory—we find a very disastrous picture indeed. I quote the figures provided by the Master Builders Association rather than those of the relevant unions because I believe that this Government might be more responsive to the views of the capitalists—the investors and the employers—than it would be to the views of the employees in the construction industry. Figures published fairly recently by the Master Builders Association indicate that its earlier forecast that by the middle of this year—that is, by June 1976—some 4000 fewer jobs would be available in the Canberra construction industry than were available at the same time last year have been borne out by what has happened. Regular surveys and samplings confirm that the reduction in employment in the Canberra construction industry has been of that order. That is to say that by the middle of this year 4000 fewer jobs were available in the Canberra construction industry than were available in the year before. The Master Builders Association said that the concentration of unemployment in the Australian Capital Territory in the construction industry was particularly high. The Master Builders Association goes on to say that it is generally held in the industry that official unemployment figures do not reflect the real situation in Canberra. It said:

Firstly, unemployment was largely confined to the private sector which was about one third of the work force. Secondly, quite a number of people left Canberra in search of work elsewhere rather than register as unemployed.

So the position is even worse than statistics suggest. Similarly in the opportunities for training for employment which were once provided by the construction industry there was a dramatic reduction. Figures referring to the group apprenticeship scheme run by the Master Builders Association show that from 1970 to 1973 there was 100 per cent acceptance of applicants under the scheme. In 1974 that figure dropped to 70 per cent, in 1975 to 50 per cent but in 1976, the year of the government of big business which knew how to get the economy back on the rails, only 13 per cent of applicants under the group apprenticeship scheme were accepted.

Similarly, when the Master Builders Association conducted a survey of architectural and engineering consultants to see how much work was available and was expected to be available during this year, it received 36 responses and of those, 14 designers replied that they had no work in hand to go to tender in the industry for the year ending 30 June 1977.

I turn now to the housing section of the construction industry which, of course, has always been the main section of the construction industry in the Australian Capital Territory. The report by the Indicative Planning Council for the Housing Industry tells us that the estimated capacity in the Australian Capital Territory for 1976-77 was about 4900 dwellings but that the actual level of dwelling construction was expected to be only 3600 dwellings for 1976-77.

Senator Wright—Can you tell me how many houses and flats are vacant in the Australian Capital Territory?

Senator RYAN—Senator Wright expresses some scepticism about the figures I have just announced but he is not renowned for his knowledge of the details of the economy and needs of the Australian Capital Territory. There are fewer houses being built than there are people wanting to buy them and there are fewer flats available than there are people wanting to rent them. Both of these situations have drastically worsened during the year of the Fraser Government.

Senator Wright—But how many vacant houses are there?

Senator RYAN—Senator Wright asks a question which really he should be directing to the Minister for the Capital Territory. If there are vacant houses in the Australian Capital Territory, and I doubt that there are, it is because the rent increases imposed by this Government have been so substantial that some people cannot afford even to rent them and are living in caravans and similar accommodation. Another matter I want to raise is the unwarranted bouquet given by the Minister for Industry and Commerce in his second reading speech to the honourable member for Canberra and the senator for the Australian Capital Territory Senator Knight. The Minister said:

In considering these changed tax arrangements, the Government has before it a series of detailed submissions from the honourable member for Canberra and Senator Knight. The decision to introduce this Bill owes much to the effective representations made by the honourable member for Canberra, as well as Government senators.

I have before me the 13 submissions, made by the 2 gentlemen referred to by the Minister, on employment and business in the Australian
Capital Territory. It appears to me that in fact none of these recommendations has been implemented by the present Government and that the submissions of Senator Knight and the member for Canberra have been ignored. I shall go through them briefly so that honourable senators will realise that I am speaking factually. Their first submission was that special consideration be given to the provision of employment opportunities in the Public Service. Honourable senators will be aware that there has been a constant reduction of staff positions available in the Public Service. Their second submission was that urgent consideration be given to the more extensive use of part time employment in the Public Service. Honourable senators will also be aware that many part time employees of the Public Service have been retrenched. Their third submission was that consideration be given to the transfer of some sections of the Public Service to Canberra in the near future. This has not happened. Its fourth consideration—a rather relevant one this week—is that consideration was to be given to lower voluntary retirement ages in the Public Service. The Government, when it introduced its superannuation legislation for the Commonwealth Public Service this year, refused to admit the clause allowing for voluntary early retirement, but it now has plans to introduce compulsory, arbitrary, selective sacking of public servants 55 years of age and over—

Senator Wright—What has this to do with the Bill?

Senator RYAN—Senator Wright wonders what this has to do with the Bill before us. It all has to do with the fact that business is worse in the Australian Capital Territory than it has ever been. It is worse because people do not have money to spend as a result of the various measures taken by the present Government. The claim made by the Minister for Industry and Commerce (Senator Cotton) in his second reading speech that the payroll tax amendment will improve business in the Australian Capital Territory and will solve all the employment and business problems is as ludicrous as is the Government's claim that submissions put by Senator Knight and the honourable member for Canberra (Mr Haslem) have been accepted. I have given some examples where the submissions put by these gentlemen have, in fact, been totally ignored. There are more but perhaps I will not continue. However, one which I would like to mention, is a submission to assist home buyers and to stimulate the housing and construction industry by increasing Commissioner for Housing loans from $15,000 to $18,000 and introducing some shading in of higher interest rates on the Commissioner for Housing loans which have been announced. That was one of the submissions by the Liberal representatives of the Australian Capital Territory. It, also, was totally ignored.

The situation is that the amount available under Commissioner for Housing loans has remained at $15,000 but that conditions by which one would qualify for such a loan have been made so stringent that people on very low incomes cannot qualify. We have an absurd situation in which the Department of the Capital Territory Housing Branch has had to put out a statement saying that those $15,000 housing loans have not been taken up. This has happened in a situation where people are desperate for housing and desperate to buy their own homes but, because this Government introduced such stringent provisions for eligibility and increased the interest rates to such an extent, even people on low incomes, who are paying huge rents and who would do anything to get into a home of their own, are unable to do so. Yet we have a situation in which so-called cheap Commissioner for Housing loans are going begging for want of people to take them up.

That is the sort of economic chaos that has been brought about. That is the sort of serious situation which, really, will not be ameliorated in any significant way by the legislation before the House. The real reason for the problems faced by businesses in this Territory is not, I submit, the fact that it had a slightly higher payroll tax commitment than business in the surrounding States. The Opposition does not oppose the provisions which will give greater exemptions to small businesses in the Australian Capital Territory. We are happy to see any provision which might improve the situation in the Australian Capital Territory. We accept that by making the payroll tax exemption equivalent to that of the surrounding States, there has been a very slight gesture towards helping small business in the Territory. However, we submit that the real reason for business failures in this Territory is the reduction in real incomes of all wage earners in the Territory through drastic increases by up to 100 per cent in the rents on Government houses. I have quoted figures before in the Senate regarding this matter but I will not repeat them.

Other reasons for the failure of businesses include drastic and unnotified increases in rates of all kinds; very drastic increases in interest rates from 4 1/4 per cent to 9 1/4 per cent applying to
people buying houses from the Government; the Medibank levy, which, of course, is nothing but a huge increase in personal taxation and is recognised now to be so by the electorate; the very rapid increase in bus fares and the introduction of school bus fares to school children in the Australian Capital Territory which, again, has taken a toll on the real disposable income of families with several children in the Australian Capital Territory. There has been the abolition of the price control mechanism which was quite necessary in the Australian Capital Territory because of the peculiar position we are in whereby most of our consumer products, including foodstuffs, are brought in from the States. It was really necessary to have a prices justification control mechanism here locally, otherwise people bringing goods from the States could easily claim that the transport costs and so on justified huge markups. That mechanism was abolished unilaterally by the Minister for the Capital Territory (Mr Staley), with consultation with nobody. Since it has been abolished the prices of bread, beer and petrol have gone up.

Of course there have been many incursions into the industrial conditions of people working in the Public Service, one of the most notable being the reduction in overtime. I think we have a domestic example of that here in Parliament House. Drivers who were accustomed regularly to earning a certain amount of overtime as a part of their income have been deprived of that overtime and at the same time taxis have been engaged to drive members and senators home. I fail to see where the economic sense is in that.

The DEPUTY PRESIDENT (Senator Drake-Brockman)—Senator Ryan, it is rather difficult to see how these matters relate to this Bill dealing with payroll tax. I have given you a fair bit of latitude.

Senator RYAN—Thank you, Mr Deputy President. I understand that it may be hard for some honourable senators who are not familiar with the situation in the Australian Capital Territory to understand how all these measures which the Government has taken have brought about a very poor situation for business in the Australian Capital Territory. I shall conclude my remarks by saying that we welcome the payroll tax provisions before us because they will improve, to a small extent, the situation of small businesses in the Australian Capital Territory. The relevance of the other things I have said is that many other factors need to be changed before small businesses in the Australian Capital Territory can flourish.

Senator WRIGHT (Tasmania) (12.17)—I wish to make only a few brief remarks, and they will relate to the Pay-roll Tax (Territories) Assessment Amendment Bill dealing with payroll taxation. It is very gratifying to note any relief that can be given to business from this very burdensome tax on employment. An instance of the way in which payroll tax has become a ravaging influence on business is to be found in Tasmania where the tax yielded $18m in 1974-75. It increased by 50 per cent in 1975-76 and at the end of 1976-77, this year, it is estimated that it will yield $35m. That is to say, there has been nearly a 100 per cent increase in the course of 4 years.

To take one other simple illustration—I like to get my points through by simple, direct illustrations on a particular matter—we have been considering the debacle of the Mount Lyell Mining and Railway Co. Ltd which threatened retrenchment of employees within the last 2 weeks. In the year ending June 1974 that company paid $322,000 in payroll tax, and 2 years later, although the personnel on wages had decreased, the amount of payroll tax levied on the company was double what it was in 1974. In 2 years it had risen from $322,000 to $639,000. Payroll tax is a burden on industry which is the legacy of Labor. Following the huge increases in wages that the economy could not stand payroll tax is cutting in a most severe way and deadening the incentive to business.

Senator COTTON (New South Wales—Minister for Industry and Commerce) (12.19)—in reply—We are dealing with the Pay-roll Tax (Territories) Assessment Amendment Bill with which the Opposition is in full agreement. It does not oppose the Bill but has used this debate as a vehicle to make some remarks about all kinds of things. The basic situation is that here is a Bill which is not opposed. It raises the level of exemptions from payroll tax in respect of wages payable or paid in the Australian Capital Territory or the Northern Territory from $20,800 to $48,000. This ensures consistency of treatment between employers in the Australian Capital Territory and employers in New South Wales. It also provides relief for small business in the Australian Capital Territory and the Northern Territory. It reflects the Government's concern for this area in trying to bring the matter into a fair balance and adjustment. I think that is all I really need to say because, as I have said before, I have a great wish not to have my Christmas dinner in Parliament House.

Question resolved in the affirmative.
Bill read a second time, and passed through its remaining stages without amendment or debate.

ROADS ACTS AMENDMENT BILL
(No. 2) 1976
Second Reading

Debate resumed from 30 November, on motion by Senator Carrick:

That the Bill be now read a second time.

Senator DOUGLAS McCLELLAND (New South Wales) (12.22)—In normal circumstances my colleague, Senator Keeffe, the Deputy Leader of the Opposition in the Senate, would be leading for the Opposition on this Bill, because Senator Keeffe has an urgent commitment in Queensland today I have been charged with the responsibility of handling the Bill. The purpose of the Bill is to amend the National Roads Act of 1974 and the Roads Grants Act of 1974 by allocating to the States an additional amount of financial assistance totalling $35.8m for the current financial year. Whilst the Opposition does not oppose the Bill we will move an amendment which indicates that we believe that because of cost escalation insufficient financial assistance is being provided to the States. On behalf of the Opposition, I move:

At end of motion add: 'but the Senate is of the opinion that the Bill fails to provide adequate financial assistance to the States for cost escalation in the current year.

The amount of $35.8m to be appropriated is less than one-quarter of the cost escalation adjustment of $157m as recommended by the Commonwealth Bureau of Roads for expenditure in 1976-77. This is despite the pleadings of the State Ministers for Transport at the forty-sixth Australian Transport Advisory Council meeting for a substantial cost escalation grant to offset the ravages of high inflation and record unemployment which appears to have been fostered by the present Government since it took office over 12 months ago.

The Minister for Transport (Mr Nixon) in typical fashion has sought to give the impression that by including the amount of $35.8m in this Bill a total of $453.5m will be available for road construction and maintenance this financial year. He compared this figure with an amount of $413.5m for 1975-76 and attempted to show that there has been a $40m increase for this financial year. In doing so he neglected to point out, of course, that the Liberal-Country Party Government has asked the States to defer claims on road funds of $20m for 1975-76. Thus, if that amount is taken into account, the real outlays for 1976-77 are $433.5m and not $453.5m. Of course, the fact is that the amount of $433.5m was appropriated for 1975-76 and the same amount will be appropriated for 1976-77. So there is to be no increase in funding. In real terms—that is to say, after allowing for increases that take place because of inflation—the availability of road funds will have been reduced by over 12 per cent or one-eighth of the total funding.

I draw the attention of honourable senators to the fact that the Bureau of Roads has recommended that $157m be made available to the States this year by way of financial assistance to offset cost increases. The Government has seen fit to provide $35.8m, which is a mere 23 per cent of the amount recommended by the Bureau of Roads. Under those circumstances and in the light of the ever increasing unemployment level in Australia, the Opposition believes that this appropriation is totally inadequate. Although, as I have said, the Opposition does not oppose the Bill, I have moved an amendment to the Bill in its present form because the Opposition believes that the funds provided for in the Bill are totally inadequate to offset the cost increases incurred by the States in their road programs this financial year. The Whitlam Government did much in the space of 3 short years to remedy the problems created by 23 years of neglect by previous conservative governments. Surely no government could right all those wrongs in a mere 3 years, especially when that government had to contend with 3 elections in that period. But we went a long way in overcoming some of the problems. We now find that this Government, with all its short-sightedness, appears to be reverting to the pre-1972 conditions.

The importance of road programs in the overall national transport scheme cannot be underestimated and continued high level funding of road programs is essential. In all of its aspects—road, sea, rail and air—transport is a major component of the Australian economy. Australia’s vast distances and sparsity of population pose problems. Some 10 per cent of Australia’s gross national expenditure relates to transport and over 6 per cent of the total work force is employed in the transport industry in one form or another. Roughly 350 000 Australians obtain their livelihood from this industry. It is important that transport have a very strong voice in the economic management of a country of the size and nature of Australia. Transport decisions have very important effects upon other industries and the economy generally. Transport planning and expenditure should be given high priority and should play a major role in the development of any country’s economic policy. Because of
Australia's nature and topography, I suggest that that applies much more so in Australia.

I have expressed the Opposition's attitude to this Bill to amend the National Roads Act and the Roads Grants Act. It is outlined in the terms of the amendment I have moved. A number of other bodies would seem to agree with the contention that is put now by the Labor Opposition. Recently a brochure was prepared and published by the Australian Automobile Association on behalf of its constituent members—the National Roads and Motorists' Association, the Royal Automobile Club of Victoria Limited, the Royal Automobile Association of South Australia Inc., The Royal Automobile Club of Queensland, the Royal Automobile Club of Western Australia (Incorporated), the Royal Automobile Club of Tasmania and the Royal Automobile Club of Australia. In that excellent brochure a number of questions were posed. For instance, it asked:

... how much is being spent on roads?

It states:

The Commonwealth Bureau of Roads, in its comprehensive report on roads needs and roads expenditure, recommended Government grants to the States totalling $564.4 million for roads in 1976-77. We argued—

That is, the Australian Automobile Association—

That this sum was insufficient but the Bureau considered it the maximum feasible programme in the light of prevailing economic and industrial conditions.

The Government, however, reduced even this amount to $433.3 million—a cut of $130.9 million—or some 23 per cent less than the figure recommended by the Bureau of Roads as warranted and feasible.

The brochure then asked the rhetorical question:

A pretty heavy cut in the roads programme don't you think?

It continues:

And that doesn't take into account the eroding effects of inflation which, according to the latest Budget papers, even the Government expects to run at 10 per cent for this financial year.

It then asks:

... what is wrong with our present roads?

It states:

Putting it bluntly, Australia's roads—with a few scattered but outstanding exceptions—are unsafe, inadequate, obsolete and lagging way behind industrial and technological development.

No other advanced country in the world would tolerate the disgraceful roads situation we have to contend with in Australia today.

Surveys by A.A.A.'s Constituent Members—the various State motorists' organisations—tell a continuing story of narrow pavements, broken edges, inadequate shoulders, poor alignment and death-dealing roadside obstacles.

All this could be changed by an adequate injection of finance but:

While various levels of Government haggle over who pays what,

While the Federal Government collects enormous sums from motorists but spends most on non-roads related services,

While arguments rage over public versus private transport instead of what's best for the community as a whole,

... the nation each year loses about 3500 people killed in traffic accidents, another 100,000 injured and an economic loss in accident costs of more than $1,000 million.

The Australian Automobile Association argued that a program of road construction, if carried out in detail, would achieve benefits worth 3.9 times the actual expenditure. I am sure that all honourable senators who, because of their occupation, use roads to a great extent throughout Australia will agree with those findings of the Australian Automobile Association. I do not want to play politics with this matter. I believe that all governments—whether they be Liberal Party, Country Party or Labor Party governments—should have the national welfare of this country at heart and should meet around a table to see that the real wealth of this country that needs to be spent on roads is in fact spent on roads.

The Local Government Association of New South Wales has produced a publication setting out its views on the recent report of the Commonwealth Bureau of Roads. In its publication No. 2 of 1976, which was put out, incidentally, as a special edition, under the heading 'Establishing the Goals' it stated:

In making a survey of our roads, the Bureau—

That is, the Commonwealth Bureau of Roads— has adopted a lower standard of service than is desirable. Even so, the cost of bringing our roads up to scratch by 1981 would be $16,305 million. This is much greater than what we have ever attempted, and incidentally, would provide employment for 300,000 people.

However, the Bureau realises that the program is more than we can expect, and so it has drawn up what it calls the Warranted program which is based on a cost-benefit analysis of each category of road. That is, it would include only those roads which would return to the community more than they cost, and also give a bonus of at least 10 per cent per annum. This Warranted program would cost only 47 per cent of the survey standard, or $7,626 million.

After considering the availability of finance, of labour and resources, the capacity of the industry, the Bureau considers that even its 'Warranted' program was too ambitious, and they have pruned it down to their 'Recommended' program.

The 'Recommended' program will cost $5,500 million in 1973-74 prices, and no doubt, will be the only one seriously considered by Federal Parliament . . .

The Bureau is careful to point out that their 'Recommended' program does no more than lift road construction expenditure to the 1974-75 level, and in real terms would not be achieving much more than was done between 1970 and 1976.
The simple fact is that we are proposing to spend this financial year not $5,500m but about $3,500m. As I have said, the Opposition does not oppose the passage of this legislation, but because we believe that the amount is inadequate to keep up with the escalation that is taking place in costs we have moved the amendment and put it forward to the Senate in the belief that it should be carried as an earnest expression by the Senate to the Government that much more has to be done on road expenditure in the future than has been done to date.

**Senator JESSOP (South Australia)**

(12.37)—This Bill provides $35.8m additional funds to the States for road construction and brings the total available to the States for this purpose for 1976-77 to $433.5m. I certainly share the concern that has been expressed that we must allocate additional funds for road purposes—for the national highways and those other roads that are of great significance to us. The automobile associations have put forward their views—they have to do so—to press the interests of their members. As Senator Douglas McClelland suggested, we should get round the table and talk about these things. It would have been great if the previous Government had taken that advice or used that sort of system when allocating funds for various purposes during its 3 years in office. Because that Government did not do so, the present Administration has to take stock of the economy and put into perspective the areas of significance on which to spend the taxpayers' money. We have chosen to examine the course of action pursued by the previous Government, which in a frivolous fashion made money available to areas that should not have been given the highest priority. That is why we are in a position where perhaps we cannot do as much as we would like to do at present. But I believe that the Bill indicates the good faith of the Government, particularly in that it pays regard to the plight of local government and the way in which rural roads were allowed to slip back during the 3 years of the Labor Administration.

It will be noted that in this Bill an attempt has been made to restore this imbalance and provide more finance to local government authorities. In his second reading speech, the Minister for Education (Senator Carrick) said:

In advising the States of the proposed additional funds and seeking their views on the proposed allocation to categories, the Minister for Transport, Mr Nixon, has pointed to the decline in funds available to local government and stressed the urgent road requirements in rural areas.

The Minister goes on to say:

Following consultations with the States the proposed allocations set out in the Bill were adopted. These allocations go a considerable way towards improving the difficulties which rural local government and the rural roads system were facing. This has been achieved without any disruption of the overall State road programs.

So, consultation has been carried out with the States. As a result of that consultation the Senate is now considering this Bill. When the supply of money becomes rather short I suppose that rural areas are the first to suffer. As I indicated, this Bill goes some way towards correcting the difficulties that local government in rural areas has been experiencing.

I note that on Friday last, 4 December, a meeting of the Australian Transport Advisory Council was held in Melbourne. After that meeting, my attention was drawn to a statement in the Melbourne Age under the heading, 'State anger as road plan denied'. The article reads in part:

The Federal Minister for Transport, Mr Nixon, yesterday rejected a plea from the States for the introduction of five-year forward planning for Australia's road system.

He told State Transport Ministers, meeting in Melbourne, that the Government did not have the necessary information on which to base financial commitments to roads until 1981-82.

That is in part correct. But this was certainly not a categorical rejection by the Minister for Transport of the plea from the States. He merely pointed out that there was insufficient information available to embark on a 5-year program at this stage. I gather that the Bureau of Roads report made firm recommendations for a further 3 years. It was on that basis that the Minister for Transport made his statement. For these purposes, last year can be considered only as an indicative year. What happened last year was by no means basic enough on which to plan for 5 years ahead. I understand that it was on that basis that the Minister made his statement.

I notice that, on his return from the ATAC meeting in Melbourne, Mr Virgo, the South Australian Minister responsible for roads suggested in a statement that the Commonwealth Minister for Transport was delaying decisions with respect to road programs or grants for road programs and accused him of exerting too much central control from Canberra over the States with respect to road programs. Unfortunately, Mr Virgo did not add that some of that delay—all of the delay as far as I am aware—arises from the fact that the State roads programs for the future should be covered by a State environmental report and that, at that meeting in Melbourne, the required environmental report statements did not accompany the roads programs. So, the Federal Minister cannot be blamed for delaying
a decision in this matter. Quite properly, I think, he must require State environmental departments to submit an appropriate accompanying report to give him a clear indication that the roads programs have no environmental problem associated with them.

I notice that, in this Bill, an additional amount has been provided for South Australia. The amounts concerned appear under various headings. The amounts allocated are $1.2m for rural arterial roads; $1m for rural local roads; and $1m for urban arterial roads. Similar allocations have been made to the other States. It seems to me that the rural areas will profit considerably by this Bill and it will restore to local government the capacity to get on with some of the rural road programs that have been languishing over the last two or three years.

I referred earlier to the report of the Bureau of Roads. The amalgamation of the Bureau of Roads into the Bureau of Transport Economics within the Department of Transport has been a matter of some concern to me. I did demonstrate my concern that perhaps some expertise could be lost as a result of the amalgamation. I asked questions in the Senate over the last month or so on this matter. I asked the Minister for Education whether he was aware that 12 people had already left the Bureau of Roads and I asked whether in his mind this was a significant loss in respect of the expertise that could have been available to the department. I also asked last week whether the Government is going to repeal the Bureau of Roads Act which I understand would be necessary in the event of amalgamation taking place. I asked the Minister whether he could give me the assurance that following amalgamation the advice available to the Government in respect of forward planning for roads would be as competent as it was previously. I would like the Minister to indicate in his summing up whether what I believe to be expert advice that has always flowed from the Bureau of Roads will still be available not only to the Federal Government, but also to the State governments and in particular local government bodies which have expressed some concern about the decision that the Government made to abolish the Bureau of Roads. It is of real concern in local government and I believe the Minister’s assurance would go a long way in allaying its fears in this respect. I am also anxious to know the position in respect of the people who are still employed in the Bureau of Roads. I seek an assurance that their areas of expertise will be recognised and that they will be given appropriate positions within the Department of Transport.

Senator WALSHE (Western Australia) (12.48)—The purpose of this legislation is to revise the levels of grants to the States for road construction and maintenance laid down in the various Acts passed in 1974. A similar Act was introduced in November 1975 to increase the amounts laid down in the 1974 Act by some $64m, the purpose being to compensate the States and ultimately the local government authorities for increased costs of road construction and maintenance which had occurred in the year following the passage of the legislation. This year there is an additional 12-month increase in costs which on the present Minister’s own admission has been running at 20 per cent a year; and that was made before the tearaway inflation which will follow this Government’s irresponsible devaluation decision of last weekend. So we have costs increasing, according to the Minister a fortnight ago, by 20 per cent plus the consequences of the Government’s devaluation decision. Yet this Government introduces legislation to increase the 1974 funds by only 9 per cent. So it is very clear that this legislation effectively reduces the amount of money in real terms available to the States and to local authorities. Given that undeniable and undeniable fact I would expect the self-proclaimed disciples of States’ rights who populate the Liberal-Country Party benches in the Senate to vote for this amendment which has been moved by Senator Douglas McClelland. The amendment states:

The Senate is of the opinion that the Bill fails to provide adequate financial assistance to the States for cost escalation in the current year.

That is a statement of fact. This Bill does fail to provide adequate compensation to the States for cost escalation in the current year and in the previous year. Despite the continual grandstanding and continual allegations of members of the Liberal and National Country Parties who sit across the chamber that they represent their States in this House and that this is a States’ House, I do not expect that even one of them will have the courage to come over here and vote with the Opposition for this amendment.

Two aspects of the fraudulence of this Government are revealed in its attitude to this Bill and its attitude to the previous roads legislation. I refer to the hypocrisy of comments by members and supporters of this Government when the original Acts were passed back in 1974 compared with their comments now. I will cite a few prime examples from that time and now in order
to show their attitude. I will refer to their attempts to confuse people, to deliberately foster confusion, over what they are doing. This confusion is designed to conceal the fact that in real terms funds for road works have been substantially reduced. When the original Acts were passed in 1974—those Acts are still current—many members of the then Opposition, the Liberal and National Country Parties, were vocal in their condemnation of the then Labor Government for allegedly providing insufficient funds. The present Minister for Transport, Mr Nixon, stated in the House of Representatives on 1 August 1974:

The legislation before the House will result in a serious cutback in the funds made available to State and local government authorities for road construction and maintenance.

That was said by the Minister who introduced this Bill which will effectively cut by some 20 per cent this financial year, compared with the last financial year, the funds available for local government authorities. In 1974 Mr Nixon went on to say:

The Federal Government will require the States to increase their taxation on motorists over the next 3 years.

That is precisely what this legislation will compel the States to do if the States are to maintain anything like their previous level of road construction and maintenance. Mr Nixon continued:

Further substantial increases will be required if the States are not to cut their road construction programs effectively because the value of funds granted by the Commonwealth is rapidly decreasing.

Leaving aside the question of whether that was true or not at the time it was said, there is no doubt that such a statement is true today and is directly applicable to this Bill which Mr Nixon introduced originally. Then we had the honourable member for Forrest, Mr Drummond, a Liberal member, who said:

. . . the overall grants to Western Australia for this financial year are practically the same as for last financial year, and no provision has been made for inflation—that evil force perpetuated by the Australian Government.

To update that quotation we would have to add 'perpetuated and exacerbated by the Australian Government' because the evil force of inflation unquestionably has been exacerbated by the irresponsible decision 8 days ago to devalue the dollar by 17½ per cent. More importantly, Mr Drummond deplored the fact that in money terms no increase had been made in 1974-75 relative to 1973-74. This year, under this Bill, the funds paid to Western Australia in fact will be reduced from the $62m provided in the Hayden Budget of 1975 to $55m-odd, or in round figures $56m, provided under this Government's Budget. Finally, in the Senate, Senator Withers on 15 August 1974 said:

By this legislation the States are being forced into an impossible position with regard to roads, road construction, taxation on road users and the administration of their own works.

Further on he said:

We can do nothing to increase the road grants but during the life of this Government we will make certain that the users of the roads in Australia know that they have been led up the garden path.

Leaving aside the question of whether that allegation was true at the time it was made, there is absolutely no doubt that it is true today. The payments to the States for road construction and maintenance will, in real terms, be reduced by some 20 per cent as a result of the decision taken by this Government. The States will be forced either to increase charges for vehicle licences, drivers' licences and so on in order to maintain their current level of road construction and maintenance activity or to cut back on their pre-existing level of spending on road construction and maintenance, or they will be forced to do both.

The recommendation made by the Bureau of Roads was that some $157m additional to the amounts provided for in the 1974 Acts should be appropriated this year to compensate the States for cost increases since that period. Of course, that estimate was made before the decision to devalue. So if the figure was updated it would be something more than $157m. Notwithstanding that recommendation the Government introduces legislation to pay only $35m to the States, which is about 23 per cent of the amount which the Bureau of Roads has assessed was necessary to maintain the pre-existing level of spending on road construction and maintenance.

On 9 November last year, which was 2 days before an historic event, the Labor Government introduced into the House of Representatives legislation to increase by $64m payments to the States under the roads legislation. That amount was to cover one year's cost increases. It increased by some 17 per cent the payments provided for in the 1974 legislation. This year, after 2 year's cost increases which will increase at an accelerating rate between now and the end of the financial year, the Government provides only $36m. The present Minister for Transport has attempted to confuse the people and to conceal the facts by a system of multiple accounting. It is the Nixon technique. He makes an announcement one week that the Commonwealth will legislate for $36m for additional road funds and
the next week he issues a statement saying that the Commonwealth has allocated $6m for rural arterial roads in New South Wales, but that $6m is the same $6m which has already been announced in his original statement about the additional $36m. So it goes on. He repeats those statements throughout Australia so that, he hopes, everyone is so hopelessly confused that he just does not know what the Government is doing or has done.

The technique has not been entirely effective. We have heard a great deal about local government from Senator Jessop in particular and from other Liberal and National Country Party senators. Local government authorities which know what money they actually received last year and what money they will receive this year have not been fooled. I have received correspondence from the Shire of Kojonup, and what is said in that correspondence is supported by the Shire of Kellerberrin, the Shire of Williams, the Shire of Koorda, the Shire of Muckinbudin and the Shire of Mount Marshall on this very subject. All those shires are rural shires, about which the present Government pretends to be so concerned. They all tell a similar story. I will not quote the correspondence from all of them, but the Shire of Kojonup, which was supported by a couple of other shires, drew attention to the funds that it received in recent years. In its letter dated 19 August 1976 the Shire states:

In the 1973-74 year—

That was before the present Acts came into operation—

most councils received road grants as follows:

1. Statutory (formerly CAR) grant—

That is, grants under the Commonwealth aid roads agreement—

2. Specific, CBS—

That is, contributor bitumen scheme—

and special maintenance grants.

Both of those types of grants were paid to the local government authorities from the State government. The letter continues, and this is the important part:

In 1974-75 1 and 2 remained the same and we received a special grant being approximately 8 per cent of the statutory grant.

In other words, the amount of the statutory grant, which was the main component of the funds received by that shire in 1974-75, increased by 8 per cent relative to 1973-74. The letter continues:

Then in 1975-76 1 and 2 the same again and the special grant was increased to approximately 17 per cent.

It can be argued correctly that that did not fully compensate that particular shire for the cost increases it would have suffered in that year. Now we come to 1976-77 under the present Liberal-National Country Party Government which purports to be concerned about the financial problems of local government. Under the new federalism policies of the Government we find that in 1976-77 items 1 and 2 mentioned earlier again remained unchanged, and the special grant has been cut back to 9 per cent of the statutory grant, representing a reduction, even in money terms, when compared with what had been provided in the previous year.

Sitting suspended from 1 to 2.15 p.m.

Senator WALSH—Before the suspension of the sitting for lunch I had cited correspondence which I had received from more than half a dozen country shires in Western Australia. That correspondence demonstrated that at best these country shires will receive the same amount in money terms from combined State and Federal government grants this financial year as they received last financial year. One of them will receive approximately 9 per cent less. The present Minister for Transport has been wont to attempt to transfer the blame for the reductions in funds in real terms for local authorities for road construction to the State Government, in particular the Government of New South Wales. Because there is a Labor Government in power in New South Wales, the Minister for Transport says that the States, especially New South Wales, ought to be able to provide more money. Apparently he does not realise that if the States were to raise more money, they would be forced to increase their own taxes and charges. The overwhelming majority of these would be fed straight back to the consumer price index and would boost the rate of inflation, the containment of which this Government asserted, until 8 days ago, was its paramount goal.

In Western Australia as a result of almost 3 years of State Liberal government and now 12 months of government by this coalition Federal Government, it is impossible to blame any Labor Government, past or present, for the fact that this Government has reduced in real terms the amount of money available to local authorities for road construction. Three of the shires that I cited earlier—the shires of Muckinbudin, Koorda and Mount Marshall in the north eastern agricultural areas of Western Australia—some 8 years ago, that is back in 1968, received some 45 per cent more in road grants than was paid by way of vehicle registrations in those shires. In 1976 they will be paying somewhat more in road vehicle
registrations than they will receive back from Liberal State and Federal governments by way of total road grants. The total funds for roads received by these 3 country shires, which totalled $124,000 in 1968, will increase to only $161,000 in 1976. So there we have an increase of around 30 per cent over an 8-year period. Given the fact that this Government has failed by a margin of at least 10 per cent to maintain the value of road funds in real terms compared with what they were last year, it is not surprising that that should happen.

In this instance the Minister seems to be unable to decide, indeed the Government itself seems to be unable to decide, whether it is a centralist government or a federalist government. For example, when this Bill was being debated in the House of Representatives on 18 November, the honourable member for Shortland, Mr Morris, said that he would show that the Minister had attempted to stand over the Victorian and New South Wales Transport Ministers earlier this year. Mr Nixon interjected: 'Successfully, too'. So apparently not only does Mr Nixon acknowledge that he 'stood over' the Transport Ministers from New South Wales and Victoria, but evidently he is proud of the fact that he stood over them. When addressing the local government conference at Narrandera on 18 November, which happens to be the same day as he made that remark I have just mentioned, the Federal Minister, Mr Nixon, castigated the States for not increasing their expenditure on roads at a sufficiently fast rate. He said:

In recent years, for instance, the Commonwealth has contributed 36 per cent of the total funds spent in Australia on roads. Against this both States and Local Governments have contributed 32 per cent each.

While quoting these sorts of figures at you does not overcome your problem of insufficient finance, it does point to who is contributing what. The Commonwealth over the past six years has increased its financial contribution at a greater rate both in amount and percentage than either the States or Local Government. The Bureau of Roads' advice to me is that the States roads outlay has grown at only 8.7 per cent per annum compared with a 16.4 per cent growth in the total States' budgets outlays during the period 1970-75.

In the same speech he went on to acknowledge that road construction costs had increased over the last 2 years by more than 20 per cent. That statement was made before devaluation. That 20 per cent for the current financial year will probably be boosted to a rate of 25 per cent. From that it becomes fairly clear what the new federalism is all about. It provides a rationale for transferring responsibility to State governments and local authorities without providing them with the taxation potential or revenue raising capacity to discharge the obligations which have been thrust upon them.

On the broader question of the desired or optimum level of total road construction expenditure, regardless of which government may be the source of funds, there are certainly grounds for legitimate dispute and debate. It is supremely ironic, although characteristic as I have mentioned before, that when the Liberal and National Country Parties were in opposition they castigated the Labor Party for not providing what they said then were sufficient funds to local government for road construction but which, in real terms, were substantially more than they are willing to provide now they are in government. One would hope that politicians, when they are disputing and arguing this, would maintain some minimal level of consistency, something which the Liberal and National Country Parties have conspicuously failed to do. Although there are legitimate grounds for dispute, in my opinion some road construction projects which I have seen could almost come within Senator Jessop's category of frivolous. Senator Jessop referred to what he alleged was frivolous expenditure by the previous Labor Government. I am not sure what deductions we were to make from that allegation. It seemed to be put forward as a justification for this Government reducing in real terms the value of grants for road construction and maintenance. The logic is, to say the least, unsound. If, as Senator Jessop asserted, there had been frivolous expenditure in past years, unless he was also asserting that road construction expenditure is frivolous, it ought to follow logically, one would think, that by eliminating these alleged areas of 'frivolous' expenditure it ought to have been very much easier for this Government to maintain the real level of funding to the States and local authorities for road construction.

Whatever the justification in general terms or in the long term may be, whatever the optimum percentage of total government expenditure that ought to be devoted to road funds, it ought surely to be apparent that at this time when there is high and increasing unemployment in the community and when other resources are seriously under-utilised, this is not the time to be cutting back on capital works such as road construction. If a particular level of expenditure on road construction was warranted in a time of full or near full employment it ought to be quite obvious to everyone but the Stone Age economists who dominate this Government that there is a case for at least maintaining in real terms that level of expenditure at a time when unemployment of
labour and other resources is high and is rising. That appears to have escaped the attention of the Stone Age economists who dominate this Government. They must stand condemned for that, and indeed the amendment to the motion does condemn them. They must also stand condemned for their duplicity in this as in so many other matters, for their failure to match their brave words and extravagant promises in Opposition with action and performance in government.

Senator CARRICK (New South Wales—Minister for Education) (2.25)—in reply—The Senate is debating the Roads Acts Amendment Bill (No. 2) 1976. The Opposition has proposed an amendment to the motion for the second reading of the Bill. The amendment is not acceptable to the Government. During the debate Senator Jessop raised a number of points and sought some assurances for the future following the amalgamation of the Bureau of Transport Economics and the Commonwealth Bureau of Roads. I invite the attention of the honourable senator and of the Senate to the statement of the Minister for Transport (Mr Nixon) on 17 November 1976, when he gave the assurances that Senator Jessop sought. I refer to several passages, the first being:

The Minister stressed that this did not mean that the CBR was being absorbed into the BTE and pointed out that the functions of the new body would include the existing functions of both bureaus.

I quote again:

In addition, the new Bureau should be able to provide wider opportunities for the staff both professionally and in terms of prospects for personal advancement.

I draw the attention of the Senate to the response in another place by the Minister on 2 December when he said:

I can give the honourable member and the staff of the Bureau of Roads an assurance that the position of members of the staff is protected.

I commend the Bill to the Senate.

Amendment negatived.

Original question resolved in the affirmative.

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

CUSTOMS AMENDMENT BILL (No. 2) 1976

SALES TAX (EXEMPTIONS AND CLASSIFICATIONS) AMENDMENT BILL 1976

NARCOTIC DRUGS AMENDMENT BILL 1976

Second Readings

Debate resumed from 30 November, on motion by Senator Durack:

That the bills be now read a second time.

Senator BUTTON (Victoria) (2.29)—The Opposition does not oppose any of the 3 Bills, but I wish to make some comments about them. With regard to the Customs Amendment Bill, the Minister for Veterans' Affairs (Senator Durack) has pointed out that this Bill will introduce flexibility in relation to the one-half rule as it operates in the free trade area established by this Government and the Government of Papua New Guinea in the Agreement on Trade and Commercial Relations. The Opposition follows the logic of that and offers no objection to it. The other amendment in the Bill deals with the definition of "cannabis". The Minister made the point that the present definition of "cannabis plant" is not as wide as it ought to be and that as there have been some problems in the courts in prosecutions relating to this matter the definition should be amended accordingly. In mentioning the prosecutions in relation to cannabis, I query the high number of prosecutions in Australia at the moment relating to that drug and the much increased degree of trafficking in harder drugs which is taking place in some States, one might believe with the connivance of the authorities, with cannabis smokers being the victims of some degree of persecution compared with drug addicts.

The Sales Tax (Exemptions and Classifications) Amendment Bill was dealt with by the Minister in the explanatory notes. Basically it deals with fruit juices and is to be commended to the Senate. The Narcotic Drugs Amendment Bill transfers responsibility for the policing of the manufacture and distribution of narcotic drugs from the Department of Business and Consumer Affairs to the Department of Health. It seems a logical transfer, having regard to the fact that the Narcotics Bureau will continue under the present administration and will be responsible for carrying out our obligations under international treaties, and so on. For those reasons the Opposition does not oppose any of these Bills.
Senator DURACK (Western Australia—Minister for Veterans' Affairs) (2.32)—in reply—I thank the Opposition for its support of these Bills. The reasons for them were explained fully in the second reading speeches and have been referred to by Senator Button on behalf of the Opposition. I do not feel that there is any reason to delay their speedy passage.

Question resolved in the affirmative.

Bills read a second time, and passed through their remaining stages without amendment or debate.

S T E V E D O R I N G I N D U S T R Y C H A R G E A M E N D M E N T B I L L (N o. 2) 1 9 7 6

First Reading

Debate resumed from 2 December, on motion by Senator Durack:

That the Bill be now read a first time.

Senator McLAREN (South Australia) (2.34)—I avail myself of this opportunity on the motion for the first reading of the Stevedoring Industry Charge Amendment Bill (No. 2)—a taxation Bill—to raise 2 matters. I want to put the record straight, as far as I and possibly my colleagues are concerned, in respect of that infamous party which took place in the precincts of this Parliament last Tuesday evening—a party known as Don’s Party.

Senator Sim—Come out of the gutter.

Senator McLAREN—I do not know whether Senator Sim was there, but I am concerned that people came into my office in Murray Bridge last week and associated me with that party as though I had attended it. The only way in which I can clear my name is to put on the public record that I was not there. There seems to be some confusion abroad in the electorate. It seems to be thought that members of the Australian Labor Party were invited guests at that party. I want to say here and now that Senator McLaren was not there and that all of my colleagues to whom I have spoken have assured me that they were not there either.

Senator Cavanagh—Only because we were not invited.

Senator McLAREN—I would not have been there if I had been invited, had I known what was on the menu for entertainment. But I have been provided from some anonymous source with a copy of, I think it was, the menu, to which many identities in the Liberal Party and the National Country Party have attached their signatures. It has been circulating in this Parliament and I shall hold it up for all honourable senators to see. It is a famous document now. No doubt it will go down in the record and will be preserved in the archives in time to come. I state here and now that members of the parliamentary Australian Labor Party were not associated with that party that took place. I hope that the people out in the electorates will be advised by the Press that no Labor Party member was present because we would not engage in such activities. Our moral standards are much higher than those of many of the Government members of Parliament who attended that meeting.

The other matter I wish to raise concerns a letter that I have received from the Minister for Social Security (Senator Guilfoyle) in relation to an appeal which I made for assistance for aged persons’ homes. I have written to the Minister about this and she has been unable to help me, so I shall not mention the name of the home concerned. But I shall read the text of the letter which disturbs me greatly. In a reply dated 1 December the Minister stated:

You may recall in my recent announcement of Phase Two of the Government’s three-year funding program for aged or disabled people’s accommodation, that wherever possible, organisations with projects included in the program would be encouraged to proceed using their own funds or bridging finance until Government funds become available. In these specific cases the organisations will be given a letter of approval from the Government to facilitate the raising of bridging finance.

However, the society’s proposal has not been selected for funding in the program and I cannot give any assurance of funding in the future. In view of this I feel it will not be prudent for the organisation to proceed with its proposal using bridging finance as the Government has not yet determined whether the program will be extended beyond 1979.

That is the part of this letter that concerns me greatly. This Government said during the election campaign and has said many times since that it will not desert the needs of the elderly citizens of our community. Yet here we find in a letter to me in answer to a letter that I had written to the Minister seeking a guarantee that a particular society could obtain bridging finance—this society could have obtained it at a reasonably low interest rate—the Minister has said that she will not help in any way. The disturbing fact is that the Minister is now on record as saying that the Government has not yet determined whether the program will be extended beyond 1979. In your own area, Mr President, the Barossa Valley Senior Citizens Home, as I pointed out here earlier this year, was funded to a tune of nearly $7,000 for fees for architects to go ahead to draw up plans for additions to the home, yet it was not included in the 3-year program. Now we find the Minister saying that the Government has not yet determined whether it
will continue the elderly citizens’ or aged persons’ homes scheme after 1979. Where does this place organisations such as the one whose name I have mentioned and the other one whose name I have not mentioned which has not been funded for architects’ fees and which is not included in the program? Where do these people go?

I attended a function at Tailem Bend several weeks ago to raise money. The function was called the Taberejeta Festival for the Tailem Bend Homes for the Aged. The people there are going ahead raising money, not that they have been given any understanding that they will get a grant in the next 3 years, but hoping that the Government’s program will be continued and that after the 3-year program has run its course and new projects are determined they will be in line for a grant. Where do these people stand in the light of this letter that the Minister has written to me giving no undertaking that the program will continue after 1979? When the people at large who are raising money for these elderly citizens’ homes are acquainted with the fact that the Government cannot give any guarantee that money will be allocated after the year 1979—I shall surely acquaint all the people who have contacted me seeking assistance—what will they do? Knowing the Minister’s reply should these people go ahead and raise money? If they do go ahead, what sort of response are they going to get from the public at large? The money could be raised to no avail.

This matter is of great concern not only to me but also to the organisations which are intending or hoping to construct homes for aged persons across the length and breadth of Australia. I think that the Minister should come out with something definite. It is not good enough to say that at this stage the Government cannot give any undertaking because it has not yet determined whether the program will be extended beyond 1979. I hope that before the Parliament rises—whether it be this week or next week—we will have a definite assurance from the Government to the organisations which are now raising money that, looking to the future, they will come in line for a subsidy after the present 3-year program has run its course.

Question resolved in the affirmative.

Bill read a first time.

Second Reading

Senator DURACK (Western Australia—Minister for Veterans’ Affairs) (2.41)—I move:

That the Bill be now read a second time.

I seek leave to have my second reading speech incorporated in Hansard.

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

The speech read as follows—

This Bill would extend the life of the Stevedoring Industry Charge Amendment Act 1975 to 1 July 1977. The Bill becomes necessary as a result of the Bill that I introduced to extend the life of the Stevedoring Industry (Temporary Provisions) Act. I commend the Bill to honourable senators.

Suspension of Standing Orders

Motion (by Senator Durack) agreed to:

That so much of the Standing Orders be suspended as would prevent the questions with regard to the remaining stages for the passage through the Senate of the Stevedoring Industry (Temporary Provisions) Amendment Bill (No. 2) 1976, the Stevedoring Industry Amendment Bill 1976 and the Stevedoring Industry Charge Amendment Bill (No. 2) 1976 being put in one motion at each stage, and the consideration of such Bills together in the Committee of the Whole.

STEVEDORING INDUSTRY (TEMPORARY PROVISION) AMENDMENT BILL (No. 2) 1976

STEVEDORING INDUSTRY AMENDMENT BILL 1976

Second Readings

Debate resumed from 2 December on motion by Senator Durack:

That the Bills be now read a second time.

Senator BUTTON (Victoria) (2.42)—These 3 Bills relating to the stevedoring industry are not opposed by the Opposition. In fact, we have maintained a consistent attitude to these 3 Bills and their predecessors. This legislation sort of amounts to the Blue Hills of the stevedoring industry that again an extension of time for the operation of the temporary provisions currently regulating the stevedoring industry has been sought. That is the first major purpose of the Bills. The second purpose is to remove the long service leave provisions from the Stevedoring Industry Act so that waterside workers can be covered for long service leave entitlement by an award of the Conciliation and Arbitration Commission. We understand that all sections of the industry approve of that proposition and we do not oppose it. We agree with it.

There has been seen to be a need to extend the temporary legislation in relation to the stevedoring industry, although this legislation has in fact been in operation since 1967, and that need is again apparent because of the Government’s
failure to determine the new permanent arrangements under which the industry is to be operative. An extension was sought in May of this year for the period of 6 months or so until 31 December of this year. An extension is again sought by this legislation. The problems which the Government has to face up to are problems of surplus labour on the waterfront. Some $20m a year is paid in respect of idle time. That is, however, not a very accurate figure when one considers that if the surplus labour problem were solved there would still be a large amount of money paid in respect of idle time. But the problem of surplus labour, which has arisen from the heavy import-export days of 1974, is still very much with the industry. The Waterside Workers Federation, of course, is reluctant to accept any form of compulsory retirement in the industry and seeks conditions which are satisfactory enough to encourage employees between the ages of 60 years and 65 years to retire on a voluntary basis. These matters have to be negotiated, and negotiations are taking place. For our part, we wish the Government and the parties involved well. We wish them success.

There is another more important area to be negotiated. It simply relates to this problem: If the Government opts out of the regulatory role which it has assumed in the stevedoring industry since at least 1967 under these provisions, the question arises for this Government in particular—it would arise for any government—as to how long it will maintain an influence on costs and efficiency in an industry which is entirely self-regulatory. That is the difficult proposition which the Government has to face up to. We are told that it is the Government’s view that it can be done through the mechanism of the Prices Justification Tribunal and the Trade Practices Commission. That is an extraordinary proposition, coming from a Government which today has before the Senate legislation which takes the teeth out of the Prices Justification Tribunal in respect of some of its major functions. It is an extraordinary proposition coming from a Government which appointed a committee to look into the trade practices legislation which has recommended changes to the legislation which in fact would weaken it. At the same time as these 2 propositions are being brought forward by the Government, the Government is considering a position of self-regulation in one of the most volatile industries that this country has ever known—in fact, one of the most volatile industries in any economy developed to the level of sophistication of the Australian economy.

Let me make the point in another way. I simply refer to the James Patrick and Co. Pty Ltd inquiry which was conducted recently. I shall point to some of the very succinct figures which emerged from that inquiry. This is a stevedoring company with a long history of operation in Australia. It operates in 8 major ports on the eastern seaboard. In 1974–75 it produced an operating profit of 580 per cent on capital. That extraordinary situation received a great deal of publicity in the newspapers. Five directors in that period shared approximately $560,000 in directors’ fees. An even more extraordinary situation was that most of the sum of $560,000 went to the chairman of the company, Sir Reginald Reed. These are the sorts of bandits with which the Government is dealing when it talks about abandoning its regulatory role in the stevedoring industry. Does it really feel that the mechanism of the Prices Justification Tribunal or the Trade Practices Commission, as they are intended to be amended by this Government, will catch fish of that type? I was going to use the word ‘size’, but I really meant ‘deviousness’. I looked at Senator Wright in vain for him to supply me with a word.

Senator Missen—He would not know the meaning of it.

Senator BUTTON—I assure Senator Missen that my remark was meant to be complimentary to Senator Wright. The difficult proposition which the Government has to face up to in relation to this legislation is the mirror image of the whole economic mess in which it now finds itself after 12 months in government. It is a mirror image in the sense that a decision has been made that the stevedoring industry should be self-regulatory, that the Australian Stevedoring Industry Authority should go and that the industry should seek a solution to its own problems subject only to the influence of the Prices Justification Tribunal and the Trade Practices Commission. In this sort of bizarre situation a government is talking about wage freezes in this and in every other industry accompanied by company rip-offs and director rip-offs of the kind demonstrated by the directors of James Patrick and Co. Pty Ltd. In effect, this is an emasculation of the legislation which might assist in that sort of situation. I think the Government is confronted with grave difficulties in this sort of abdication of responsibility in this area. We do not oppose the course which is being taken but we point to some of the hard realities which have to be dealt with when the Government seeks to negotiate this question with the industry. Again we say that we wish it success and hope that in the public interest it will not shrink from its responsibilities.
as it seems to be doing by the conglomerate of legislation as it affects the stevedoring industry which is now coming before the Senate.

Senator WRIGHT (Tasmania) (2.51)—The Bills before the Senate are in a long, continuing series adding to the confusion of completely impossible legislation that originated here in 1956. The legislation was made almost impotent in 1967 when a professed improvement followed on 2 years on consultation presided over by Mr Justice Woodward, as he now is, which gave rise to what was called permanent employment. The term was used to indicate, instead of the old casual employment on the waterfront, a weekly hiring with provision for long service leave and annual leave, and also provision for retirement pensions. During the period that that was being negotiated in 1967 the waterfront was quiescent. The boys were very good. As soon as it was negotiated they started to become turbulent again, as the favourite expression is, and in 1972 they pulled on a strike of major dimensions which coerced those involved in the industry to forgo the provision that had been negotiated in the Woodward agreement whereby, at the request of employers, redundancy would be directed with each man affected to be on a certain retirement pension governed by law.

The law still governs the retirement pensions to which the redundants are entitled, at so many weeks wages for so many weeks of service. I will come to the result of that in a minute. In that strike in 1972, the monopoly union on the waterfront coerced all interests concerned to agree to forgo the right of voluntary initiating retirement and agreed that those provisions would not be invoked, with the result that no man on the waterfront can be retired from that occupation without his consent.

So we have the position in the next stage in this legislation whereby the Parliament is offered the inducement of conferences and consultations in which the first problem is to induce a requisite number of the registered waterside workers to leave the waterfront. We are told that 250 have been negotiated out in the last 12 months. Unfortunately I regret to note that the second reading speech of the Minister for Veterans’ Affairs (Senator Durack) does not say at what cost. I am under the impression that each man is receiving for that agreement something between $10,000 and $14,000. I want to say with the utmost determination, but not to disturb the spirit of the oncoming festive season, that it is not my idea of success that when the law provides for retirement on pensions prescribed by the law at a certain rate one negotiates for bonus premium redundancy at the huge figures that I have mentioned—$10,000 to $14,000 a head. If the Mount Lyell miners were to get that we would not have been very much concerned. So I pose to the Minister my complete perplexity about this issue in this long, complicated, unsatisfactory, drama.

Senator Button talked of this legislation beginning in 1967 and then brushed over it not deigning to remember that the review of it was already a problem before the McMahon Government went out of office. The Whitlam Government approached the problem each year and said: ‘Next year we will have the solution’. It brought no solution. Now Mr Street is asking for the second extension of the legislation, having unfortunately failed to provide a solution in the first half of this year or the second half of this year. He wants an extension until next June so that the principles upon which proposals for the reform of the industry rest can be considered as a matter of consultation with the various interests in this industry. I venture to say that I look with no degree of relish upon proposals which must be a matter of agreement within the industry. I want to urge the proposition that it is a matter for the Government to make a decision as to the appropriate provision and for Parliament to pass the necessary legislation. The reason why I urge that is that this is the second half-yearly extension of the legislation, and we are told that under the present arrangement that is operating idle time is costing the industry, and therefore the country, $20m for the year. We are told that every week that this unsatisfactory position continues we are imposing a cost for idle time of $400,000 a week.

Let me put it into terms that will be understood by people that I represent. As honourable senators know, southern Tasmania, northern Tasmania and north-west Tasmania have had an unexampled reputation for growing apples, exporting them and maintaining a most unique industry in the export of apples. We seem to be applying a negative proposition to that approach. This year we are offering the apple growers $2 a case, if you please, when the costs have grown out of all proportion. We are offering them a stabilisation scheme under which they are paid $2 a case. For the waterside workers to lift the case of apples from the wharf shed and put it in the ship it costs $1.08. If the producer of those apples got that amount as his return he would be in comparative prosperity—much greater prosperity than in previous years. The performance of the waterside workers on the Hobart wharf shows that the rate at which the apples are
loaded runs out—this is the figure for last
year—at about 300 cases per gang hour. At
Beauty Point and Port Huon fruit is loaded at up
to 400 cases per gang hour. In other ports in
the world fruit is loaded at three to four times that
rate. So I have a great concern about this
stevedoring industry which in large measure has
been the means of strangling the unique apple
export industry of Tasmania.

The only thing that will solve the problems in
this industry in a timely fashion is a decision as to
what is needed on the waterfront to reform this
situation. We are told by the latest annual report
available to us—the Australian Stevedoring
Industry Authority is so up to date that the report
for the year ended June 1976 is not yet tabled,
and we are asked to debate this legislation on the
basis of the June 1975 report—that the wages of
some 12 000 registered waterside workers rose
during the year 1973-74, the great year of
Whitlam's bonanza, from $134.28 to $162.89 a
week for permanent ports. The average weekly
income for special contracts increased from
$162.73 to $208.64 at permanent ports. Of
course the actual wages are higher now than that
amount.

Just to show honourable senators what this
means from the point of view of the men in the
industry who have to export their products,
transfers of waterside workers between adjacent
ports were effected on 633 occasions at a total
cost of $262,213. In addition, 155 waterside
workers transferred to Hobart for the fruit export
season at a cost to the Authority of $61,783.

While they were there, in addition to their wages
they were receiving sustenance money, and they
had their wives and caravans with them. They
enjoyed a unique opportunity to travel and
thereby relieved themselves of the cost of an
annual holiday. We have to get rid of such an
incongruous set-up for 12 000-odd men. The real
reason why this delay is sought is one that will be
with us at the end of this 6 months, namely, that
apart from ancillary unions there is one union
that predominates on the waterfront. That one
union has the monopoly on waterside labour. Its
activities control the waterfront.

I rise with very restrained criticism of the situ-
ation to point out that all that is offered by this
Bill is a chance for consultation between
interested parties in the industry. Consultation
has brought nothing to this industry in the whole
period of 20 years since 1957 in which problems
have bedevilled it. Under the Woodward agree-
ment, the basis of which I have mentioned, the
situation was quickly turned into an utter flasco.

To get one man out of the registry of the industry
because of redundancy, it is costing the industry
at the rate of $10,000 to $14,000. We have to
come up with a plan which will deal with the
transfer of labour. We have to insist upon a force
of supplementary labour so that injustice shall
not be done to smaller ports. It has been pointed
out that if we apply a tonnage charge in future to
the transfer of cargo across the wharves, Mel-
bourne and Sydney will be the only ports that
will really benefit and outlying ports such as
Hobart and other small ports will be gravely
disadvantaged. The plan also has to allow for
proper continuance of bulk handling operations.

I am told that the plan envisages the setting up of
structures which will allow for consultation at a
national level between the industry and a wide
range of other parties, including governments.

The Minister for Veterans' Affairs said:

A national management body for the industry and a
management body at the port level is envisaged. I emphasise, Mr
President, that the precise nature and functions of these
bodies need to be flexible...

He went on to say:

It is intended that the national discussions take place
under an independent chairman.

The Conciliation and Arbitration Commission
has been good enough to make that person
available—a second Woodward, but with what
results?

I turn to the next proposition in the Minister's
speech—the question of future funding. I am very
intrigued by this word 'funding'. When anybody
in the political field wants money, they talk
about funding. They no longer face up to the
situation that it is money that has to be obtained
and either yielded by the industry as a matter of
contract or as a matter of taxation. It is said that
it is expected that the industry will need to
introduce funding arrangements of its own. If
there is anything in Senator Button's reference to
James Patrick and Co.—and there is—huge
undue profits have been concealed by arrange-
ments which have been going on under the com-
plexity that has bedevilled the wharf. If the
industry has to fund these arrangements, it is
money that is involved. If it is not levied by tax it
will be levied on the people who transport their
goods. The Minister continued:

The Minister's present thinking is that these may require
some statutory backing.

That means that legislation will come to this
chamber and be presented to us. The Minister
went on:

... we are entering Stage 2 of a very long and compli-
cated exercise.
I do not want to be unduly critical. I do not go through the formalities of opposing the Bill because methinks I would get no support from either side of the chamber. I want to make it quite clear that if I were in the mood to do the proper thing, instead of seeking the life of the Act to be extended to 1 July 1977, I would move that it be extended to 28 February.

I would make it quite clear that any redundancies arranged in the meantime were to be arranged according to law and that nobody would have the power to pay bonuses and premiums to this particular class of employee over and above those retirements pensions provided by law. Rates at which arrangements have been made in the past have produced a completely inexcusable inequality as between some workmen and others. How important is all this? The authority has already built up an overdraft, by reason of having to pay out undue payments, of high unto $20m at present. It is anticipated that redundancy will cost nearly another $20m. A total liability of $36m to $40m has to be funded by this industry. That is an impost on the industry quite out of line with all other employment conditions and excations pertaining to an industry. The time is up. I point out, reading from the 1975 report, that idle time cost $8.3m for the year. In taking those amounts that ran into the million mark I am forgetting the mere details of $900,000, $700,000 or anything less than $1m. Idle time cost $8.3m, annual leave cost $1.4m and long service leave cost $7.1m, a total expenditure for the year with those items, and others that I just forbear to mention, of $21m.

Having said that, I acknowledge that the problem is not an easy one but it will not be solved by delay. We have had 12 months to do it. Two more months would be sufficient. I wish that, if Parliament gives an extension for this Bill, during that time, all arrangements made shall be according to law and will not be these high-flying fanciful sums that are being talked about as having to be negotiated in the industry to get redundants out of the register of the waterfront.

Senator MULVYHILL (New South Wales) (3.12)—If Senator Wright has achieved nothing else he has been able to entice me to leave an important telephone conversation and enter this debate. I probably would have spoken because the Minister for Veterans’ Affairs (Senator Durack) and his colleague who handled this legislation the last time it was brought in would know that quite apart from the waterfront unions themselves, there is some feeling amongst the people who constitute the catering staff under the wing of the Department of Employment and Industrial Relations. I think even Senator Wright has enjoyed a meal in Sydney at the cafeteria. If the present stevedoring authority is phased out I feel that in the time at its disposal the Government should have a good, hard look to see that the existing waterfront canteens are not disturbed. If they are the domino theory could affect the current staff of the Sydney canteen service. I am making that point at the instigation of John Morris, Secretary of the Federated Liquor and Allied Industries Employees Union of Australia.

I do not quarrel with Senator Wright about the complexities of a modern manpower policy. That is what this legislation is about. If this were a time when plenty of jobs were available Senator Wright could tell me that if there were redundancies in the Commonwealth Government’s canteen service those people could get jobs elsewhere. At present they cannot. That is a world wide phenomenon. It is not a matter of picking on any government in Australia. But it is an indictment of the capitalist world. I encompass the United States and Britain in that remark. Both countries are using capitalist theories to tell the manual workers that if they accept modern conditions and new technology everything will be right. It is of no use for anybody here, including Senator Wright, to beat about the bush. If Charlie FitzGibbon and his union had said that they would not accept containerisation all hell would have broken lose. They were told that if they accepted containerisation, the millenium would be achieved and everything would be good. Of course, it was not good.

Senator Wright spoke about time and the inability to come up with proper systems. I will tell him where a little bit of common sense can and did prevail. In the early 1960s the power industry in New South Wales had a better type of power station. It had turbine operators who were in Federal Engine Drivers and Firemens Association classifications. They had to look after more than one turbine. The then Minister, Pat Hills, decided that all the men who had any leave at age 40 could not accumulate it until age sixty. They had to clear it. There were rigid retirements and, of course, the slack was taken up. Senator Durack would probably say that that has already been tried on the waterfront. I do not think it has been tried completely.

I come back to Senator Wright’s thesis. In his profession—I am not knocking it—people are in the happy position of knowing that, when they take silk, for all the days of their lives, they will be right. When containerisation came in nobody knew whether the same numbers of storemen
and packers, transport workers or FEDFA members would be required. It is very easy for Senator Wright to produce a chart and say that if we slice off this and that we will have a lovely industry. Whatever it is costing in what he defined as redundant waterside workers he should remember that if anybody always skims the cream off the rural industries it is the overseas conference of shipping companies. No government has been able to deal with them completely. When talking about causes and effects we should look at the shipping companies’ profits. Many watersiders, men in their fifties, may be minus a thumb or have a splayed foot or something like that. The danger of accident on the waterfront is a lot greater than the danger for me as a senator or for Senator Wright in the courts. We both know that. There is no question about it. I am trying to get sanity in industrial relations. Senator Wright said it costs $20,000 to get a man of fifty-five out of a job. We do not take him out like a horse and shoot him and he is not eligible for the age pension. In many countries in Eastern Europe today people aged fifty-five can get a pension. Consider the manpower statistics and the difficulties of semicleryclerical workers in their fifties who are looking for work. It is true that there is work in certain manual jobs such as digging shafts for the Water Board. To be realistic, a clerical worker cannot be put into a job like that, and if one tried to convert every waterside worker into a tally clerk some of them would find the details irksome. This does not mean that one has to be a giant, either physically or mentally. It is all a product of the mismanagement of the capitalist system. I have distinct reservations. It is like the sadistic idea of putting 2 bull terriers into the ring in the 18th century. If we let Patrick loose with the waterside workers and said: ‘Let them fight it out’, Senator Wright would be the last one to say: ‘Bring in the Army’.

I think I have got my message across. I sympathise with the complexities of a modern manpower policy. I have said again and again that it is much more difficult for a man in a manual occupation than for people in a profession. Senator Wright was one of the people who were never very happy at times when we talked about keeping the legal profession out of conciliation and we said it should be left to the non-legal men. I know that this is heresy to the legal profession. I can see Senator Button looking at me out of the corner of his eye. I am trying to find the middle ground. If we have to be flexible and sometimes protect against redundancies in the legal and other professions let us have a little charity in regard to watersiders, painters and dockers and people like that. If we are to talk about idle time, I have often driven past a suburban court and seen lawyers standing outside with their clients awaiting their turn to go in and face the judge. That could be productive time. Lawyers could have their secretaries alongside and dictate their work. I suppose that would be considered stupid. When talking about idle time let us remember that maybe a man is not working on a Wednesday, and the Thursday is a cold day on the waterfront. It is much easier to work in the Parliament or in an air conditioned office. If we have a little human kindness we will get over this problem.

Senator DURACK (Western Australia—Minister for Veterans’ Affairs) (3.20)—in reply—Let me hasten to tell Senator Mulvihill that most of the redundancy in the legal profession finds its way into the Parliament, particularly the Senate. We will not have to worry about that any more in this debate.

Senator Mulvihill—But will the waterside workers be able to do that?

Senator DURACK—They might be able to do that. Perhaps in the past some of them have, but they have not been as successful as the lawyers. These Bills are not opposed by the Opposition, for which I am duly grateful. In the main, the Bills are designed to continue the existing arrangements on the waterfront for another 6 months, that is until 1 July 1977. The only provision in the Bills for the immediate implementation of new policy is that relating to long service arrangements which, instead of having statutory force, as they had hitherto, will be taken up and become part of an award under the Conciliation and Arbitration Act and will be modified in future in the way that awards under that legislation are changed. That is the only immediate change in policy which is effected by this legislation.

The debate in this chamber and in the other place has concentrated on the problems of the waterfront and the solutions to them which the Government is considering. The only reason that the Government has now come to the Parliament and sought an extension of the existing arrangements is that the Government has not been able to complete its review of arrangements on the waterfront. As every honourable senator who has spoken understands, they are very complex arrangements indeed. The Government indicated many months ago that it will be abolishing the Stevedoring Industry Authority and will return the arrangements between employer and
employee on the waterfront to the ordinary arrangements which exist generally between employers and employees. The Government recognises that there may be some special difficulties which will require special provisions, and these are the subject of discussions which have been going on for some time and which will continue until the problems can be adequately resolved. As I said, that is the reason why the Government is seeking an extension of the present legislation. It will need that time in order to complete its new arrangements. Major legislation will be required during the autumn session, before 1 July next year, in order to put the new arrangements into effect. That legislation will provide not only for the abolition of the Australian Stevedoring Industry Authority but also for the securing of whatever legislative backing is required for the new arrangements which it is contemplated will be set up to control the industry.

In his second reading speech the Minister for Employment and Industrial Relations (Mr Street) outlined the problems that have to be resolved, and I will refer briefly to them. They relate to a provision for adding and removing labour from the work force; provisions to allow allocation and transfer of labour between stevedores; the development of special arrangements to meet fluctuating requirements at the ports, and we have heard quite a bit of discussion in this debate about the idle time which seems to be a concomitant part of the waterfront; an improvement in industrial relations procedures; methods for preserving the interests of smaller ports around the country; and arrangements to allow all relevant interests on the waterfront to have an effective voice in its affairs. The Government has been able to identify probably the most immediate and urgent problem and has already taken steps to do something about it, namely, the surplus labour on the waterfront. The Government has participated in arrangements whereby already about 300 men who were redundant have been removed from the industry under the arrangement entered into, and hopes that in future months some 1200 men, who at this stage are probably redundant, will be the subject of such retrenchments and special arrangements which will be made in order to entice them to leave the waterfront. These arrangements are being made in discussions under the chairmanship of Mr Justice Robinson of the Conciliation and Arbitration Commission, and the Government is very pleased that the President of the Commission has been able to make available a judge of Mr Justice Robinson's distinction in this field.

Senator Mulvihill—He did a very good job on the one-man bus dispute. He is a very competent arbitrator.

Senator DURACK—I am pleased to hear Senator Mulvihill confirm that. I think it is important that in these negotiations both sides of the industry should have confidence in the man who is conducting what are somewhat delicate negotiations. Senator Wright has expressed considerable concern about the course of these negotiations and about their cost. Indeed, there is also the question of future costs for which somebody will have to be responsible, whether it is the industry or the Government. I wish to refer to the immediate costs of surplus labour, and Senator Wright has already mentioned a figure. That is the immediate problem which the Government is tackling and which it hopes to be able to solve under the skilful chairmanship of Mr Justice Robinson. The current cost of the present surplus labour on the waterfront is about $400,000 a week or $20m a year. Senator Wright, of course, has seen very critical of these arrangements for a long time, and in the debate today he expressed his criticism in his usual forceful manner. The Government has recognised this problem and is moving to resolve it. In the Government's view it can be resolved only by negotiation, and that is why the negotiations under the chairmanship of Mr Justice Robinson are proceeding.

I do not know exactly what the estimate is, but if Senator Wright's figure of the total cost of disposing of surplus labour is correct, it would still be far cheaper, based on his estimate of the cost of individual retrenchments, even in one year, than the present cost of the surplus labour, which as I have said is $20m a year. Once the surplus work force has been retrenched, it is a once only payment, and although it is a very high cost indeed it seems to the Government that it is good economics to meet that cost in order to save payments to the tune of $20m a year, a figure which will very likely get higher as time goes on.

Senator Wright also felt that the Government ought to be able to move more quickly and suggested that 28 February would be a proper date for these new arrangements to be implemented. It ought to be apparent to everyone that this is a very difficult and complex area and that trying to negotiate with 1200 individuals—it is a little less than that now, because some of them have left the industry already; nevertheless, there are 1000 or more individuals—who have their own interests and rights is a difficult exercise. On top of that, the Government has to negotiate its new policies for the waterfront with all the interests involved.
Hopefully we can obtain a consensus amongst them. However, it will take time to achieve. Apart from anything else, the Parliament is rising this week for the summer recess and it would be impossible to believe that we would be able, immediately on our return in February, to have such arrangements completed under the timetable which Senator Wright has suggested.

There are 2 other matters I want to mention, including the matter of canteens which was raised by Senator Mulvihill. First of all, I refer to the general costs of the waterfront in Australia. It has been accepted for many years that these costs are far too high. The Government has been and is most concerned about them and it is one of the reasons—I suppose the major reason—why the Government is moving to put into effect new arrangements on the waterfront. We fervently hope that by these new arrangements we will be able at least to contain these costs and even to reduce them in the future. Certainly they should be reduced, because when one looks at the costs in other countries the problem in Australia is quite clear. I was looking at some of the figures that were quoted by Mr Lloyd in his speech in the debate on these Bills in another place. I commend his speech to Senator Wright and other honourable senators because it reveals exactly what is the problem on the Australian waterfront.

Senator Mulvihill talked about containers and said that the waterside workers in Australia had accepted containers. He as much as suggested that that was something they may not have accepted. The fact of the matter is that the cost of handling 20-foot containers is 2 or 3 times higher in Australia than in other parts of the world. For instance, in New York it is $69 a container, in San Francisco it is $53, in London it is $60, but in Sydney it is $154. So, although it may be a matter of commendation that the waterside workers in Australia accepted containerisation, it seems that that has been a very beneficial change for them. I point out these costs because they reveal in a very dramatic way the problem which we have on the waterfront in relation to them. I do not want to engage in debate on costs that have been imposed by employees or their unions on the waterfront. It is a fact that some of the recent revelations indicate that the costs imposed by the stevedores, the employers in the industry, and no doubt by the shippers and the shipowners are far too high. All these costs underlie the gravity of the problems which the Government has in this area and which it is endeavouring to solve.

Senator Button referred to the fact that by abolishing the Australian Stevedoring Industry Authority it looks as though we are giving away an institution which could keep some eye on costs. However, when I heard him say that I wondered whether one could have much confidence in it in that regard when one finds that the payments that have been made to the directors of James Patrick & Co. Pty Ltd were revealed not by the Australian Stevedoring Industry Authority but in proceedings before the Prices Justification Tribunal. In fact, these problems were revealed despite the existence of that Authority. The inquiry being conducted by the Prices Justification Tribunal can continue despite amendments which are being made to the Act under which that Tribunal was set up. I think we will be debating them next in the Senate this afternoon. Although amendments are being made to the Prices Justification Tribunal Act and to the powers of the Tribunal, it will continue to have the power to inquire and report in the same way as it has done and is doing in relation to the stevedoring industry. In the Government's view, it will be an adequate instrument for continuing that type of surveillance of industry generally, not just the stevedoring industry.

The only other point I wish to mention is that raised in the debate by Senator Mulvihill in relation to the canteens which are run by the Australian Stevedoring Industry Authority. These are an amenity for the waterside workers and the preservation of such an amenity will be, amongst many other things, the subject of negotiation in the new arrangements for the waterfront. Certainly there is no suggestion that those canteens will be closed. The only questions are: Who is the proper authority to run them, and who would provide the—I hesitate to use the word 'funding'—money to run them? This has been an interesting debate and although it has strayed from the actual provisions of the legislation it has provided an opportunity to discuss a matter that is very important to the nation. I thank the honourable senators who have taken part in the debate and I thank the Senate for its support of the measures.

Question resolved in the affirmative.

Bills read a second time, and passed through their remaining stages without amendment or requests, or debate.

LONG SERVICE LEAVE LEGISLATION
Suspension of Standing Orders
Motion (by Senator Durack) agreed to:

That so much of the standing orders be suspended as would prevent the questions with regard to the several stages for the passage through the Senate of the Long Service
LONG SERVICE LEAVE (COMMONWEALTH EMPLOYEES) BILL 1976
PUBLIC SERVICE AMENDMENT BILL 1976
PUBLIC SERVICE AMENDMENT BILL (No. 2) 1976

Bills received from the House of Representatives.

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

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

Second Readings

Senator DURACK (Western Australia—Minister for Veterans’ Affairs) (3.42)—I move:

That the Bills be now read a second time.

Mr President, I seek leave to have the second reading speeches incorporated in Hansard.

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

The speeches read as follows—

Long Service Leave (Commonwealth Employees) Bill 1976

On 15 May last year a Bill was introduced into the House to implement changes in the long service leave conditions of Commonwealth Government staff. Debate adjourned and did not resume before the last elections.

The Government has considered the content of that Bill and has decided to introduce a new Bill which proceeds with the changes with the exception of the previous Government’s proposed increase in the rate of long service leave accrual. A very significant change such as an increase in accrual rate could set an unduly generous standard which could lead to pressure on other employers in the community to match it. I need not emphasise the difficulties inherent in such a course in present economic circumstances.

The remaining changes, on the other hand, are generally supported by practices elsewhere and are not substantial in terms of cost. Most of them were agreed to and announced by the Liberal-Country Party Government in the latter part of 1972.

Passage of the Bill will mean that a single Act will cover long service leave conditions of permanent and temporary staff of the Australian Public Service and of most Commonwealth authorities, thus providing a uniform code. For this reason, repeal of the separate long service leave provisions for permanent officers under the Public Service Act is being proposed in a Public Service Amendment Bill which I will presently introduce.

A significant provision in the Bill is the extension of long service leave to part-time employees. Provision is also made for payment in lieu of long service leave after one year’s service on cessation due to age retirement, ill-health, retrenchment or death. Other changes are recognition of prior service with local governing bodies, payment in lieu of long service leave as a right and payment to the estate on death where no payment is made to dependants.

Since the introduction of the Bill last year, Papua New Guinea has become independent. This Bill protects the long service leave rights of persons who were in public employment in Papua New Guinea prior to independence, who worked for the Independent State of Papua New Guinea after independence and who then entered, or in the future enter, Commonwealth employment.

The Bill provides for the changes to be retrospective to 1 January 1973. This is in recognition of legitimate expectations arising from past public announcements and the Bill introduced last year. I commend the Bill to honourable senators.

Public Service Amendment Bill 1976

As I said in my second reading speech on the Long Service Leave (Commonwealth Employees) Bill 1976, permanent officers in the Australian Public Service are covered by that Bill. The Public Service Amendment Bill 1976 therefore repeals the Public Service Act provisions for officers relating to long service leave.

Clause 3 of the Bill amends Section 47E of the Public Service Act to protect the sick leave rights of persons who were in public employment in Papua New Guinea prior to independence, remain there after independence and then enter Commonwealth employment.

Clause 5 of the Bill provides for payment in lieu of recreation leave to the estate of a deceased officer where no payment is made to dependants and the provision is retrospective to 1 January 1973. This is consistent with similar long service
leave provisions in the Long Service Leave (Commonwealth Employees) Bill.

There are some other minor amendments of a consequential nature arising from the Long Service Leave (Commonwealth Employees) Bill.

Schedule 1 to the Bill repeals Schedules 1 and 2 of the Public Service Act, which lists departments and offices of permanent head respectively and substitutes new schedules which take account of recent changes in administrative arrangements. In schedule 2 amendments of the Act are also made by the insertion, as appropriate, of the words 'the Commonwealth' in substitution for the word 'Australia'. I commend the Bill to honourable senators.

Public Service Amendment Bill (No. 2) 1976

It is with some satisfaction that I present this measure to the Parliament. The purpose of the Bill is to facilitate the transfer of Australian Public Service staff to the Northern Territory Public Service as a further step in the constitutional development of the Northern Territory.

I have no doubt that there is general agreement among all members of this House that the people of the Northern Territory should be given greater control over their own affairs. It is the policy of the Government to progressively act to confer executive responsibility on the Legislative Assembly for the Northern Territory with the objective of advancing the Territory to Statehood. As I will indicate later, this policy commitment is significantly under way.

It is clearly the consensus of this Parliament that the arrangements for the governance of the Northern Territory should more adequately reflect the views and aspirations of the local community. This sentiment is supported in the policy statements of all political parties represented in the Parliament. It was confirmed by the report of the Joint Parliamentary Committee appointed to inquire into the constitutional development of the Northern Territory.

More recently, the Parliament approved during its last sittings, and without dissent, amendments to the Northern Territory (Administration) Act to facilitate the conferral of executive responsibility on the Northern Territory Legislative Assembly. At that time I expressed satisfaction at the non-partisan approach which was adopted to that measure.

Following the enactment of the amendments to the Northern Territory (Administration) Act, the Government announced its approval for the transfer to the control of the Northern Territory Legislative Assembly of a wide range of functions of a local character. Our target date for the implementation of that transfer is 31 December 1976. Attached is a list of the functions which will be included in the initial transfer.

This Bill is an essential component of the new and expanded constitutional status that we are seeking to confer on the Northern Territory. It is, I suggest, a critical element in the compact between the Federal Government, the Legislative Assembly for the Northern Territory and the officers of the public service who will devote their career to the advancement and well being of the Territory.

As I stated earlier, the purpose of the Bill is to facilitate the transfer of staff from the Australian Public Service to the Northern Territory Public Service. It will be complemented by an appropriate Northern Territory Public Service Ordinance which is being prepared at present in consultation with the Public Service Board and the relevant staff Associations. The transfers will be made by the Minister for the time being administering the Northern Territory (Administration) Act acting on the advice of both the Public Service Board and the Northern Territory Public Service Commissioner. The Bill will safeguard the rights of existing officers and employees who are transferred. Before any transfer can take place the Minister must be satisfied that the Northern Territory Public Service will meet certain minimum standards such as automatic appointment of transferred officers, preservation of furlough, and other leave accruals which exist at the date of transfer, and retention of existing salary. These provisions are designed to protect the rights without inhibiting by legislation the ability of the Northern Territory Public Service Commissioner in his actions in relation to the newly formed service.

It is proposed that promotion and appeal rights of existing officers will be continued in substantially the same manner as was provided for staff transferred to the Postal and Telecommunications Commissions and a regulation making power for this purpose is included in the Bill. Transitional provisions are included to cover promotion action which is in train at the time of any transfer.

I would emphasise that it is the Government's intention to ensure that the Northern Territory is provided with a viable and efficient career public service. We will ensure, through legislation such as this Bill and the new Northern Territory Public Service Ordinance, that the rights of officers who enter that service are fully protected.
The following list sets out the functions which will be included in the initial transfer.

Functions Agreed for Inclusion in the Initial Transfer of Executive Responsibility to Northern Territory Legislative Assembly

1. Existing Northern Territory Public Service
   Administrator’s Staff
   Legislative Assembly
   Executive Member Staff
   Police Branch
   Prisons Branch
   Fire Services Branch

2. Statutory Boards and Authorities and Department of the Northern Territory Units Involved in a Support/Policy Role for those Boards and Authorities
   Port Authority
   Tourist Board
   National Parks and Wildlife Service (incorporating the Reserves Board and the Wildlife Section of Department of the Northern Territory)
   Museums and Art Galleries Board
   Betting Control Board
   Consumer Protection Council
   Primary Producers’ Board
   Architects’ Board
   Electrical Mechanics Licensing Board
   Plumbers’ and Drainers’ Licensing Board
   Parole Board
   Housing Commission
   Bush Fires Council
   Building Board
   Trustees of Recreation Reserves
   Dental Board
   Medical Board
   Optometrists’ Board
   Pharmacy Board
   Nurses Board

3. Other Elements of Department of the Northern Territory Legislation Branch (part)
   Local Government
   Library Services
   Civil Defence and Emergency Services
   Grants for Community Activities
   Correctional Services
   Water Supply, Electricity and Sewerage Services

I commend the Bill to the Senate.

Debate (on motion by Senator Georges) adjourned.

**ABORIGINAL LAND RIGHTS (NORTHERN TERRITORY) BILL 1976**

Bill received from the House of Representatives.

Ordered that the Bill may be taken through all its stages without delay.

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

Second Reading

**Senator Guilfoyle (Victoria—Minister for Social Security) (3.44)—** I move:

That the Bill be now read a second time.

Mr President, I seek leave to have the second reading speech incorporated in Hansard.

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

The speech read as follows—

In his second reading speech on the Aboriginal Land Rights (Northern Territory) Bill 1976, my colleague the Minister for Aboriginal Affairs (Mr Viner) invited constructive comment and suggestions on the content of this most important and complex piece of legislation. He stressed, however, that it was not intended that the rights to be established by the legislation should be watered down. In considering the representations received from Aboriginal people and others since the Bill was introduced, the Government has had the benefit of a most comprehensive report prepared by the Defence Force Ombudsman, Mr D. O. Hay. In the light of Mr Hay’s analysis identifying key areas for consideration, the Government decided to make a number of amendments to the Bill originally introduced.

This Bill will give traditional Aboriginals inalienable freehold title to land on reserves in the Northern Territory and provide machinery for them to obtain title to traditional land outside reserves. The coalition Parties’ policy on Aboriginal affairs clearly acknowledges that affinity with the land is fundamental to Aborigines’ sense of identity and recognises the right of Aborigines to obtain title to traditional lands located within the reserves in the Northern Territory. The Bill gives effect to that policy and, further, will provide Aboriginals in the Northern Territory with the opportunity to claim and be granted title to traditional Aboriginal land outside reserves. The Government believes that this Bill will allow and encourage Aborigines in the Northern Territory to give full expression to the affinity with land that characterised their traditional society and gave a unique quality to their life. Let me explain some of the fundamental aspects of the Bill.

**Land Trusts**

The Bill provides that the lands described in the first Schedule, being existing reserves and the Hermannsburg and Santa Teresa missions in Central Australia and the Delissaville area near Darwin, will be vested in Aboriginal land trusts, composed of Aboriginals living in the area concerned or traditional owners living outside the area, who will hold title on behalf of the traditional owners and those other Aboriginals entitled by Aboriginal tradition to use and occupy those lands.

The Government will continue to explore the possibility of the title being held directly by the
traditional owners themselves. It is an aim of the Government eventually to achieve this goal. Provision has been made in the Bill that the trust areas can be divided among any number of smaller trusts, but the concept still presents considerable legal and practical difficulties. It is one which must be approached with care and sensitivity to Aboriginal wishes.

The trusts will be title holding bodies only, having no independent power of initiative, and their actions will be directed by the traditional owners through Land Councils. The creation of these Land Trusts will achieve the primary objective of any land rights scheme which is the vesting, under Australian law, of rights in relation to land which correspond with traditional Aboriginal rights.

**Land Councils**

The land councils in the Northern Territory will have the central responsibility in relation to the administration of Aboriginal land but we are committed to ensure that they act on the advice and with the consent of the traditional owners, and express the wishes and opinions of Aborigines in their areas.

To help ensure that the land councils administer land in conformity with the wishes of Aborigines with traditional interests in land, the power of a land council to delegate its powers to its members or its staff, will be limited. A council will not be able to delegate final decision-making on the acquisition and granting of interests in Aboriginal land, on consent to the grant of mining interests and on the allocation and distribution of moneys received from the Aborigines Benefit Trust Account. These important decisions will remain with the full councils.

Land councils will continue to represent Aboriginal traditional owners in negotiations over land use, over mineral developments, and will be further strengthened, in line with the recommendations of Mr Justice Woodward, by giving them the function of assisting Aborigines to bring forward land claims. Land councils are all Aboriginal bodies. Membership will be chosen by Aborigines. They will provide the administrative contact point with Governments, miners and all who may wish to have dealings with Aborigines concerning their land.

Provision has been made for land councils to perform, with the appropriate legislative authority, any function that may be conferred by a law of the Northern Territory. In particular, it is intended that the complementary territory legislation should provide for land councils to handle such matters as the authorisation of entry to Aboriginal lands, arrangements for wildlife conservation and protection of sacred sites in Aboriginal land.

**Land Commissioner**

The Bill provides for an Aboriginal Land Commissioner who shall be a judge of the Supreme Court of the Northern Territory. The Commissioner will investigate and report on traditional claims to land which lies outside reserves, being claims in respect of vacant Crown land or of alienated Crown land held by, or on behalf of, Aborigines.

The Bill also requires the Land Commissioner to inquire into the likely extent of traditional land claims by Aborigines to alienated Crown land and to report to the Ministers for Aboriginal Affairs and the Northern Territory, from time to time, the results of his inquiries. By that means an orderly and progressive assessment can be made by the Government of any traditional land claims to alienated areas such as pastoral leases.

Applications for land on the basis of need will be dealt with by the ordinary governmental processes involving the Departments of Aboriginal Affairs and the Northern Territory and will be dealt with expeditiously.

One of the early tasks for the Commissioner will be the consideration of the strength of traditional claims to the pastoral leases held by Aboriginal groups—not only the properties of Kuldurk and Willowra, which Mr Justice Woodward considered in his report, but the property held by the Gurindji group at Wave Hill, and the several other properties since bought for Aboriginal communities by the Aboriginal Land Fund Commission or now being purchased by the Commission. Naturally the Commissioner will only consider these properties if the Aborigines submit claims.

This Bill deals with the recognition of traditional land rights and it is proper that the traditional claims of all groups to land outside the reserves should be assessed by the Commissioner and dealt with according to the procedures laid down in the Bill rather than by the arbitrary decision of any government and this applies equally to the Tanami Desert Wildlife Sanctuary and to the pastoral properties previously mentioned.

**Mining**

Mineral exploration and development will be allowed in Aboriginal land only with the consent of the Aboriginals. This important provision allows a level of protection hitherto unknown
over land held by Aborigines and will allow them to consider mining plans carefully before they assent to exploration. Where consent is withheld and the Government believes the national interest requires that mining should proceed, the Bill provides for the tabling of a proclamation to that effect before both Houses of Parliament. Where Aborigines have agreed to mineral exploration the Bill provides, as Mr Justice Woodward proposed, that development of any economic discovery made would follow, subject only to agreement on terms and conditions, provided that the development is substantially in accord with the proposals consented to.

Land councils will be able to negotiate agreements, including provisions for financial benefit and compensation, in consideration for the giving of consent to mining but will not give that consent unless the traditional owners agree.

If a deadlock is reached on the negotiation of terms and conditions, an arbitrator may be appointed to determine fair terms and conditions. Final agreement in relation to mining development will be made in the knowledge of the conditions on which Government is prepared to grant a mining tenement including the rate of royalty that will apply.

There are, however, several specific situations in which it is considered necessary to provide a specific exemption from the general requirements of the Bill for Aboriginal consent to mining. Where applications for mineral leases had been lodged previously but not granted (for various reasons) the grant will not be subject to consent but the applicant companies will still be obliged to negotiate 'fair terms'. One such case is the Ranger project. In accordance with Aboriginal wishes the Government has amended the Bill to provide for a report by the Ranger Environmental Inquiry to be treated as if it were a report on the traditional land claim to the Ranger area.

The Bill has been amended to ensure that, where the Commonwealth conducts the mining under the Atomic Energy Act then it will also be required to negotiate fair terms and conditions.

Roalties

Under the provisions of the Bill Aboriginals will continue to receive royalties from mining operations on Aboriginal land. It will be the responsibility of the Minister to determine the proportion of royalty that will be payable to Aboriginals in excess of the current rates, fixed by law, should the Government determine that a higher rate of royalty will apply to particular minerals.

Preservation of Existing Rights

It is the Government's intention, as it was Mr Justice Woodward's recommendation, that existing rights inland will be fully protected. Land scheduled in the Bill, over which a lease has been granted, will become Aboriginal land, with the title being held in escrow, until the lease expires. On introducing the Bill the Minister pointed out that this provision would protect the rights of those holding leases on Aboriginal land, like the mining companies at Gove and Groote Eylandt and the mission at Hermannsburg, while ensuring that the title can pass into Aboriginal hands when the lease expires or when the holder negotiates its surrender and the issue of a new lease from the Land Trust. In addition, under agreements in respect of mining at Gove and Groote Eylandt, the Government has commitments to grant additional leases of land reasonably required by the companies. It is intended that companies should negotiate for additional leases when required, as has been recent practice pending legislation. If, however, negotiations between the companies and Aboriginals break down—which experience to date suggests will not occur—the Bill will provide that a lease of Aboriginal land may be granted on terms and conditions decided by an arbitrator.

Changes in Bill

The main differences between this Bill and that presented in October 1975 by the previous Government can be briefly stated. We have decided that this legislation should deal exclusively with traditional land rights. We have defined the nature of the Aboriginal land rights we are recognising by vesting title in trusts for the benefit of all those Aboriginals with traditional rights to use and occupy that land—a fundamental provision missing in the Labor Government's Bill. The functions and powers of the land councils have been more clearly stated, so that the councils will express the wishes of the Aboriginal people, and the predominant position of the traditional owners has been asserted. We have also provided for an arbitrator to be appointed where Aboriginals and mining companies are unable to reach agreement on terms for mining development.

Reciprocal Legislation

The Bill also gives scope for the Northern Territory Legislative Assembly to participate in this most important legislative process, in particular in relation to the protection of sacred sites, and wildlife in Aboriginal lands and the control of entry into those lands and adjacent waters. It
provides guidelines for the kind of laws which should be made by the Territory Assembly to guarantee recognition in those laws of traditional rights. In particular, the Bill states that sites of traditional significance shall not be desecrated, but will leave it to the Northern Territory legislation to spell out detailed provisions for their protection in accordance with Aboriginal wishes. The Government has an express understanding from the Majority Leader of the Northern Territory Legislative Assembly that any ordinances will be prepared in consultation with, and with the agreement of, the Minister for Aboriginal Affairs.

I believe that the passage of legislation to grant land rights to Aborigines in the Northern Territory will be a most significant and progressive step in the social and political history of this country. It will, at long last, signal Australia’s acceptance of Aborigines as a people having a unique and distinct culture within Australian society. The Bill is a major step forward for Aborigines in the Northern Territory not only for this generation but also for future generations who will benefit from it. They will now have a land base that will be preserved in perpetuity. It gives me great pleasure to commend this Bill to honourable senators, a Bill so important to all Australians, so long desired by the Aboriginal people of the Northern Territory.

Debate (on motion by Senator Georges) adjourned.

NATIONAL HEALTH AMENDMENT BILL (No. 4) 1976

Bill received from the House of Representatives.

Ordered that the Bill may be taken through all its stages without delay.

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

Second Reading

Senator GUILFOYLE (Victoria—Minister for Social Security) (3.45)—I move:

That the Bill be now read a second time.

Mr President, I seek leave to have the second reading speech incorporated in Hansard.

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

The speech read as follows—

The purpose of this Bill is to give effect to a decision of the Government which will remove from the political arena the important question of the fees to be paid to pharmacists for the supply of pharmaceutical benefits to members of the public.

This Bill will bring to an end the acrimony that has developed over the years between the pharmacists and successive governments. This will be to the lasting advantage of the smooth administration of the pharmaceutical benefits scheme.

The Bill will achieve this by providing for the establishment, as a separate entity, of the Joint Committee on Pharmaceutical Benefits Pricing Arrangements. It provides that the Chairman may determine the manner in which the Commonwealth price of pharmaceutical benefits is to be ascertained and that his determinations shall have the force of law. In essence, this means that the Chairman will have the ultimate responsibility for deciding what remuneration will be paid to pharmaceutical chemists in respect of the pharmaceutical benefits supplied to the public through them and that his determinations will be binding on both the Government and the Pharmacy Guild.

Under the National Health Act as it now stands the Minister for Health shall make such determinations after consultation with the Pharmacy Guild of Australia. Since 1964, consultation has usually been through the medium of the Joint Committee which the then Minister for Health established administratively for the purpose.

Although the Minister receives the advice of the Joint Committee he has not been bound to accept it and this has in recent times led to disputes with the Pharmacy Guild. After lengthy negotiations with the Guild, the Government has agreed that, because of the importance of the pharmaceutical benefits scheme to Australians generally, decisions on the remuneration of pharmacists in respect of that scheme should be made by an independent authority.

The Joint Committee to be formally established by this Bill will consist of a chairman who shall be a deputy president of the Australian Conciliation and Arbitration Commission and 8 other members. Four members shall be nominated by the Pharmacy Guild of Australia and the other four shall be officers of the Public Service.

The Chairman will be empowered to make his determinations after the committee has had an opportunity to consider the matter. He will be bound to make his determination in accordance with the Committee’s recommendations if the committee is unanimous. If the members disagree, he may inform himself in such manner as
he thinks fit, and then finally determine the matter.

The power to determine the conditions subject to which the payments will be made by the Commonwealth will remain vested in the Minister for Health. These conditions relating to the supply of pharmaceutical benefits are, in the main, routine administrative procedures which are best handled this way. The Minister will, however, be empowered to request a report on the matter from the Chairman of the Committee if he so wishes.

The pharmaceutical benefits scheme has over the years proved of inestimable value to all Australians and the Government is determined to ensure that it continues in a viable form. Determination of chemists' remuneration is an important factor in the continued viability of the scheme. An independent authority to determine these aspects should ensure greater co-operation, and, through that, an improved pharmaceutical benefits scheme can result. I commend the Bill to honourable senators.

Debate (on motion by Senator Georges) adjourned.

HOMES SAVINGS GRANT BILL 1976

Bill received from the House of Representatives.

Ordered that the Bill may be taken through all its stages without delay.

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

Second Reading

Senator CARRICK (New South Wales—Minister for Education) (3.47)—I move:

That the Bill be now read a second time.

Mr President, I seek leave to have the second reading speech incorporated in Hansard.

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

The speech read as follows—

This Bill gives effect to the Government's proposals for a new Home Savings Grant Scheme, which were announced in a Ministerial statement delivered in the Senate on 31 March by the late Senator Ivor Greenwood who had done so much to bring the new scheme to fruition.

The purpose of the Home Savings Grant Scheme, when introduced in 1964, was to help young married couples obtain their first matrimonial home, by authorising payment to them of tax-free grants to supplement their own savings. It was later expanded to provide assistance to young widowed or divorced persons with dependent children. The purpose of this Bill is to authorise a new Home Savings Grant Scheme, to apply to a broad range of people without limitation as to age or marital status.

The limitations of the present scheme—that applicants must be married or widowed or divorced with dependent children and under the age of 36; that migrants must have lived in Australia for 3 years; and that the value of the home must not exceed $22,500—have all been discarded. Married couples who do not obtain home ownership until after they reach the age of 36, and single people, young and old alike, will be assisted under the new scheme to attain the security that owning one's home can provide. The requirement under the present scheme that migrants live in Australia for 3 years before they qualify for a grant is removed, and the minimum savings period will be reduced to 12 months.

Senators will be aware that the Homes Savings Grant Act Amendment Bill has been passed by the Parliament in this session. The purpose of that Bill was to make some improvements to the Homes Savings Grant Act 1964. That Act will remain in force to permit the payment of grants in 1977 and subsequent years to persons who contracted to buy or build their homes no later than 31 December 1976. The Bill which is now before the Senate provides for grants to persons who contract to buy or build their homes after 31 December 1976.

The Bill provides that applications for grants shall be made jointly by all the persons who enter into the contract to buy or build the home, and their spouses. If both parties agree, a person who has entered into a contract may be joined in the application by his intended spouse, thus preserving the situation under the existing Act whereby engaged couples may apply for a grant. Under this Bill, a grant may be paid to an engaged couple on application, but under the existing Act the grant is not paid until marriage. To be eligible for a grant, each of the applicants must be Australian citizens, or have permanent resident status. They must be at least 18 years of age, but a spouse or intended spouse who is younger will also be eligible. A person who has owned a home in Australia before, or who has received a grant under either the new or the current schemes, will not be eligible.

The Bill, although separate and self-contained follows the philosophy of the current Act and borrows many of its provisions. The provisions of the current Act, whereby a person affected by a decision of an officer of my Department may
appeal to the Secretary, are retained. The Bill provides in addition that appeals against the Secretary’s decisions may be made to the Administrative Appeals Tribunal. The forms of acceptable savings which are specified in the current Act are repeated in the Bill now before the Senate. They are deposits with savings banks, except savings bank cheque accounts; fixed deposits with trading banks; deposits and shares with building societies; deposits with credit unions; and moneys paid towards the purchase of land or the construction of a home. They do not include moneys borrowed.

The maximum grant provided for in the Bill is $2,000, which is payable on a $1 for $3 basis in respect of the total acceptable savings held 3 years before the applicant contracts to buy or build his home, plus the amount the applicant saves during the 3 year savings period. There is a limit of $1,200 in respect of the increase in the applicant’s savings in each 6 months in the savings period, but excess savings in any period may be applied to offset decreases in savings in a subsequent period. Where there is more than one applicant, the savings of the joint applicants are aggregated and treated as though they were the savings of one person. It will be for the applicants jointly to determine to whom the grant will be payable.

For savings periods of less than 3 years—that is, where the applicant held no acceptable savings on a date 3 years before the date of the contract to buy or build the home—the current Act provides no reward. This Bill provides a maximum grant of $667 where the savings period is at least one year, and $1,333 where the savings period is at least 2 years.

The Bill provides that savings periods shall not commence before 1 January 1976. Consequently, during 1977 the maximum grant payable will be $667. Grants of up to $1,333 will become payable from 1978, and the full $2,000 grants will become available from 1979. As a concession to those people who were not holding their savings in the acceptable forms at the time the scheme was announced on 31 March, and to give them time to convert savings not held in the acceptable forms, the ministerial statement undertook that savings held at 31 May 1976 would be deemed to have been held since 1 January 1976, and the Bill gives effect to that undertaking.

Senators may recall that the Home Savings Grant Act 1964 provides that grants under that Act are paid from the National Welfare Fund under a special appropriation. The Government has decided that grants payable from 1 July 1977 under the new home savings grant scheme will be funded by way of an annual appropriation. This step has been taken solely for the purpose of enabling parliamentary scrutiny of home savings grant expenditure, and is not to be construed as implying any intention on the part of the Government to limit the level of expenditure on grants. Since the Appropriation Acts do not provide funds for grants to be paid under the new scheme in this financial year, the Bill provides a special appropriation from the Consolidated Revenue Fund in respect of grants payable up to 30 June 1977 only.

In the 12 years of operation of the current Home Savings Grant Scheme, more than 360,000 grants have been made to assist people to acquire their first homes. I confidently expect the new scheme to assist a far greater number, and to be of real and continuing benefit to the people of Australia. I commend the Bill to the Senate.

Debate (on motion by Senator Georges) adjourned.

SENATE STANDING COMMITTEE ON CONSTITUTIONAL AND LEGAL AFFAIRS

Senator MISSEN (Victoria)—I present 2 reports from the Standing Committee on Constitutional and Legal Affairs on its inquiry into:

1. The alterations of the law made by the Manufacturers Warranties Ordinance 1975; and
2. The alterations of the law made by the Misrepresentation Ordinance 1975.

Ordered that the reports be printed.

Senator MISSEN (Victoria)—by leave—I move:

That the Senate take note of the reports.

Honourable senators will recall that in May this year the Manufacturers Warranties Ordinance and the Misrepresentation Ordinance were repealed following the recommendation by the Senate Standing Committee on Regulations and Ordinances. Following discussions between that Committee and the Minister for the Capital Territory (Mr Staley) the Senate resolved that this Committee should examine and report on the alterations of the law proposed by the 2 ordinances. The sequence of events which led up to this Committee’s inquiry is set out fully in the introduction to the report on the manufacturers Warranties Ordinance.

In the course of its inquiry the Committee has had the benefit of an exhaustive analysis of the ordinances by the witnesses at public meetings.
PRICES JUSTIFICATION AMENDMENT BILL 1976

Second Reading

Debate resumed from 3 December, on motion by Senator Durack:

That the Bill be now read a second time.

Senator BUTTON (Victoria) (3.52)—The Opposition opposes this Bill. The reasons why the Opposition opposes it are to be found in a sense in the second reading speech of the Minister for Veterans’ Affairs (Senator Durack) and the gross inadequacies of that speech. I will turn to that in a moment. But before doing so I wish to make some general comments about the Prices Justification Tribunal. I harrenk back to the days when it was established by the previous Government. When the Tribunal was established it was never pretended that it was to be anything more than a body which would have a persuasive influence on prices fixing in Australia and which was part of a consensus that the Government of the day was then seeking in relation to wages and prices. All those problems which have been familiar to any government in this country stem from the absence of power of the Federal Parliament to deal with wages and prices.

Those who remember the establishment of the Prices Justification Tribunal will remember that the criteria according to which it was to operate were quite deliberately vague because, as I have said, it was designed to exercise a persuasive authority, which was all it could in fact exercise, to be part of the consensus regarding wages and prices and an influence in trying to establish within the community that the price of both labour and goods had to be restrained in the economic climate of the time. A number of tributes have been paid to the work of the Prices Justification Tribunal—the most notable one being in the Federal Law Review of June last year, which referred to the very real effect which the PJT had had on prices in this country. Another was paid by perhaps a less reliable authority, that is, the Prices Justification Tribunal in its own report in which it estimated that many millions of dollars have been saved by the activities of the Tribunal.

The legislation now before the Senate has been introduced at a point in time at which the Government is devoted to a very large scale attack on the Conciliation and Arbitration Commission, following the last indexation increase. It will be recalled that only 10 days ago the Arbitration Commission was blamed for that indexation increase and it was suggested that there was something to do with the Government’s decision.

and in the submissions received. The submissions and evidence revealed some weaknesses and defects in the Misrepresentation Ordinance, however, none was opposed to its reintroduction. The Committee gave close scrutiny to section 6 of that ordinance which created an offence of misrepresentation in trade or commerce and which was of particular concern to the Standing Committee on Regulations and Ordinances. The Committee has recommended that this section be re-structured particularly to sever, from the rest of the section, the vicarious offence of a principal for the acts of his agent or an employer for the acts of his employees. On the other hand the Committee did not believe that the provision for the reversal of the onus of proof of some elements of the offences was unreasonable or sufficient to warrant its deletion or substantial amendment. The Committee felt that the objectives of the ordinance could not be achieved effectively unless this part of the offence was retained in its present form.

The Committee has found that the objectives of the Manufacturers Warranties Ordinance, which are to create undertakings by the manufacturer to the consumer as to the suitability and quality of goods are desirable changes to the law. The Committee has recommended that, subject to specific amendments to individual sections of the ordinance, the Manufacturers Warranties Ordinance should be reintroduced into the Australian Capital Territory. Since the Manufacturers Warranties Ordinance was referred to the Committee, the Trade Practices Act Review Committee completed its report. Although the report of the Review Committee may be implemented at a later date and part or the whole of the ordinance may become redundant, this Committee concluded that the ordinance should be reintroduced at this time.

The Committee reports that the alterations of the law made by these 2 ordinances are desirable reforms of the law and that the 2 ordinances should be reintroduced subject to the specific recommendations of the Committee relating to individual clauses of the ordinances. The Committee believes that the reintroduction of the legislation may be followed by similar legislation in the Australian States. I seek leave to continue my remarks at a later date.

Leave granted; debate adjourned.
regarding devaluation. The Opposition makes the essential point which it wants to make about this legislation by asking members of the Senate to think back to the halcyon days of November last year. I use the expression 'halcyon days' in relation to the sort of balance which had developed between wage indexation in the Arbitration Commission and the activities of the Prices Justification Tribunal and, to a lesser extent, the Trade Practices Commission. What was being sought in October and November of 1975 was an understanding that the real value of wages would be protected, accompanied by the understanding that price increases would be subject to the continued surveillance of the Prices Justification Tribunal and that that Tribunal would have the same sort of effect in the future as its activities seemed to have following its establishment some 2 years before.

Since the beginning of this year we have seen an extraordinary turnaround in this Government's attitude to those elements of the sort of consensus which the previous Government was seeking in this community. In fact, we have seen an extraordinary abandonment altogether of the notion of consensus politics. For example, in the election campaign of November and December of last year the Prime Minister of the caretaker Government promised that wage indexation would be preserved. In the first national wage case in 1976 the Government abandoned that electoral promise. In the election campaign of November and December of last year the then Prime Minister promised his friends in the business community that the Prices Justification Tribunal would be abolished. When he abandoned his promise on wage indexation early this year he then saw, and the Government saw, that they had to abandon their promise in relation to the Prices Justification Tribunal. So, instead of abolishing the Prices Justification Tribunal, it was indicated that steps would be taken to alter the criteria under which the Tribunal operated, and a statement was made to that effect. This legislation, of course, is a consequence of that statement.

What is appalling about this is the adhocery of it all and the fact that it has been done to justify broken promises in relation to the election campaign of last year and that it has been done in an economic situation which has totally changed, particularly as a result of the devaluation of a week or so ago. The situation in which the Government now finds itself following the devaluation is one in which it is faced with such consequences of the devaluation as a 22½ per cent rise—not a 17½ per cent rise—in the price of electrical goods, which has taken place already. Consequences of that sort are going to be passed on to the Australian consumer in terms of price rises at the same time as the Government is seeking to reduce real wages by its submissions to the Arbitration Commission and as a matter of stated policy. As I have said, these matters have destroyed the sort of consensus which was being worked for and they have destroyed it in a totally different and worse economic environment from the one which prevailed at the beginning of this year. As part of the Government's overall economic policy, we regard them as disastrous.

There are one or two matters in the Minister's second reading speech to which I wish to refer, apart from commenting in a general way upon the undesirability of this legislation in the context of the Australian economic situation in December 1976. The first remark that the Minister has made on which I wish to comment appears at the beginning of his second reading speech. He said:

The changes contained in this Bill reflect the decision of the Government to retain the Prices Justification Tribunal but in a substantially modified form.

I point out that this legislation is just a shabby compromise based on the dishonouring of 2 promises made by the Government in its election policy statement of last year.

The second point I make regarding the Minister's speech is perhaps a minor one. He referred to the need for companies to service the requirements of the Tribunal and said that this has been a very significant cost to business generally. I hope that at a later stage the Minister will give some evidence for that statement, other than the gripes from business about the inconvenience of the Prices Justification Tribunal as distinct from what he refers to as the cost of servicing the requirements of the Prices Justification Tribunal. Everybody is aware that for many businesses the Prices Justification Tribunal is inconvenient. Of course it is inconvenient. But it is inconvenient in the public interest. The interest of business, as stated and as a matter which may be regarded as speaking for itself, is of course contrary to the public interest in that it is the achievement of the highest level of profitability which can be obtained. I ask the Minister to point to some evidence for his statement other than the inconvenience, which of course may be an inconvenience to business but which on the proven record of the PJT has been a matter of convenience to the average Australian consumer.

Apart from those general comments indicating the Opposition's attitude to the Bill, any comments which members of the Opposition may
wish to make can be made at the Committee stage. We oppose the Bill most strongly. We think it is just a delayed piece of mish-mash to try to cover up some of the failed promises to which I referred.

Senator MESSNER (South Australia) (4.2)—I warmly support the Bill. I acknowledge, as Senator Button was trying to point out to us, that the Prices Justification Tribunal, which was established in 1973, has been successful in changing the shares of national income from a ratio in favour of profits to one in favour of wages. Over the last 3 years there has been a very significant drop in the share of national income going to profits. It has dropped from some 15 per cent to around 10 per cent currently. This is an example of the approach which the Prices Justification Tribunal has adopted in seeking to establish a new distribution of wealth in the Australian community. It has been well achieved, but it has been achieved very ineffectively and very inefficiently because along the way it has succeeded in bringing to their knees a great number of businesses—and not all of them large ones.

It is very interesting that Senator Button should speak particularly about the public interest. It is of the greatest importance that under the public interest provisions of the Trade Practices Act the activities of a company that is able to control a market are subject to scrutiny. That provision will be applied in this legislation. That is very sound and takes away the major objections of business as to the costs of compliance with the Prices Justification Tribunal legislation, which are not the same things to which Senator Button referred as matters of inconvenience. I will return to that later. I mentioned the inefficiency of the activity of the Prices Justification Tribunal. That has been demonstrated well and truly since its establishment. The inefficiency has sprung not so much from its rulings as from what might be termed the ‘drag’ in listening to the propositions put forward by companies and other interested bodies, coming to an arrangement about those things and finally making a statement. All this takes time and destroys the initiative and the incentive of companies which want to be able to get on and do the job. In other words, it has been a matter of the imposition of more and more bureaucracy on business, with which business has found itself particularly unable to cope in times of rising inflation. These points have been made consistently and do not necessarily apply only to large businesses.

I would like to demonstrate the effect of the activities of the PJT on small business. I take as an example the newsagent in the local district whose level of income relies on the price which is obtained for the newspaper from the community. His commission, his profit, depends upon that figure. Generally speaking, that commission is his sole source of income. During the period to which I have referred, when there is a considerable ‘drag’ in passing decisions of the PJT through to business, the small business man is put under greater pressure than his counterparts at a higher level or those who are better able to cope with financial problems. In that situation the small business man, because he cannot get an increase in the price of his goods, finds himself unable to cope with financial problems and is forced out of business. That is typical of the sort of thing that has occurred in the community, even though it is quite clear of course that small business men do not need to report to the Prices Justification Tribunal. However, they are affected by the decisions of the Tribunal. This has been one of the very sad side effects of the implementation of this legislation some 3 years ago.

I am particularly pleased that the role of the Prices Justification Tribunal henceforward will be one of price surveillance rather than price approval. This will take it into that very significant area of public interest and public concern. As was pointed out in the second reading speech of the Minister for Veterans’ Affairs (Senator Durack) it will lay emphasis on ‘whether or not the company or companies concerned are in a position substantially to control a market for goods and services’ and ‘the reasonableness of the pricing behaviour of a company or companies over a period of time’. That seems to me to be very important, since its seems unreasonable to lay very difficult provisions on businesses which are unable to cope with the compliance costs—the costs of employing accountants to prepare cases for the PJT, counsel to give advice and advocates to appear before the PJT on behalf of businesses. That seems to me to be quite reasonable in the public interest and is in line with the provisions of the Trade Practices Act.

My only other interest is to make sure that the Senate understands that the activities of the Prices Justification Tribunal have been inefficient over the period of its operation. This has contributed to business losses. It has affected businesses badly and brought them to their knees. The question whether short run costs or long run costs are taken into account in assessing prices and the return on capital has been of fundamental concern to businesses but apparently not to those on the Prices Justification Tribunal.
The Tribunal, of course, has paid attention to short term fluctuations in such a way that prices have been passed on to the community. Of course, this has led to increases in charges and hence has helped inflation along the way. Had those costs been assessed against the longer run activities of the business, the decisions by the Prices Justification Tribunal may not have had that effect. In fact we can see plenty of examples where seasonal factors have affected price changes. This means that the PJT in effect has been acting, if you like, as a body which very largely confirms short-run price increases without having regard to the longer term effects of its own decisions. In this way by being inefficient and ineffective it has in fact contributed to inflation. I support the Bill.

Senator DURACK (Western Australia—Minister for Veterans' Affairs) (4.11)—in reply—The matters that have been raised by Senator Button speaking on behalf of the Opposition in opposition to the Bill call for some brief comment, although it appears that any detailed consideration of the Bill is either going to be ignored by the Opposition or pursued at the Committee stage. Senator Button started off with the very broad statement that all the problems that the Government faces in this area of prices—and presumably he included wages—stem from a lack of power in the Commonwealth Parliament to legislate directly in regard to this matter. If the Opposition has such a simple-minded understanding of the problems as that, I think it deserves to remain in Opposition for an indefinite period of time because nothing could be more absurd than to believe that these problems can be dealt with simply by passing a law to overcome them. For a senator speaking on behalf of the Labor Party to indicate apparently that in his opinion or in the opinion of his party the problem of, for instance, rising wages can be solved in this simple way is really rather staggering. The position is that the questions of resolving the fundamental problems of inflation are very complex over and over which require adequate laws, adequate institutions, and an adequate number of men to administer the laws and to negotiate within the institutional framework together with a good deal of expertise and understanding by governments.

This legislation deals with the very difficult and very complex area of prices justification. Admittedly we felt at one stage that the Prices Justification Tribunal was not helpful but when we came into office we found as a result of our discussions with the union movement and others that there could be some value in the Tribunal. Rather than apparently berating the Government for having changed its mind on this subject I would have thought that the Opposition would have in fact welcomed what it should have believed was a realisation on the part of the Government of a policy which the Opposition when in government had initiated. The Government having decided that there was some value in the institution then decided that it would have a good and close look at it to see whether it could not be improved. The purpose of the legislation before the Senate this afternoon is to effect a number of improvements in the administration of the Tribunal's work. The Government believes this legislation will have that effect.

This Bill broadly converts the Tribunal from what might be called a price control institution to a price surveillance institution. It may be arguable that the Tribunal ever really was completely a price control mechanism but the fact of the matter is that what we propose in this legislation is to place emphasis on the price surveillance aspect of the institution. The Government has had the advantage of seeing how the institution has worked over the period of 3 years since it was established by the Labor Government in 1973. One of the outstanding matters that was discovered by looking at the way the institution had worked was the fact that 90 per cent of the notices to the Tribunal seeking price increases were in fact approved. I think it is a very remarkable commendation of the responsibility by and large of the larger companies operating in the provision of goods and services to the Australian market that in fact 90 per cent of their proposals for price increases were acceptable. That experience was one of the major factors which led to the proposed changes in this Bill which will exempt certain companies from their notification obligations, particularly companies which have over a substantial period of time charged fair and reasonable prices, or companies which are not in a position substantially to control a market for their goods and services. These matters are in future to be considered and taken into account in determining whether or not general exemptions from notification should be given.

Another factor which led to the proposed changes and which I think became quite clear from the experience of the Tribunal was the costs associated with the requirement that companies with a turnover of $20m or more, including the subsidiaries of those companies which have small turnovers but which are within a group of companies with a total turnover of that amount, notify the Tribunal of the proposed price
increases. Senator Button has said that it may be inconvenient but what was the cost. Again it really stagers me that someone on behalf of the Opposition and somebody of Senator Button's experience as a lawyer would ask the question: 'What would it cost?' Any additional work of this sort which is required to be done is a cost to a company. It is obviously a cost. These sorts of notices with the type of information that is required to be given—some of it very detailed—are obviously far more than inconvenience. Work of this kind clearly must be an addition to the costs of a company. Those costs are of course to be passed on—and justifiably passed on—to the consumer in higher prices. Not only are there added costs in preparing notices, but in providing information to the Tribunal at hearings I understand that it has been common practice for companies to engage counsel, solicitors and so on to take part or to put forward their cases. So obviously additional costs have been involved. The Government's view is that to the extent that they can be minimised that should be done. That is another reason why the amendments outlined in the Bill before the Senate are being proposed.

I thank Senator Messner for his contribution to the debate and for the fact that he has pointed out some interesting facts in relation to the impact of the operations of the Prices Justification Tribunal on the larger companies which are required as a matter of law to give notices to it and to justify their prices to it and also in relation to the impact that the flow on has had on many smaller businesses. So all these considerations have led the Government to believe, as I have said before, that there is value in this area of monitoring prices and, to some extent, controlling prices. There is value in an institution such as the Prices Justification Tribunal. But the Government sees it as having a better role in the monitoring of prices and in keeping a surveillance on prices. I want to emphasise, as I emphasised in the previous debate in relation to the stevedoring industry, that the changes that have been made by the Government do not take away to any extent at all the general power of the Prices Justification Tribunal, either on its own motion or when somebody moves before it.

I refer to one provision in the Act which states that the Tribunal may inquire and report to the Minister in any case where the Tribunal is required to do so by the Minister or the Tribunal considers that it is desirable to do so, whether the price of the goods or services of the company, whether or not it is a prescribed company, is justified. So the Tribunal has that general power of inquiry. The Minister may initiate such an inquiry, or the Tribunal itself may decide to act of its own volition. As the Minister for Business and Consumer Affairs (Mr Howard) pointed out, considerable experience has been acquired by both the Tribunal and the Minister's Department in regard to the monitoring of prices in the community generally. Many organisations bring to the attention of his Department or the Tribunal cases in relation to which it is believed that there is involved an over-pricing of certain goods or services and in relation to which complaints are made. If necessary those cases may be investigated. That is the type of investigation in relation to which the Tribunal can, as I say, of its own volition or at the initiative of the Minister conduct an inquiry regardless of whether there has been any need for notification of a price increase at all. Those things will continue under the provisions of this Bill. The Government is convinced that this Bill will be of continuing value. Despite the opposition that is being made to the legislation by the Labor Party, the Government presses on with it and trusts that the Senate will support it.

Question resolved in the affirmative.

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

NATIONAL HEALTH AMENDMENT BILL (No. 4) 1976

Second Reading

Debate resumed.

Senator GRIMES (Tasmania) (4.25)—The Opposition does not oppose the National Health Amendment Bill (No. 4) 1976. The Bill provides for the establishment of a Joint Committee on Pharmaceutical Benefits Pricing Arrangements which is to be composed of 4 members from the Pharmacy Guild of Australia, 4 public servants, and the chairman who will be a Deputy President of the Australian Conciliation and Arbitration Commission. The Committee will determine what remuneration will be paid to pharmaceutical chemists when dispensing pharmaceutical benefits under the pharmaceutical benefits scheme. We are interested to see that the chairman's decision will be final in the case of dissent and that the Government and the Guild will be bound by his decision. It is obvious—it has been obvious for a long time—that there is a need for this or a similar sort of arbitration system in this area.

The matter of pharmacists' fees has been a source of contention and wrangling for many years in this country. From 1960 to 1972 the fee for pharmacists rose by only 2c a prescription.
There was much discontent within the pharmaceutical profession and much public wrangling went on. From 1972 to 1975 the fee increased from the original 45c to 62c a prescription, and negotiations were taking place between the then Government and the Pharmacy Guild for the appointment of an arbitrator to develop some sort of arbitration system whereby this contentious and continuing wrangle could be prevented. The present Government came into office with a promise that it would establish a better method of setting the fees that are paid and claimed that as a matter of urgency the question would be resolved by renegotiation. Although an attempt was made to solve the problem by paying a 5c prescription fee to pharmacists for the previous 3 years, a High Court writ was issued, and the Government has now produced this legislation. It was hardly an urgent action, I would suggest, but certainly it is a case of better late than never.

While we pay our pharmacists by prescription in this country, while we pay them on the basis of a fee for service, this Bill probably presents the best method of arbitration that we could devise in solving the problem and overcoming the wrangling that has been going on over the years. I think the question to be asked probably is: Should we pay a professional group such as pharmacists on the basis of a fee for each prescription they dispense, thus giving emphasis to the retailing and actual selling function of the pharmacist?

Senator Baume—How should we pay them?

Senator GRIMES—I believe that pharmacists should be paramedical workers in the true sense. After all, they are taught pharmacy, chemistry, physiology, pharmacology and some medicine. I believe they could be a more important segment of the health care delivery service in the country than in fact they are, because we pay them on the basis of the number of pills and potions they dispense. The more they dispense, the more money they get. Frequently their income also depends on the number of patent medicines they can sell and, more frequently at this time, on the number of items they can sell which are completely unrelated to pharmacy or to medicine in general. I can remember recently buying a portable radio, not from a radio shop but from a pharmacy because the price there was cheaper.

We have looked at the method of paying pharmacists and we should look at it again, the same, I believe, as we should look at the method by which we pay doctors in the community. I must say in passing that at least the pharmacists are willing to go to arbitration over their fees and are willing to accept that arbitration—something that my professional colleagues are not willing to do. I hope that the Bill does solve the wrangling. I hope that the Bill does solve the differences of opinion. Perhaps I do not have the same faith in legislation solving these problems as some other people in the community have. I should be interested to know what public servants will be on the proposed committee. One can imagine some screams from the pharmacists if one or more of the committee members were to be Treasury officials.

However, before any change can be effected which will improve the professional position of pharmacists in the overall health care delivery service in this country 2 problems must be overcome. The first is a problem recognised, I believe, by everyone in the field of pharmacy and certainly recognised by the Pharmacy Guild in recent years, that is, the over-supply of pharmacies in this country. Figures are commonly cited in this regard. Those cited by the Guild demonstrate that we have one pharmacist for every 2500 people in this community. Countries like the United Kingdom and the United States have one pharmacist for about every 4500 people in the community. Others like Denmark and Holland have one pharmacist for every 14 000 or 15 000 people in the community. The figures are not exactly comparable—I accept this—because of the wide distribution of our community. But the figures demonstrate, and the returns to the pharmacists demonstrate, that we have an over-supply of pharmacists in this country. I believe that it is this factor plus the maldistribution of pharmacists in this country which cause many of the problems of the pharmacists.

As in the medical profession, there are rural areas with small populations which are unable to get pharmacists and are unable to support them or, if they are able to get pharmacists, those pharmacists are inadequately paid because of the low number of patients and a low number of prescriptions being dispensed. As a result, we have a concentration of pharmacists in the metropolitan areas. These areas have an over-supply of pharmacists who in many cases end up being over-competitive. They must rely more and more on sales gimmicks and, I suppose, in a very few cases and in a very few places, they must rely on the illicit sale of drugs to make a profit. The patient does not benefit in this situation. The pharmacist does not benefit. The pharmacist is not necessarily doing the work he is trained to do, and job satisfaction becomes less and less important in his life. Anyone who reads
the journal of the Pharmacy Guild will realise that chemists are thinking more and more about this aspect. Chemists recognise that they should be at the forefront of the battle to overcome the epidemic of pill-popping which is overtaking our society; but they are in a very real bind because of economic necessity.

As I said, the Pharmacy Guild recognises this necessity for limiting the number of pharmaceutical outlets in Australia and for creating a more equal distribution of pharmacists in the rural and isolated areas to assist in the health care of the nation and to assist pharmacists to have a more satisfying professional life.

Senator Baume—How do we do that?

Senator GRIMES—I doubt whether even those pharmacists who are imbued with the ethic that their business must be based on a profit, on a fee for service of the type we have at present—I am sure that this is what Senator Baume was interjecting about—will realise the difficulty of achieving this under the present system of margin over cost. Sooner or later we must face this problem. It is of no good looking at this problem and saying that we must preserve the present system but we must make it better, we must change the system. One suspects that those who are doing very well out of the present system, like all other vested interests, will resist change. They will mouth the right words at Pharmacy Guild meetings. They will say that we have a problem. They will talk of the necessity for change but they will not want that change to affect them. This happens so often in life. Some members of the Pharmacy Guild have suggested that the problem is easy to solve, that we should leave the system as it is. They suggest that somehow the Government should license the various pharmaceutical outlets and if there are too many in one area the Government should close them down but somehow pay those pharmacists compensation. Then we would have to pay an extra fee to people to practise in rural areas. I doubt whether those suggestions would get any better welcome in the pharmacy profession than they would get in the medical profession. One would be interested to see what would happen.

I believe that eventually the solution will be a change in the present system of paying pharmacists whereby somehow people more expert than I, and perhaps even more expert than Senator Baume, can suggest a method whereby pharmacists are paid as professionals. Because of my philosophical bias, I would prefer them to be paid a wage, depending on the area they were in and depending on the work they had to do. Others, who have not my philosophical bias, may be able to devise a better system. But obviously, some system will have to be implemented.

As I said, I hope this Bill will tidy up the present mess. I emphasise that from the point of view of the patient and from the point of view of the pharmacist it will do nothing to assist health care in the long term. I believe that health care is what we should be thinking about in legislation of this type. Everybody knows that the system of health care in Australia at the moment is not satisfactory. Our consumption of ethical drugs and our consumption of patent medicines is too high. The system needs reform. I believe the reform will not come until we have looked at the whole system in a dispassionate way, with a view to economy and with a view to efficiency of patient care. None of us seems to have been doing that. We have looked at various aspects of the system, be it funding, be it health insurance, or be it paying pharmacists so much for a prescription. As I said, the Opposition does not oppose this legislation. We hope it will tidy up present inadequacies in the system we have now. We believe that eventually the system will have to change. I do not rise today to give any answers, especially after receiving the Bill at such short notice, to which I have no objection. With these few words, I merely announce that we do not oppose the Bill.

Senator BAUME (New South Wales) (4.39)—The National Health Amendment Bill (No. 4) 1976 seeks to resolve an area of difficulty which has arisen over a number of years between the Government and one of the major providers of health care. The Bill represents the success of the process of conciliation. It represents a resolution of the problem which otherwise would have had to be settled in the courts in an adversary manner.

The speech we have just heard from Senator Grimes is important. Not only did he comment upon the provisions of this Bill but he also laid down in terms I have not heard before his proposition that the ideal way for pharmacy to be run is through a different system, in fact, a socialised system of pharmacy. I hope what he said will be brought to the attention of the Pharmacy Guild of Australia. I should like to refer to it a little later.

The National Health Act is exceedingly complicated. It is an Act which no one, not even you Mr President, would want to read for light relief. It is exceedingly long and complex. Section 99 provides at the present moment that the Minister may, after consultation with the Pharmacy
Guild, determine certain things. The crux of the problem has been that the Minister 'shall determine' and that the process of consultation need not be—the Guild says it has not always been—significant or sufficient. The argument has been that the process of consultation has not always resulted in the views of the Guild being properly considered or heard.

For some years this problem has been building up. We cannot forget that the pharmacists in this country play a central role in the provision of health services. After all, the receipt of medication is an important process in the cure of many illnesses. It is the final step for many people in the process which begins when, recognising that they are ill, they seek medical care. It demands considerable responsibility and it places a professional role upon pharmacists. I remind the Senate—I am sure my medical colleague, Senator Grimes, would bear this out—that surveys have shown that in large teaching hospitals up to 25 per cent of the drugs given to people are incorrect; either the wrong drug or the wrong dose is given. This happens in the best hospitals in this country. It is a fairly world wide trend.

The process which leads to a person receiving the right medication is not an easy one. Mistakes are frequent and they can be fatal. In many of the teaching hospitals which take the more severe illnesses in our community it is said that up to 20 per cent of the admissions are related to the effects of drug therapy. That professional group in our society responsible for the disbursing of drugs, for handing out drugs for the population, are serving a very important and critical role in health care. The community deserves no less than that this group be properly rewarded, and properly regarded, and that the consultation which takes place with it be adequate.

It was against this kind of background, dissatisfaction with the process of fee fixing, the feeling that they could not cope with inflationary trends and concern about the quantum of their return that members of the Pharmacy Guild negotiated with successive governments. In 1972 the Guild corresponded with the then Minister for Health, our former colleague Senator Sir Kenneth Anderson, as a result of which an agreement was made to set up a new inquiry into chemists' earnings. Sir Kenneth's letter to Mr Russell of the Pharmacy Guild of Australia of 5 April 1972 set out the conditions for this new inquiry and contained the following sentence:

This information will be used to determine fair and reasonable remuneration for chemists.

It was understood by the Pharmacy Guild that the inquiry which was then set up under the chairmanship of Sir Walter Scott would, in fact, provide a formula which would be acted on by governments. As you know, Mr President, the Government changed and the Whitlam Government came to power and was in office during the time when the Scott inquiry deliberated. I remind the Senate that the report of the Scott inquiry which had been set up in 1972 was handed to the Labor Ministry in May 1975. In a national newsletter of the Pharmacy Guild of Australia of May 1976 which contains an accurate historical account of the events which followed it is stated:

It was not until July 1975 that the then Minister for Health, Dr D. Everingham, advised the Guild of a Cabinet decision to pay chemists 11 cents and 22 cents in retrospective payments.

It goes on to say:

As this decision was not consistent with the amount calculated when applying the recommendations of Sir Walter Scott, the Guild called upon the Government to appoint an arbitrator whose decision would be binding on both parties, as provided for in the 1972 arrangement.

That agreement was the letter which passed between the Guild and Sir Kenneth Anderson which provided for the appointment of an arbitrator under certain conditions.

It was the Labor Government, Mr Whitlam's Government, which refused to act upon the findings of Sir Walter Scott and to proceed with the appointment of an arbitrator. The Pharmacy Guild of Australia said:

In November last year—

That is, 1975—

when no action had been taken by the Whitlam Government, the Guild's National Council meeting in Canberra decided to proceed with a writ in the High Court. As is well known, on November 11 there was only a caretaker Government.

The problem that arose did so as a result of the inactivity of the Whitlam Ministry. It was a problem which this legislation now seeks to correct. We have moved to take effective action to overcome the problem. Early this year, as negotiations with the new Government began, we made an initial cash offer which was rejected by the Pharmacy Guild. However, it has been possible since then, by continued negotiation and the continued process of conciliation to reach a position whereby the subsequent action proposed in this legislation completely satisfies the Pharmacy Guild, as a result of which the writ has been withdrawn and we can see now the possibility of continued goodwill between government and this important group of professionals.
The new arrangements provide for the establishment, as a separate entity, of a new Joint Committee on Pharmaceutical Benefits Pricing Arrangements. The Committee will consist of equal numbers of people from the Pharmacy Guild and the Government. It really does not matter who are the departmental officers sitting because if there is disagreement the ninth member of the Committee, the independent Chairman who shall be a Deputy President of the Australian Conciliation and Arbitration Commission, will make decisions regarding prices, and the Government has agreed to be bound by them. The obvious justice and common sense in this arrangement has appealed to the Pharmacy Guild as it has appealed to the Government. We are moving to a situation now in which the determination of the appropriate remuneration for pharmacists for the benefits they supply will move out of the political arena and away from a political decision by a government under budgetary pressure to be a decision by an independent tribunal which shall take into account a number of conditions set down in the new, quite complicated clauses of the Bill we are considering. The tribunal will be judicial and independent. I believe that this represents a significant advance on any system which has operated up till now in regulating the relationships between the Government and the pharmacists of Australia.

I cannot leave this matter without reminding the Senate that the pharmacists are a responsible professional group in our society who have played a very significant role in health care. Senator Grimes admitted as much by expressing his concern about the maldistribution of available pharmacies so that some areas are not adequately supplied. There are 5500 pharmacists in Australia. Senator Grimes suggested that on a population basis we have more pharmacists than do certain other countries. He did not indicate, though, whether he believes that all those other countries have adequate numbers of pharmacists. The honourable senator would do well to indicate to the Senate next time he speaks what he believes to be the optimum number of pharmacists so that we can get a better measure.

I must point out that the pharmacists of Australia will be very interested to hear the views of Senator Grimes, who is one of the Opposition spokesmen, who is a medical practitioner, who has dealt in a professional sense with pharmacists, when he recommends in considering this legislation that the pharmacists of Australia should be nationalised.

Senator Grimes suggested that he is dissatisfied with the present system of fee for service payments, and choosing his words very carefully the honourable senator indicated that he was looking to a system of salaried service for pharmacists. I suggest that the Pharmacy Guild of Australia take note of what the Opposition thinks is the most appropriate form of remuneration. The honourable senator stated that he believed a different system of payment might be more appropriate, and very gently moved around to mentioning that he would favour a salaried system. I leave it at that. I hope that the Pharmacy Guild will publicise what the honourable senator said so that everyone will be aware of it and everyone will understand his view of the way in which pharmacists should be paid and of the way in which they might operate. After all, as a doctor, who could know better than Senator Grimes what is appropriate for pharmacists in this country.

This Bill is an appropriate response to a need of the pharmacists, and I was particularly disappointed when looking through the Hansard report of the debate which took place on this Bill in another place to read that Dr Cass, the Opposition spokesman, said:

We had not resolved the problem. I admit that. The pharmacists were still unhappy, but at least they were interested in our proposals and we were proceeding with some constructive discussion to try to resolve the problem.

I simply remind the Senate that so constructive were the proposals of the Labor Government of the day that in November last year the Pharmacy Guild decided to proceed to the issue of a writ against the Whitlam Government for its breach of faith. It is the Fraser Government which has found a conciliatory method of moving through this problem and which has proposed a solution acceptable to both sides. I am hopeful that the passage of this legislation will usher in a new era of co-operation between the Pharmacy Guild of Australia and the governments with which it must deal. I commend the legislation.

Senator GEORGES (Queensland) (4.54)—I come into this debate because of remarks made by Senator Baume which ought not to be made in the dying stages of a session if we are to complete our business. They stir people to respond to what I would term misleading and inflammatory remarks. Senator Grimes emphasised the situation which has arisen in Australia in many industries, not only in respect of pharmacists. There are too many establishments, which has led to an over-capitalisation and to a diversification by chemists outside their traditional area.
of merchandising. This has led to very poor service to the community in respect of pharmaceutical benefits. In Australia we need a considerable reform in the area of pharmacies and the dispensing of drugs and medicines. The debate is not assisted when Senator Baume makes wild claims about nationalisation, implying that Senator Grimes supports such a proposition.

I should like Senator Baume to go to my locality in Brisbane, Everton Park, where 5 pharmacists are endeavouring to carry out the work which one pharmacist could carry out successfully. Each of those pharmacists believes that he has a right to live according to his profession and at the level of earning of his profession. That has led to a situation where the profession has been diminished in some way by diversifying its operations to cover lines of merchandise which have no relationship whatsoever to pharmacies. The danger which has arisen from that, if I might suggest it to Senator Baume, is that in retaliation the chain stores have taken to dispensing a wide range of drugs which should be the right of pharmacists alone to dispense. I believe that we as a Parliament should be looking to some sort of legislation, in co-operation with the States, which will bring the pharmacists back to their traditional role of dispensing medicines and drugs, which should be their right and theirs alone.

Senator Baume—What kind of drugs.

Senator GEORGES—I would even go as far as the analgesics, which at the present time are subject to impulse buying at the chain stores, and a whole variety of associated drugs. I would have thought that the right approach would be to look at legislation which would bring these drugs of abuse, and there is a whole range of them, under the control and supervision of a pharmacist. The pharmacist’s role should be protected against the inroads of the big chain stores, the big pressure groups, which endeavour to sell as much of a commodity as possible. Surely Senator Baume would agree that drugs of the type of which I have been speaking should not be subject to discounting procedures and pressures.

I would strongly support the pharmacist’s being brought back to his traditional role. His area of operation should be protected. He should be registered; he should be zoned, and the sooner we arrive at that position the better. We can achieve that only by this Parliament’s taking the initiative, in co-operation with the initiatives taken by State parliaments, to bring it about. The distribution system is not economic when it allows five or six chemists to operate in an area where one chemist could operate successfully, and I believe that all the errors which occur flow from that situation. Perhaps not enough chemists are produced by Australian universities, if one is considering the whole of Australia, including the rural areas, but we are producing far too many pharmacists to serve the city areas. Each pharmacist who goes into an already congested area is asking for trouble. My view is that such pharmacist ought not, having got into difficulties because of the congestion in their industry, come to the Australian Government for support. There is no talk of nationalisation in what I am saying and there was no talk of nationalisation in what Senator Grimes was saying. What we are talking about is rationalisation of the industry, and the sooner we achieve that rationalisation the better.

Senator GUILFOYLE (Victoria—Minister for Social Security) (5.1)—in reply—the Government appreciates that the Opposition does not oppose this legislation. This Bill provides for the statutory recognition of the Joint Committee on Pharmaceutical Benefits Pricing Arrangements, empowering its chairman to determine chemists’ rates of remuneration for the supply of pharmaceutical benefits, and for the Commonwealth to be bound by the determination. Section 99 of the National Health Act provides that the rates of remuneration of pharmaceutical chemists may be determined by the Minister for Health after consultation with the Pharmacy Guild of Australia. Consultation with the Guild usually has been through the Joint Committee which was established for this purpose by administrative action under section 136 of the Act in December 1964. This arrangement has proved unsatisfactory in recent times; the conflict which arose during the last year or two has been referred to by various honourable senators who have spoken in the debate. After lengthy discussion with the Pharmacy Guild of Australia the Government has agreed that, because of the importance of the matter and because of the large amounts of money involved, the final decision on the amounts of remuneration should be made by an independent arbitrator.

The composition of the Committee has been described already. Whilst on one side of the Senate the question of the membership of the Committee and the public servants involved was raised and on the other side it was said that it does not matter who the public servants are, I have to say that it is very important that this Committee function as a committee that will present reasoned judgments on the matters to be considered and recognise the accountability which must be required in any judgments that
are given. It is a matter which will have considerable consequences. After all, the judgments that will be given with regard to the pharmaceutical benefits scheme will have a great degree of responsibility in them, and I would not want to see a committee sitting down in a spirit of antagonism or self-interest simply to see how much it can expect the community to pay for this service.

Over the years the pharmaceutical benefits scheme has proved to be of inestimable value to all Australians and the Government is determined to ensure that it continues in a viable form. Determination of chemists' remuneration is an important factor in the continued viability of this scheme. With the passing of this legislation, an independent authority to determine these aspects should ensure greater cooperation and, through that, an improved pharmaceutical benefits scheme should result. I will bring to the attention of the Minister for Health (Mr Hunt) the thoughtful and sometimes provocative comments which have been made during this debate. I am pleased to express on behalf of the Government our appreciation of the speedy passage of this legislation.

Question resolved in the affirmative.

Bill read a second time.

In Committee

The Bill.

Senator GRIMES (Tasmania) (5.5)—I rise merely to talk in general terms on the whole Bill, in view of some remarks that were made in the second reading debate by another senator. The Bill deals with the dispensing by chemists of prescriptions for pharmaceutical benefits. All these pharmaceutical benefits are ethical drugs prescribed by doctors, and this is the area with which I was dealing earlier. I suggested then that the method of payment of pharmacists for the dispensing of these drugs on a fee for service, per prescription basis was not adequate. I was not talking about general pharmaceutical goods, patent medicines, toys and other things that pharmacists sell. I was suggesting, as the Pharmacy Guild of Australia has suggested, that there may be a better method of payment and that these people should be paid for the professional skill they have rather than for preparing mixtures and counting tablets.

There is some support for this in other parts of the world and in Australia. I would like to quote from the report of a working party on the abuse of medicines established by the European Public Health Committee of the Council of Europe last year. It said:

The pharmacist (as has been remarked at various points in section 1 and the present section) is likely to find himself in a conflict of interest, in view of his status as a professional man having professional duties on the one hand and as a retailer with business interests on the other.

The ultimate solution of the problem must lie in a separation of commercial and professional interests. There is much to be said either for a system in which the retail pharmacist is a salaried employee of a public controlled distribution system, as in Sweden, or a system in which the number of pharmacies is limited strictly by the authorities so that the individual pharmacist can earn an adequate income when limiting his activities to the sale of medicines, according to the highest professional standards.

It is difficult for the pharmacist whose establishment is largely devoted to the sale of cosmetics and other consumer goods to place professional interests first; equally, the pharmacist whose turnover is limited may find it difficult to maintain the highest standards of practice where this will entail a restriction or refusal of the sale of medicines.

I at no time suggested, even if it were possible, that we should nationalise pharmacies as they are known in this country. What I was suggesting is that there may be a better method of paying a pharmacist for dispensing the goods under the pharmaceutical benefits scheme, which is what this Bill is about. Such a method could involve changing the payment from fee for service to perhaps a salary or perhaps a flat rate. The pharmacist then would be able to continue his other activities and perhaps would not need to indulge in the sort of retail activities in which they indulge now. Perhaps we would be able to pay pharmacists in rural areas an adequate fee to make sure that they stayed in rural areas. This is a serious subject. It is a serious subject, as is the whole system of health care in this community, and I am disappointed that someone who usually takes a serious approach to this matter should, on a day when we are trying to get legislation through and when the Opposition is trying to cooperate with the Government, indulge in cheap political and semantic tricks of the type in which Senator Baume indulged.

Senator BAUME (New South Wales) (5.8)—I intervene briefly to say that I clearly understand the difference which Senator Grimes makes between the activities of pharmacists in the supply of ethical drugs and their activities in the supply of other services, over the counter services or non-pharmaceutical services. It is easy to understand that difference. However, I also clearly understand the honourable senator to criticise the fee for service system on certain grounds which he thinks are valid and I clearly understood him to suggest that there may be a better method of payment and that that method of payment might include salaried service.

Senator Grimes—For that service.
Senator BAUME—For that portion of the pharmacist's activities. I merely make the point that I regard the substitution for fee for service payments of a salary or any other system where the state is paying as effective nationalisation of that part of that person's activities. I believe that it would be so regarded by most professional groups and that it forms the basis of the objections of the profession in which I practised for many years. The moment the state moves in to pay a salary for portion of their activities, most professional men regard it as being effective nationalisation of that portion of their activities. I put it to Senator Grimes that if he suggests that a salary should be paid for the dispensing activities it is semantics on his part if he then attempts to deny that that represents the kind of state control which most professionals fear and abhor.

Senator GRIMES (Tasmania) (5.10)—I reply only that to carry Senator Baume's argument to its extreme, he would abolish the pharmaceutical benefits scheme; he would abolish the controls on the drugs in the pharmaceutical benefits scheme; and he could have his beautiful capitalist system, whatever he calls it, right through the pharmacies. I suggest that Senator Baume occasionally should read the publications of the Pharmacy Guild of Australia in which this sort of suggestion is being made. To describe that approach as a nationalisation of the pharmaceutical industry in Australia is to extend the meaning of that word to the absolute extreme.

Bill agreed to.

Bill reported without amendment; report adopted.

Third Reading

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

HOMES SAVINGS GRANT BILL 1976

Second Reading

Debate resumed.

Senator WRIEDT (Tasmania—Leader of the Opposition) (5.12)—The Senate has before it legislation arising from an undertaking given by the present Government during the last election campaign. When one considers the climate in which that undertaking was given it is not hard to understand the difficulties which are obvious as a result of this legislation. It will be remembered by those honourable senators who have been here over the last few years that housing has been a continual problem for Australian governments. I think it would also be agreed that governments of both political colours have endeavoured to come to grips with the problem of providing adequate housing for the Australian people and especially for those on lower incomes so that they can have access to a home to which every member of the Australian community is entitled.

The fact that home ownership in Australia has been of a high order over the years compared to that of most other countries is something which we have accepted. Even today I understand that the position is that about three-quarters of Australians can claim to own their own homes. There has been a growing tendency, particularly in the last few years, for it to become more difficult for a potential home owner and for the ordinary wage earner, especially the lower income earner, to find the necessary finance and of course to service the loan that he needs to raise. When the previous Government took office there was, as we all recognise, a period of intense monetary activity in the economy with an enormous increase in the money supply having taken place very rapidly. I think it could fairly be said that the implications of that increase were not fully understood by the Government which assumed office in December 1972. We recognised of course that there had been a quite dramatic increase in the availability of finance in the community, but the implications of that were not to be realised until the full effects of that increase in the money supply had been understood and had been experienced by the government of the day.

This occurred despite warnings which were issued in 1972, not only by members of the then Opposition but also by members of the then Government, that we were heading for a very high inflation problem in Australia unless some control was exercised over the enormous increase in the money supply. I mention that background because it is pertinent to the experience of the Labor Government, particularly in the housing area and it is one of the significant reasons why we saw the increase in costs that took place over the last three or four years. It would be idle for anyone to suggest that those increases did not take place. Nevertheless, we as a government were not unmindful of the effect that would have on potential home owners, particularly for people in the lower income groups. Consequently we set about the legislation concerning the Australian Housing Corporation and the welfare housing program which was designed specifically to assist people on lower incomes to get their own homes. Of course we also recognised the difficulties that had arisen for what could be termed that middle income group or
people who were not eligible for welfare housing but who were experiencing considerable difficulties in obtaining homes because they were not able to pay very high amounts of repayments.

This legislation is a result of undertakings given last year during the election campaign. In all the heat of other issues at that time the idea of a new homes savings grant arrangement no doubt was appealing to many young people who thought that the introduction of such legislation by the Parliament would be of great benefit to them. But it remains now to be seen just who will benefit by this legislation. We know that the grant is provided on a $1 for $3 basis up to a limit of $2,000. Of course people will not become eligible for the full $2,000 until 1979. In the 2 intervening years the maximum grants will be limited to amounts of about one-third in the first year and two-thirds in the second year. When one considers the deposit and the repayments required in housing at present it is obvious that this amount will not be anything like as significant, even to those persons who qualify for the grants. It can be fairly said that the side effect of this is that the legislation is inflationary. Many first home buyers will be eligible for the grant and it is inevitable that the grant will cause an increase in the price of homes. It is virtually inviting people to save for housing although the Government on many occasions has encouraged people to spend as a means of raising consumer demand. So to that extent the grant will have a different effect from the line the Government has been asking people to follow with their money.

Basically the Bill fails to recognise the major problem facing people buying homes. The main concern is with interest rates which they will have to pay and, secondly the availability of finance. Increasing interest rates are forcing many people out of the home buying market and the Government's recent economic decisions will make that situation even worse. Interest rates will rise as a result of devaluation, thus virtually driving more people out of the market. It is not the deposit gap which is preventing people from buying homes; it is their inability to convince a finance institution that they can afford to make the necessary repayments. The banks, building societies and other lending institutions have an understanding—it is not a law or a statutory arrangement—relating to the capacity of persons to repay loans for housing. Normally they will not accept any arrangement which requires a person to repay more than about a quarter of his weekly earnings. This, of course, will deprive a considerable number of people of the benefits of this type of legislation.

Let us consider the position today of a person who is seeking a loan of $20,000, which would not be regarded as an extravagant amount under the present cost structure. Such a potential home owner would have to pay an interest rate in the area of 11 per cent to 12 per cent. So his repayments would be in the area of $190 or $200 a month and maybe even a bit more. This is the sort of problem with which the potential home owner would find himself confronted. He would be required to pay out $50 or even $60 a week in repayment terms, which would be an enormous burden on any person who is fortunate enough—I do not know whether 'fortunate' is quite the word to use—to be able to qualify for a loan under this legislation. Despite the fact that the Opposition is not opposing this legislation, it is quite obvious that those sections of the community that are most deserving of assistance are the ones least likely to benefit under this arrangement that the Government has introduced. The poorer sections of the community—in that regard I include those sections which include people who earn too much to be eligible for welfare housing but who do not earn sufficient to enable them to meet the interest commitments—will be ignored. Thus the Government, at the cost of nearly $100m per annum, will be making grants to the more wealthy sections of the community and doing nothing for those who cannot afford to pay the interest rates.

Legally the Bill is a very difficult one. In an attempt to overcome the wide range of possibilities of abusing the scheme the Government is forcing through this legislation, which is of an extremely complex nature. The Bill contains convoluted definitions of persons who are eligible for this scheme, of the conditions under which the grants are payable, of the nature of land and buildings the purchase of which attracts the grant and of the nature of the savings which will make an applicant eligible. The extension of the scheme to include single persons will provide many opportunities for abuse. There has not been much time for us to consider this legislation as, of course, it has come on much more quickly than we had originally anticipated. But it is evident that the philosophy behind what the Government is doing is not an acceptable basis by which to solve the housing problems of this country, if in fact one can ever find a solution to them.

No matter what approach is taken and no matter how much money is appropriated for housing, it is evident that any government must consider essentially the financial load that the ordinary wage earner has to bear in buying a home.
or renting a home, I believe that the method that this Government is using to achieve the desirable objective of enabling homes to be purchased, if one considers it to be a desirable objective, will not overcome that one basic problem. The continued construction of housing in Australia is fundamental to the proper welfare of all Australians. If we are to concern ourselves with that objective, it is incumbent upon us as a Government and an Opposition to work towards the proper housing of people, particularly those in the lower income group. Despite the anomalies which we feel are in the Bill and despite its shortcomings, we do not feel disposed to oppose it. However, on behalf of the Opposition, I move the following amendment:

At the end of motion, add

but the Senate is of the opinion that this scheme does not recognise that each household in Australia is entitled to adequate and conveniently located accommodation at a price which does not impose too great a strain on household resources, rather it perpetuates existing inequalities.

Senator ARCHER (Tasmania) (5.25)—I agree with, by far the greatest proportion of what Senator Wriedt has had to say. The magnitude of the problem in itself is such that anybody who takes it lightly just does not know what he is about. I found it very interesting to read the buildup material that has come through and the speeches, both for and against, in the other place in relation to this matter. I have found that the question whether people are likely to agree or disagree with the homes savings grants scheme is very largely a matter of their philosophical approach to the question. I accept that as being the basis of the matter. I do not accept the philosophy which is not in agreement with the scheme. I will leave it at that.

We have to realise that this legislation is part of the overall housing situation that the Government has taken upon itself and in relation to which there are different operations of the public and private sector. We have also to consider that, whatever others may consider to be desirable, there never will be enough public funds to provide the public houses which may appear to be necessary. It is always going to be necessary to get the private sector money released and into the system as quickly as possible and in as great a volume as possible. There has to be encouragement for this to be done. I have always regarded it as being the same as putting lime on the ground. The lime itself does not do anything; it is what it releases that counts. As with the lime, there is already plenty there. It is just a case of working out how to get it out.

Some speakers in the debate in the other place made what I consider to be quite rash and irresponsible statements about the aims and the application of the scheme. In this regard I refer to the comments of Mr Uren as recorded at page 3251 of the House of Representatives Hansard of 3 December. He said:

This is a sectional Government. It is a Government whose entire ideology revolves around widening the gap between the rich and the poor.

That is an example of what I was getting at. Mr Uren went on to say:

The homes savings grant scheme being introduced by this legislation is regressive. This and other direct subsidy schemes to home owners are regressive when they involve the transfer of resources from the poor to the rich. These forms of assistance to home owners amount to no more than the poor subsidising the rich. This scheme is particularly regressive.

He made that comment over and over again. For a man who has been in politics for the length of time that Mr Uren has, I should have thought that he would have understood something about housing by now. He went on to say:

The scheme is a blatant subsidy for those whose capacity to save is above average.

He went on in that vein. I do not accept the thinking that goes with it, although I accept the fact that there is thinking along those lines. Mr Uren talked of people whose ability to save is low. I think that some discussion is also deserved on the people who adopt an attitude in which effort is high. I think that we should pay regard to and help those who wish to help themselves. Last week a young chap called at my office in Burnie and asked about the homes savings grant. I thought he looked quite young. I asked him what age he was. He said that he was 19 years of age. He said that his girl friend was 18 years of age and that they intended to buy a house and get married. I asked him what sort of money he had already. I found that he and his girl friend had saved $6,000 already. Neither of them had wealthy parents. Neither of them had high paying jobs. But they had made the effort and already, at that age, they had $6,000 for their house. I believe that people such as that are entitled to consideration. I think it is very worthy that they are not looking to the Government to put them into a house. Any help in this area reduces the pressure on the public sector. Mr Uren said that putting money into this scheme would increase pressure on the public sector. He could not have been more wrong in any statement he made. He also mentioned, as Senator Wriedt did, that it is in conflict with the Government's interests to encourage people to save for housing. It certainly is not in the Government's
interests to see people putting their money under the mattress. It is in the Government's interests to see them buying land and buying it on terms. It is also in the interests of the people concerned. If they have regular commitments they will meet them. If they buy land on today's market undoubtedly it will be to their advantage later. It puts money into circulation. It improves land development.

I do not favour the activities of the land commissions and the urban land councils. Senator Gietzelt mentioned these last week. The experience I have had is that the urban land councils and land commissions in fact are putting the price up. The best way to keep the price down is to have a freely operating system of supply and demand. If supply and demand operate to the best advantage land will sell at the lowest possible price. It is the undue regulations and delays that put prices up by creating shortages. There are the trend-setting local councils which work on the principle that the developer pays when in fact it is the purchaser who pays, as we all know. Senator Gietzelt referred to the fact that between 1950 and 1970 the price of land increased 3 times faster than the increase in wages; but he did not mention that in 1950 when a person bought a block of land that is what he got—a block of land. It may have had pegs; it may not. If it did, that is about all the purchaser got. By 1970 a block of land had kerbs and gutters, concrete footpaths, a 10 per cent dedication for public purposes, sealed streets, underground power lines, sewerage and stormwater drainage. There is also 18 months to 2 years interest to be paid while the land is being serviced. The cost of all that goes on to the price of the land.

Senator Coleman—But where do you get all those services? Try getting serviced land in Western Australia.

Senator ARCHER—I am not against services. I am against interference with land developers in all areas. With a little less interference and a little more common sense we would get land on to the market more quickly and it would be much cheaper. There is also a hold-up in zoning. Restrictions that force a shortage of land are the greatest single item that puts the price up. If we can make land more readily developable the price will come down faster than in any other way. The trend-setting councils, which want everything but gold plated power poles, also are playing their part in putting up prices. Developers are in business to stay in business. A few fly-by-nights certainly are not, but they do not stay in the business for long. One only has to look at the market leaders in the field and the reputation that they hold to have dispelled any doubts about the standing of genuine professional developers.

The land councils are tending to tie land up when the money would be far better used in housing. If we relieved the planning congestion prices would come down. I will cite the situation in Hobart, which I know reasonably well. The land council there bought up large quantities of land. It paid high prices to achieve its ends. It paid far more than the professional subdividers would have paid. The purchases largely ringed the city of Hobart, but the land council had insufficient capital to develop the land. The housing rate dropped. The private builders had to go further out to look for land, and the prices went up. This strained the resources and services of the Hobart City Council and other councils round about. It did nothing to make land cheaper and nothing to make more land available. It tied up money that could have produced many more houses.

The Minister for Education (Senator Carrick) has said that since 1964 a total of 362,952 people have benefited under the old homes savings grant scheme. The scheme is part of the Government's total housing policy. Nobody could deny that the Liberals have a record of consideration of all sections of the housing field. This is very valuable. We have worked largely on the system that we must help those who help themselves and we must look after those who cannot help themselves. I do not see that there is any problem about providing a homes savings grant to people who show that they have the necessary understanding and capacity. I notice that one member of the House of Representatives said that those receiving the grant can do precisely what they like with it. I agree with that point. He said:

They can go for a trip to Bali or Bangkok. They can go to Suva or ShBang-Is, to Rangoon or the Riviera. This Government does not give a damn what they do with it. They can go and buy a fur coat with it or a Mercedes. They can go and blow it up at the Hilton. They can buy themselves a speedboat.

This Government believes that people may well do that if they wish, if it is their own money and they have earned it. I like this Bill. I think it is a big improvement on the original Act. It extends the services to more people. The classifications are widened. It opens up many new areas and it removes many of the small anomalous or difficult situations that used to exist. The funds that are envisaged are sufficient to build between 45,000 and 50,000 houses a year, which on the present value of houses represents between $1,750m and $2,000m worth of houses a year for first home owners. By putting that much into that
sector there obviously will be less call on the public sector and it will be able to have more of the resources that are available. Only by making the private sector fully viable can the public sector be given a real chance to play its part for those who are unable to do it for themselves. I think it is a good Bill. It is fair and it is needed. It is part of the Government's overall policy. I commend it to the Senate.

Senator COLSTON (Queensland) (5.39)—I think that honourable senators on both sides of this chamber would accept that in Australia those who want to own their own home should be able to do so. They should have ready access to the funds that are required to become a home owner. People in need should be able to look towards the Government to provide them with some assistance in becoming a home owner. There would be very few people in today's society—in fact, this would apply to any time in Australia's history—who would be able to purchase their first home without any financial assistance. Some people do not have the financial background to be able to embark upon home ownership; without some funds of their own they cannot obtain the finance that is required for home ownership. It seems to me that in this situation a society that places great emphasis on home ownership should be able to provide through governmental agencies some incentive and some assistance to a person so that he is able to obtain further finance and eventually own his own home. I am afraid that the legislation that is before the Senate at the moment does not provide the type of assistance that I would like to see provided by the Commonwealth Government.

I was rather taken aback by some of the statements of Senator Archer. I think some of them were quite glib. Some of his statements indicated that there was a shallow depth of feeling for the people of Australia who want to own their own home. For example, the honourable senator said that we should help those who wish to help themselves. Of course we should, but we should also try to help those people who are trying to build homes but who do not have adequate financial resources, not through any fault of their own, and who therefore cannot start a home ownership program. We should not help only those who wish to help themselves, but we should also help those who through no fault of their own cannot at this stage help themselves.

It seems to me that the philosophy of the previous speaker on this aspect was shown very clearly in the remarks towards the end of his speech when he indicated that it was quite freely agreed that the $2,000 grant which will be available under this legislation at some time in the future can be used for purposes other than home ownership. He said that it can be used for any purpose at all. He went into a long list of places to which a person could take a trip. I jotted the first two down—Bali and Bangkok. Then he ranged all over the globe. Then he said—it was almost unbelievable: 'We do not give a damn what they do with it, it is their money.' It is not their money at all. It is money provided to people to help them to have a home. It is money provided hopefully so that people will become home owners. I do not see that under the legislation the people who are going to have a difficult task even in embarking on a savings program are going to be helped.

If we were to go around the community we would find many people who would like to save but who just cannot save. Imagine the person with a young family and all the associated expenses who cannot get into a house of his own or a house that he is going to pay off, and therefore has to pay for rented accommodation. If he has to pay for rented accommodation his outlays with all the other outlays for his family are very high and he is going to be hard pressed to save at all. I have come across many people in this same situation who would like to save so that they could obtain a deposit for a house and therefore enjoy one of the goals which most people in Australia look forward to reaching. These people I have come in contact with have not been able to set aside the money they would like to be able to save. I have also come across people on average incomes who have been trying to save but then suddenly have found themselves out of a job and in a long period of unemployment they have had to draw on their meagre savings which they had and then go back to paying rent when they obtained another job.

I have seen people in my own State of Queensland actually looking for work, travelling around looking for work. They are not the people who are maligned by many who talk about the unemployed. They are actively looking for work. When they find it they go into rented accommodation in one of the areas outside of the capital and provincial cities in Queensland, but they cannot save the $40 a week that is required to entitle them to this grant. It is the people who already have secure incomes, the people who already have some finance behind them who will benefit from this legislation. We do not say that they should not benefit. Of course it is a great thing if people can be given assistance in the outlay that will be the major outlay in the whole of
their lives, but assistance should be provided also for those people who cannot get a reasonable start. There is probably some alternative to this and there should be some alternatives too.

Let me just mention some of the statistics that I have obtained for the State of Queensland which I represent. Let me mention two independent reports which were produced following the release of the August and September figures on new dwelling approvals. New dwelling approvals in Queensland for the month of August were 14.4 per cent of the Australian total. At first appearance that proportion would seem to be a good one because the population of Queensland represents 14.8 per cent of the Australian population. However, the picture in Queensland appeared satisfactory for that month only because of the effect of the New South Wales percentage of the Australian total. The industry was hit to an extreme low in New South Wales in August where despite that State's population being 35.5 per cent of the Australian population new dwelling approvals represented only 24.9 per cent of the Australian total for August 1976. These figures indicate that there were problems not only in New South Wales but also in Queensland. It was revealed that activity in the residential building industry declined during September. An increase in contract building was more than offset by a fall in speculation activity.

Not only is there difficulty for people in obtaining the type of housing they want but also there appears to be difficulties throughout the nation in home building and home building approvals. One of the major difficulties of course—and one of the costs which I think a previous speaker just skinned over—is the cost of land. I will illustrate the conditions which prevail in the capital city of the State that I represent. If one wants to buy a piece of land one could not logically expect to get it under $6,000. Perhaps the mean price would be somewhere about $10,000. I can recall, say, seven or eight years ago, when the cost of land would have been within a person's reach, but is land costing $6,000 or $10,000 going to be within the reach of the ordinary person? It seems to me despite what was said previously that there is a need in Australia for a land scheme so that the price of land can be kept at a reasonable level. For a start, if people are not going to be able to afford the price of land how are they then going to be able to go ahead and build what they hope will be their home for the future? There are other areas in which people can be helped. They can be assisted not only by land price schemes or land price controls of some sort but also by the provision of various types of welfare housing.

It is upsetting to many members of Parliament to see coming to their office constituents who are in poor circumstances through no fault of their own. I refer to people such as deserted mothers or people who for a long time have been receiving unemployment benefit or sickness benefit and who find that they cannot keep up the payments on the rented accommodation in which they are living and that therefore they are forced to go into substandard housing. It is disconcerting to realise that very little can be done to help those people. I am talking of the situation which exists in the State that I represent. Despite the fact that some welfare housing is available in that State, thousands of people are on the waiting list to go into those houses. Why cannot proper housing be made available for people who find themselves in situations such as that? Why can we not look at the possibility of introducing deferred mortgage payments schemes or something like that to help the people on low incomes? Home ownership is a goal that every Australian should be able to look forward to achieving—to own their own home, to have a home for their dependants.

There is some merit in this Bill, of course. One point of merit is that some people who are able to save will be able to obtain a grant from the Commonwealth Government as a result of that saving. However, there is a deficiency in the home ownership program in Australia, because the people who financially cannot get on their feet immediately cannot move into a house or embark upon a savings program so that they can begin to save for a house. I commend the amendment that has been moved to the motion: 'That the Bill be now read a second time', which reads: , but the Senate is of the opinion that this scheme does not recognise that each household in Australia is entitled to adequate and conveniently located accommodation at a price which does not impose too great a strain on household resources, rather it perpetuates existing inequalities.

It refers to inequalities that we should not accept in a nation such as ours. It refers to the existing inequalities in relation to services that should be available to Australian people and in relation to those goals to which we all look forward to achieving. I hope that housing schemes will be provided, not only through the Federal Government but also through the State governments, which will allow people to embark upon a program of home ownership.

I commend those parts of the legislation which provide for people who save to be able to receive a grant from the Government. I commend those
parts because they will help the majority of people who do receive the grant. The majority of those people who receive this grant will not spend it imprudently. I can recall that when my wife and I bought our first house we received a grant under the homes savings grant scheme. Of course, in those days the grant was not $2,000; it was $500. Like many other people who received such a grant at that stage I think we used it prudently. We used it to buy furniture for our house. If we had not received the grant we would have lagged behind in our program of furnishing the house and we may, indeed, have had a house empty of furniture. I think that most of the people who receive the grant will use it prudently; perhaps not in the same way that I used it, but in meeting the costs involved in building their own home.

I believe that a gap exists. It is related to people who, through no real fault of their own, find it difficult to start saving so that they can purchase their own home. I have outlined how that might happen. Those people eventually will find it difficult not only to build their home but also to qualify for the grant. I look forward to the time when we are able to provide adequate assistance not only for those who have some security but also for those who are finding it difficult and who will continue to find it difficult if some assistance is not given.

Senator TEHAN (Victoria) (5.55)—I rise to support the Homes Savings Grant Bill 1976 and to oppose the amendment. If we look at the terms of the amendment we realise that there has been a misconception throughout the debate which has taken place both in the other House and in the Senate, in that the fundamental purpose of the legislation is to take pressure off the public sector in the housing area and to give to those people who are able to obtain the benefit and who have the incentive to save for the homes savings grant the opportunity ultimately to buy their own home. That means that more homes are available in the public sector for the people about whom Senator Colston was just talking—those people who for a number of reasons perhaps are not able to qualify for the grant.

I want to touch briefly on a statement made by Senator Wriedt who led in this debate for the Opposition. He said, in effect, that the scheme will make inevitable an increase in the price of housing. I think the purpose of the legislation is to encourage people to save, and that is a very worthy purpose. The legislation itself, I suggest, does not automatically increase the price of houses because the people who will qualify for the grant will build houses and, as I say, will not require houses in the public sector. So I do not think that this legislation can be fairly accused of increasing the price of housing.

I shall deal now with another aspect of the arguments advanced by honourable senators opposite. Senator Archer referred to a statement made in the other place by a former Minister for Housing, which is, I suggest, completely irresponsible and which completely misconstrues the purpose of the legislation. What he says about the $2,000 for which people will qualify under the legislation is this—

Senator Young—Who was that Minister? What was his name?

Senator TEHAN—That was Mr Les Johnson. He said:

They would be receiving $2,000, at the expense of the taxpayer, whether they need it or not. They can do precisely what they like with it. They can go for a trip to Bali or Bangkok.

I will not quote the passage in full, but he went on to say:

They can go and buy a fur coat with it or a Mercedes. They can go and blow it up at the Hilton.

Anyone who has taken an interest in the 362 951 people who have already qualified for a grant under this legislation will know that the grant is very material in enabling those people to embark in the first place on building a house. The money goes into meeting the cost of building a house. I would say that that statement cannot be challenged because the proof is there. One has only got to talk to the young people today who are facing the problems of building a house to learn that it is quite certain that the money goes into the house.

Senator Cavanagh—But that was subject to some means test.

Senator TEHAN—I suggest to Senator Cavanagh that it was quite irresponsible for a former Minister for Housing to make that statement. It would have been irresponsible enough if it had been made by a back bencher, but when it falls from the lips of a former Minister I think it needs correction. This legislation is a tribute to the devotion to his portfolio of the late Senator Greenwood and to his appreciation of the importance of housing to the general community. The provision of housing is a national problem, and it was one of the first areas within his portfolio at which he looked. With typical determination he produced a ministerial statement, I think, on 31 March last which formed the guidelines for this legislation and which in fact is incorporated in this legislation. I want to pay tribute to the clarity and conciseness with which he saw the problem.
and to the way in which he extended the criteria under which people could qualify for the grant.

Sitting suspended from 6 to 8 p.m.

Senator TEHAN—Mr President, I seek leave to continue my remarks later.

Leave granted; debate adjourned.

RANGER URANIUM ENVIRONMENTAL INQUIRY—FIRST REPORT

RANGER URANIUM ENVIRONMENTAL INQUIRY

Ministerial Statement

Debate resumed from 2 November, on motion by Senator Mulvihill, and from 16 November, on motion by Senator Douglas McClelland:

That the Senate take note of the papers.

Senator WRIEDT (Tasmania—Leader of the Opposition) (8.1)—In the parliamentary lifetime of I daresay most of us, if not all of us, it is an event for a matter which is generally of worldwide concern to come before the Parliament. I am not suggesting for one moment that the brief contributions we will be able to make tonight during this debate will be in any way definitive, nor would I imagine that anyone of us would really know the answers to the subject matter of this debate. But because of the fundamental significance of the whole question of nuclear power and what it means to the whole of mankind, I believe it would be a futile contribution for us to assume either partywise or individually that we have the answers and that we know precisely the course that we as a nation should follow. History teaches us that when gunpowder was invented it was believed by many that that was the beginning of the end for the human race. I daresay that it was not until the first atom bomb was dropped on Japan in 1945 that most of us realised that finally we had arrived at something that could spell out that fate for the human race not only through war but as the outcome of a number of other factors with which most of us are now reasonably familiar.

In the intervening 30 years, despite the warnings and the tragedies of Hiroshima and Nagasaki, men, and to avoid being a chauvinist I would say women also, do not seem to have learnt much. We have gone on almost with a relentless determination notwithstanding the possible risks, if we have to destroy ourselves as a human species, to do so. That seems to me to be the basic problem that confronts us, not just as politicians in Australia where we are small beer really in the overall scheme of things. In those intervening years other nations have pressed on, regardless it seems of the possible consequences. I daresay that if as individuals we were confronted with those sorts of risks to our own lives we would not take them. For example, every week we pile aboard aeroplanes at the airports and fly off to our destinations. We do not think anything of that. Yet if we had any thought in or minds that maybe we would not get to our destinations, we would probably not get on board the aeroplanes.

Senator Jessop—There is more radiation up there than down here.

Senator WRIEDT—That is not quite the analogy I wish to draw. If the honourable senator is unable to understand the analogy, that is his misfortune. In those 30 years we have seen the dangers increase mainly because we have come to understand those dangers more. We—I do not mean Australia but the world at large and particular countries especially—have permitted the development of this potentially disastrous form of energy. I repeat that the tragedy seems to be that it is a relentless progress. We just do not seem to be able to do anything about it. It seems that even if this Government or the 2 major parties together agreed that there would be no export of uranium from Australia and that our uranium would not be used for nuclear industry this progress would go on. I believe that is the basic tragedy of what confronts us.

I have no doubt that for quite some time many of us in this Parliament have thought that Australia would be in a unique position in the world because of our supplies of uranium and that because of that we might be able to exert an influence on others to try to arrest this possible mad race to destruction. I do not use those words carelessly or in the form of a cliche, because we are involved in that very possibility. Certain nations, including ourselves, are determined to live the good life. We want it better than we have it. Whether the benefits of nuclear industry would serve the whole of mankind seems to be a secondary consideration. As long as nuclear industry serves our needs that seems to be all we are concerned about. The same applies to the Russians, the Americans, the British, the French and the rest of the countries involved. One factor that does seem to be quite evident at this stage is that if we do proceed with the development of this type of industry, the main beneficiaries will be the countries that have the most now and the ones who will receive the least will be the ones who have the least now. That factor alone, in view of the colossal investment involved by the wealthy nations in developing nuclear industry,
ought to be something that we recognise as we wrestle with the problem.

To come to the immediate position as we see it here in Australia, I believe we should not overestimate the significance of the Fox report. There is no question that Mr Justice Fox and his colleagues have given the Parliament an excellent report; but there have been many reports of a similar nature in different countries before. Those countries have had to wrestle with these problems and make decisions. Whether or not we agree with those decisions is another matter. We should not see ourselves as being in some undue position of influence whereby we will decide and we will influence the course of events. One thing that Mr Justice Fox has made clear is that the magnitude of the problem justifies detailed debate in this country. I believe it was made apparent when the ministerial statement which is the subject of this debate was first issued that this Government was able to agonise for a period of months over a whole range of issues in relation to which it appears it was not able to come down with any decision. But policy on this matter was determined initially in a matter of days despite the emphasis in the final recommendation of the report that there should be a proper debate over a reasonable period of time.

One of the striking features which emerges from the Fox report is that there is no need to make any hasty decisions in relation to these matters. The world would not have stopped, nor would the power industry around the world have stopped if Australia had not made a decision on this matter. In fact, Australia's own power would not have stopped either. It is a matter of great regret that the Government decided in a short space of time to take an attitude on uranium exports. The Opposition, as a result of that decision, has also been compelled to take a stand on one particular aspect of the uranium issue, namely the fulfilment of the contracts entered into by the previous Government before 1972. That, I believe, is the first error that has been made in this country. I see no reason—I would be interested if at some time during the course of the debate a Government speaker could give a justification—for the need for that decision or the speed with which it was taken. Unquestionably, tremendous benefits are to be gained from the nuclear industry. No one would argue with that. I do not believe that any person would argue that under no circumstances should our uranium be developed for a nuclear industry and exported but, at the same time, it is perfectly clear to all of us, and the Fox report makes it clear, that there are as yet unsolved problems with the disposal of waste, plutonium, accidents, war, terrorism and all the rest of the dangers. It would be impossible for me to talk about them in detail tonight. Possibly, other speakers will go into these matters in more detail.

Those factors remain a reality. Nevertheless, we accept the fact that assuming those problems can be overcome there is an enormous future for the nuclear industry around the world, providing we can see that the benefits are extended as widely among mankind as they can be. We have no pressing need for nuclear energy in this country. In fact, the Fox report makes it fairly clear that the demand for electrical energy will tend to taper off. We will not see the galloping rate of expansion that has gone on in recent years in the more advanced countries such as our own. Of course we have adequate existing supplies of coal. If one takes into account the increasing cost of nuclear technology there is, in our belief, no need to make such quick decisions as have been taken and which we hope will not be indicative of future decisions in respect of the development of this industry. If we consider that picture as a whole we can see that there would be a tremendous potential for nuclear power around the world and where, as Mr Justice Fox points out, it can be shown that the development of the industry will not be harmful to mankind we ought to avail ourselves of it. But nowhere in the Fox report can I find a definitive statement where Mr Justice Fox says straight out that there is justification to go ahead now with the mining and export of our uranium. He is extremely guarded because of the very great hazards which he has pointed out and which there is no need for me to quote.

Against the benefits one must weigh the costs. I want to point out that several issues are raised by the Fox report in respect of the hazards associated with the whole industry. For example, on pages 108 and 110 Mr Justice Fox makes several points. I do not wish to quote them all—there is simply not time—but he emphasised the dangers of radiation at all stages of the nuclear fuel cycle, the nature of plutonium and the possibility of its creating diseases in human beings, the general problem of waste and the associated difficulties that go with it. It seems that despite our inability as individuals, or even perhaps collectively, to find solutions to these problems there has to be a greater emphasis in our contribution as a nation towards such agreements as the nuclear non-proliferation treaty and the International Atomic Energy Agency. We do not find much in the constitution of the Agency that
would give us hope that that Agency could control the movement of nuclear materials. Originally it was hoped that that would be the case but at that time it was not possible for certain nations to agree and the Agency now largely fulfils the role of a body that assists with technical knowledge and so on. It could well be that we could contribute towards the development of an international body which would have sole rights over the movement of all nuclear material. I suppose that would mean that we would lose sovereignty to some degree but maybe that is a price we have to pay to ensure that the world will not destroy itself.

One aspect of the Fox report which I found quite frightening was the statement that the fusion process developed temperatures in excess of 100 million degrees centigrade. That is something the human mind cannot comprehend. It becomes comprehensible when one considers that, as far as I know—if Senator Webster were here he could clarify this—man is creating temperatures greater than the temperature at the centre of the sun. If we can comprehend that, we have some idea of the magnitude of what we have involved ourselves in as a result of our scientific knowledge.

Senator O'Byrne—It can be seen in Berlin or Coventry.

Senator Wriedt—Yes. Maybe we are creating a series of mini suns on earth. I think some reference to that is made in the Bible. I am not one who normally quotes the Bible but one begins to wonder whether we are living in the latter days. Those are the sorts of problems with which we are grappling. By the year 2000 we will have three thousand of these things around the world. As I said, there does not seem to be anything we can do to stop it now. We are locked into this horrendous form of power because we are determined to have more and more. We are as guilty in the whole process as any other nation on earth.

In the limited time I have had available I have tended to talk of the philosophical aspects of what we are involved in. I hope that the Government does not forget what we are involved in. It has the power in this country for another 2 years—that is all—but at least in those 2 years it has the responsibility of not forgetting. If there is to be some short-term political or even economic advantage at the expense of forgetting the contribution that we could make in a critical period of human development, then generations long after we have gone will regret very much the efforts of a government that would take those steps.

Senator Young (South Australia) (8.20)—While over the years the population of the world has been very concerned and many scientists have written long exercises on the frightening position of a population explosion and the consequent world shortage of foodstuffs to feed those people, in recent times particularly grave concern has been expressed over the increasing use of energy and the problems of declining energy resources in the world today. It is estimated that approximately two and a half times more energy will be needed to the year 2000 than was needed at all previous times—and I emphasise that—up to 1975 if the growth in energy use continues at an annual rate of some 3½ per cent. I think those figures speak for themselves. With the number of emerging developing nations, which as time goes on will have greater energy requirements, it would be fair to say that the estimate of two and a half times is rather conservative. If that is the case and there is a great energy gap, what is the alternative? If energy demands are not met, the only alternative we have is, as Senator Wriedt said, that there will be a reduction in our standard of living; but with a continuation of the energy gap there will be more than just a reduction in standards of living. We will see human tragedies throughout the world, particularly in the developing countries, whose development will come suddenly to a standstill.

It is all very well for people such as Friends of the Earth and many others to say that we cannot afford to do these things, that we should stick to our present energy resources and use them. But when they are gone, what then? Will housewives be prepared to cut back on their electricity usage and do away with their washing machines? Will we be prepared to cut down on our transport as we know it today? Whether we like it or not, the world has come to live with its present energy methods, in communications, domestic appliances or other things. We have come a long way from the tall timber, and there are some people who suggest that we should go back to it. I believe that we have no alternative but to go ahead and look for further energy sources, and in that regard perhaps I could quote from the report of the Ranger Uranium Environmental Inquiry in which Mr Justice Fox deals with nuclear energy and alternatives. In chapter 15, at page 161 he said:

The vulnerability of modern, technically advanced economies to changes in the price or availability of energy resources became almost universally recognised. Government policies in those countries were and are now being
developed which in general seek to reduce dependence on imported oil.

There is also an interesting quote from Mr Justice Collins, who said:

‘By the end of this century world supply will be failing and ever higher prices prevail.’ If replacements are not found, either in alternative forms of energy or in methods of transport, there will be serious effects on economic and social welfare.

Before dealing with the alternatives, I wish to consider the current situation. In recent years the policies of some countries have been dominated and directed by energy requirements and, perhaps more dangerously, by the control of energy supplies. In that regard, I refer to what happened not very long ago when the Organisation of Petroleum Exporting Countries created an artificial shortage of crude oil and also dramatically increased the prices of crude oil. We saw the problems which existed throughout the world when that happened and we saw the escalation of inflation throughout the world. The International Petroleum Encyclopaedia of 1975 set out the cost of oil imports into Western Europe, and stated that in 1972 the base price of import crudes was something like $US11.1 billion, in 1973 it had escalated to some $US19.7 billion and in 1974, through the influence of OPEC, it had risen to $US5.4 billion. One does not need to dwell on the problems that that created not in industrial countries like Japan, which imports nearly 99 per cent of her energy requirements, and West Germany and other countries, which were greatly affected by the shortage of crude oil.

We should not be too sure of the future. Who is to say that the OPEC countries will not do it again? It is not beyond the realms of probability. We already know that this year the price of crude oils could again increase. We also know, having seen the problems which existed before when the artificial shortage in energy resources was created, that countries cannot be held to ransom, particularly the industrialised countries. We know the problems that are created when industry is disrupted, particularly the intensive industrialised countries such as Japan, Germany and the United States of America, to cite but three. Looking further at the crude oil situation, Russia and the United States of America are today conserving their crude oil as much as possible because there is a need for the longer term production of industrial feed stocks of such things as drugs and fertilisers which will be needed in future years, fertilisers to assist in food production and drugs to assist in the welfare of humanity itself. So again I refer to what Mr Justice Fox said when he dealt with the vulnerability of modern society today and its dependence upon crude oil and our known energy resources.

Turning to the alternatives, there are many who talk about the coal bridge, and it is an interesting alternative to crude oil. Australia is a very fortunate country in that it has a great abundance of energy resources, with one exception, and that is crude oil. Because of problems which have occurred in recent years, the situation is that our demand is increasing, our production is slowing down, and we are becoming more and more dependent upon overseas countries for our supply of crude oil. Unless we find more oil we will become more and more dependent on other countries. It has been suggested that Australia, because of its huge coal reserves, should mine more coal and export it to Japan to supply her energy requirements for electricity generation, and the same could be said with regard to Europe. Firstly, I think that this should be looked at in a rational manner. What are the economies of such a proposal? What is coal going to cost by the time it gets to places like Europe? One must look at this very critically and discount much of the argument. While there is no doubt that European countries do have big reserves of coal, what is the position with those coal reserves? Today they are operating in very deep mines and the operation is becoming more costly all the time. In Germany, France and the United Kingdom the cost of coal today is something like $US50 a ton, while Australia is in a very fortunate position of being able to produce coal for home consumption at somewhere between $2 and $9 a tonne.

So once again one comes back to the basic issue, and that is economics. On that basis alone we can discount the argument that coal can replace crude oil. Many people say that coal would fill the bill as an alternative source of energy, but if we discount the economics of the argument and look at the aspect of pollution alone, what do we find? It has been said that typical coal fired power plants probably kill about 50 people a year through air pollution. Air pollution from coal fired plants results in about $US17m damage to health, property and vegetation; coal fired plants consume vast quantities—something like 200 lb every second—of non-renewable resources, and air pollution from those plants may be causing long term climatic changes on earth due to the carbon dioxide discharged.

Senator Jessop—Who said that?
Senator YOUNG—This is contained in an article by Mr Bernard L. Cohen in the Bulletin of Atomic Scientists. The last comment is the one which perhaps is the most frightening, namely, that whilst we are concerned with localised air pollution and all the dangers and the health hazards it creates the danger is the long term climatic change which could affect the earth itself. Scientists have estimated that, if we were to turn to the greater use of coal, because of the filtering in the outer atmosphere there could be increases in temperatures on earth of between 4 per cent and 5 per cent. Perhaps that does not sound much in actual temperature; but, if we look at the overall situation and go further into what the scientists say, we see that this increase in global temperature is enough to melt the ice caps and, to give some example of what might happen if the ice caps melted, we would finish up without one capital city in Australia because every one of them would be under the sea. I refer to this matter as a layman, but these are statements which are made by scientists and which reflect the grave concern they have expressed for many years that the pollution in the outer atmosphere is having a very dangerous effect upon the earth's temperatures, with in turn its consequent effects.

So we look to alternative sources of energy. I have dealt with crude oil, gas and coal. We can look to wind, tidal, hydro-electric, geo-thermal and solar energy as well as to nuclear energy. Whilst in some countries in specific areas one may be able to get some wind generation at some time in the day and on certain days of the week, one can not guarantee continuity of supply. Therefore there would be a need for research and for a huge storage capacity. This also applies to tidal energy; although the tides are regular there would still be grave problems with storage. One of the big problems is the great peaks and troughs in the demand for electricity. It is estimated that there would need to be excessive generation and excessive storage far above the requirements of normal usage in order to meet the peaks. Many countries have hydro-electric, but they are fortunate countries which have the environment for it. Let us look around the world and see how many countries have such an environment. They are extremely limited. We are looking at energy on a global basis and there are countries such as Japan which do not have the capacity for hydro-electricity. So one must discount this source of energy. So we look to geothermal power. Whilst the Japanese are doing a lot of work on this subject, it is estimated that it could be at least the year 2000 before they will be anywhere near getting sufficient energy from this source. There is a lot to be learned before they move into it.

One turns next to solar energy, an energy form in respect of which Australia is very fortunate because of its great open spaces and the great amount of sunshine and clear skies we have. However, whilst a lot of research has been done, more has to be done. There are great limitations on solar energy at this stage. According to the scientific papers, the great majority of scientists say that again it will be at least the year 2000 before solar energy can be looked upon as being a regular and reliable source of energy. Even with solar energy there are still grave storage problems because it is dark for a lot of the time when power is required. It is all very well to look at the Australian environment, but in the European environment some countries have only three or four hours of sunshine on the days they really require energy—when it is cold, when homes need heating, when industry needs to be kept going and when more lighting is required. So the excessive demand occurs when there is the minimum sunlight and collection of solar energy. There is much to be learned in this field. I hope that we as a nation and other nations will do much more research in it because I believe that solar energy, with its cleanliness, will be the great energy giver to the world in years to come; but in the interim period there is this energy gap about which we have been talking and we have to turn to nuclear energy.

Many countries have looked to alternatives. I have mentioned Japan which was screwed down heavily by the artificial crude oil shortages and prices imposed by the Organisation of Petroleum Exporting Countries. One can look at West Germany, America and so many other countries which are turning to alternatives. At present there are 159 nuclear power units in operation. There are a further 337 proposed nuclear units or units already under construction. This is a fantastic amount. The escalation in nuclear energy is taking place in the United States of America, where there are 54 nuclear power stations and another 168 are proposed. Canada has seven and is proposing to build another eleven. France proposes increasing from ten to twenty-one; West Germany from seven to twenty and Japan from eight to twenty-one. And so one can look down the list and see the countries which are not going to be commercially blackmailed by what could happen to oil supplies and can see that there is a great need to fill this energy gap.

Australia has some 25 per cent of the known uranium deposits in the world. One appreciates
that there are the grave dangers of proliferation which Senator Wriedt mentioned earlier tonight and that there is the danger of nuclear warfare. But most countries have uranium. It is there in the mountains, in the rocks and in the sea, and most countries can produce uranium. It is the cost factor which then comes in. Countries which seek nuclear warfare and are hell bent on such destruction will not worry about the cost of production or about the cost to humanity. Not for a minute do I think that these countries would sit back and think about cost. So let us discount the idea that uranium can be withheld from these countries, because all countries can get it if they want it. I cannot accept that statement which has been made by many people. I turn now to the dangers of nuclear energy itself and of nuclear power plants. To give an example of these dangers I again quote from the paper by Mr Bernard L. Cohen, where he states:

since our country—

that is, America—

needs a power plant for every half million people, and a nuclear plant kills an average of 0.01 people per year, an individual's probability of being killed by a nuclear power plant is one chance in 50 million per year. The simplest comparison is with automobile accidents which kill one person per 50 million passenger miles. Nuclear power is as dangerous as driving one extra mile per year, an average of 5 extra yards per day.

Dealing with the aspect of pollution in cities from coal-fired generators, he said:

Another interesting example comes from the fact that city dwellers have a life expectancy 5 years shorter than that of farmers. This corresponds to an average death risk of one in 500 per year from living in a city. So nuclear power represents the same danger to an average citizen as the danger to a farmer from spending 5 minutes extra per year visiting a city.

I appreciate that there are problems with nuclear waste, but much research is being done in this field. To my knowledge, American scientists today have a method of handling waste whereby they reduce it to a glass-like form in a type of button which is nearly insoluble but which is easily stored and is far better than the liquid storage that is being used at present. Having said that, however, I admit that there are still problems. So many reliable countries are doing so much research at this time and are acting responsibly that one cannot fully accept the fear campaign with regard to nuclear waste, even though I accept that there are still problems associated with its disposal. I say quite frankly that Australia has a responsibility to assist the world in filling this energy gap. Whether or not we supply 25 per cent of the world's requirements, nuclear energy is being used. Australia can give assistance to those countries and I think Australia must give assistance to those countries. Whilst it is dangerous to read passages from a report I shall take the liberty to do it. I hope I am not taking anything out of context. There are 2 important passages of the Fox Committee report I should like to leave with the Senate. On page 177 the report states:

Leaving aside questions respecting terrorism, nuclear waste and proliferation, our assessment of the position is that while the operations of the nuclear power industry need close regulation and constant surveillance, they probably do not entail risks greater in sum than those inherent in alternative energy industries. Certainly those risks provide no proper basis for a refusal on our part to supply the advanced industrial countries which are likely to be our customers.

One could give other quotes, but I wish to finish by quoting No. 8 of the Committee's principal findings and recommendations, which states:

No sales of Australian uranium should take place to any country not party to the NPT. Export should be subject to the fullest and most effective safeguards agreements, and be supported by fully adequate back-up agreements applying to the entire civil nuclear industry in the country supplied.

The Deputy Prime Minister, Mr Anthony, as recently as 12 August this year when in London stated that we will be selling uranium only to those countries which are members of the nuclear non-proliferation treaty, to those countries which are agreeing to the international safeguards, and that we will be wanting to draw up bilateral trade agreements with countries to ensure that all of those requirements are met. If we are careful, cautious and responsible in the way in which we sell our uranium to those countries which need extra energy resources and if those countries stand by their commitment, I, as one senator in this place, say that we should export uranium.

Senator GRIMES (Tasmania) (8.43)—The decision on where, when and whether to mine uranium in Australia and to export uranium from Australia and where we will go with nuclear technology in Australia is one of the most difficult decisions and difficult problems that this Parliament will have to face. Unfortunately the argument will tend to be very divisive in the community. I think to put things into perspective it is worthwhile remembering that at the moment we are still in the early stages of nuclear technology. From 1900 to 1906, despite theories that had been in existence for a long time before, there was still a great argument in the world as to whether the atom even existed. All the work, both theoretical and practical, that has been done on nuclear technology by men like Thomson, Max Planck, Niels Bohr, Einstein, Rutherford, Zillard, Enrico Fermi and all the others, was done this century. In fact the practical work was done in the last 30 years. So we are
really only at the infancy stage of this technology.

It is also worth remembering that concern about the dangers of nuclear technology and about the morality of how it should be used is not the invention of just a few radicals and a few conservatives in the last few years; such concern was first expressed by the scientists who were working on the Manhattan project from 1941 to 1945. They were very concerned, and scientists who work in nuclear technology are still concerned and still express their concern. The scientists and technologists argue still about the safety and the morality. As the Fox report points out, it is wrong to label the opponents of nuclear technology as radicals and subversives. I believe the discussion should be conducted in an atmosphere of objectivity and with as little emotion as possible. Unfortunately this did not apply in the debate in the other House. One hopes it will apply here.

Nuclear technology has developed at a very rapid rate in the last 30 years to 35 years. This rapid acceleration of the technology was caused, firstly, by the concern of the allied powers that Germany may have developed an atom bomb during the Second World War. It has been aggravated since by the insatiable appetite for energy—about which Senator Young talked—by man in the developed countries and also by the determination to maintain arms superiority in this unstable world of ours. But unfortunately many would suggest that this technology has raced ahead of the very safety precautions and the waste disposal precautions which will be necessary for the safe future development of fission power. Some countries like Sweden, Austria, France, West Germany, Britain, Japan and India, faced with poor fossil fuel resources, high oil costs and uncertain oil supplies, have opted for nuclear power to a certain extent. Other countries like the Union of Soviet Socialist Republics, the United States of America, Canada and Iran have opted for nuclear power to a certain extent to protect their dwindling fossil fuel sources, their dwindling oil sources.

We in Australia are in a position where we have no need at the moment for nuclear power. The developing countries, the poor nations of the world, by and large just cannot afford it. As Fox and others have pointed out they will not be able to afford it in the near future. But even in those countries which have opted for nuclear power, serious questions are being raised about how they should go in the future. Serious questions have been raised by, for instance, the Flowers royal commission in the United Kingdom about the plans by the English electricity commission to accelerate rapidly into a large program of breeder reactors.

I personally do not take either of the extremist views on nuclear technology and uranium that are about in this country. I believe that the argument that uranium means money, therefore we should rip it out of the ground and export it—rip it out and flog it off—is nonsense and immoral. I believe that it is the sort of argument that led to the deaths of the early X-ray technologists, the early watch dial painters and the asbestos miners and workers and others in this country. It also led to the deaths of people in the plastics industry from hepatic carcinoma and that is still going on. This argument that there is a quid in it so let us rip it out and not worry about the results, I believe, is an immoral one in this age.

I also am not impressed by the argument of those who say that we will never develop safe nuclear technology, therefore we should leave all the material in the ground. Neither that argument nor the first argument is an argument with which I agree. I am not so pessimistic to believe that man will not develop better safety precautions and better methods. In fact the Tokamak experiments in the U.S.S.R. and other experiments in the United States are showing the way; we will have fusion power in perhaps 20 or 30 years. We could develop our solar power resources. It is not the answer to everything. We can develop the methods of producing liquefied fuel from coal, as has been done in South Africa at the moment because they have to do it. But what is more important is that we can have a conservation of energy policy and we can have a national energy policy, which is recommended by the Ranger Uranium Environmental Inquiry—by the Fox inquiry—in recommendations 12 and 14 and which no one in this country seems to like to quote. The dangers of an unchecked program of excessive growth in fission power are real. Associated with those dangers, of course, is the increased production of plutonium.

I should perhaps quote from the report of the Flowers royal Commission, which is very similar to the Fox Commission in this country. It states:

The dangers of the creation of plutonium in large quantities in conditions of increasing world unrest are genuine and serious. Plutonium appears to offer unique potential for threats and blackmail against society because of its great radiotoxicity and its fissile properties.

The construction of a crude nuclear weapon by an illicit group is credible. We are not convinced the Government has fully appreciated the implications of this possibility.

Plutonium does create great problems in waste disposal and in the storage of future waste. One
does not have to go to the opponents of nuclear power development and nuclear technology to be worried by this. Dr Alvin Weinberg, who was the Director of the nuclear laboratory at Oak Ridge in the United States until 1973 and who is in favour of nuclear power, has said that we need to recruit a dedicated priesthood to guard nuclear wastes and reactors and keep them non-polluting in perpetuity. Dr Alder of the Australian Atomic Energy Commission advocates sending the plutonium to the sun in rockets. I presume that he means when the day comes that rocket technology is free of accidents. However, Professor Hans Alfven, the Nobel prize winner for physics in 1970 and a man who is expert in plasma physics—the area in which fusion power will be developed—has, I believe, put the whole problem of waste most succinctly. He has said:

Fission energy is safe only if a number of critical devices work as they should, if a number of people in key positions follow all their instructions, if there is no sabotage, no hijacking of transports, if no reactor fuel processing plant or waste repository anywhere is situated in a region of riots or guerilla activity and no revolution or war—even a 'conventional one'—takes place in these regions. The enormous quantities of extremely dangerous material must not get into the hands of ignorant people or desperadoes. No acts of God can be permitted.

That sort of remark from experts in the field must raise doubt, must raise questions. The problems talked about in the Fox report and in the Flowers report of terrorists or fanatics obtaining nuclear weapons are real. The serious concern about nuclear reactor safety, especially after the incident at Browns Ferry in the United States, where an electrician with a candle almost caused a tragedy, and what to do with reactors after their 30 or 40 years' life is up are real problems. I believe that it is not good enough for people to say: 'These problems are being worked upon and we will solve them very soon.' We may do so. My question is: Why can we not wait until they are solved?

The Nuclear Non-proliferation Treaty, which is aimed at preventing the proliferation of nuclear weapons in the world and on which Senator Young hung his hat for one part of his argument, firstly has no teeth and, secondly, has not been signed by many of the nuclear power using countries in the world. Fortunately it would seem that the costs of nuclear power production are escalating so much that in the United States and other countries orders are being cancelled. But in those countries serious environmental problems have been raised and serious environmental questions have been asked. I have said that I am not one of the pessimists. I am not saying that we will never be able to develop safe nuclear power. I am suggesting that we may well be able to do so. I have enough faith in human technology to believe that we can. I am also convinced from my reading, as are many others from their reading, that fusion power, which may be the answer, is well on the way to being developed; that plasma physics and magnetic insulation may well solve the problems that we are worried about and may well make the sort of fission power that we are talking about redundant.

I would regret it if the arguments about the export of a few thousand tonnes from Mary Kathleen, which will make no difference to the world's attitude to nuclear power and which will make no difference to the supplies which go to Japan, West Germany and the United States, should become the basis of the very real argument which Mr Justice Fox and the Ranger Uranium Environmental Inquiry have brought up. Before the Government makes the firm decision that Senator Young and some of the interjectors obviously have made, I hope that it will look seriously at the second Ranger report when it comes out and will allow, as the first report has suggested, a full and complete debate on the subject in this community. As the Fox report has pointed out, the development of the Ranger fields and the fields in Western Australia will be of very small economic benefit to this country. Surely that is no reason for haste. Surely this country can take part and make its voice heard in the search for improved international and national safety precautions in this very serious and very dangerous field.

Surely we can make our voice heard when we talk about international agreements to stop the proliferation of nuclear power in the world and international agreements about the treatment of terrorists or fanatics who may well get hold of it. It is well to remember that there already have been attacks upon nuclear power stations in the world—and that an attack in Argentina was successful and that terrorists held control of a station for a few hours. Can we not wait for a proper debate on this subject in the community? Why rush in and rip it out of the Northern Territory or Western Australia when it may be of limited use in the world in a very few years and, when there is no mad haste for us to get involved in the whole process for a few years? Should we not be leading the world in the development of alternative non-nuclear power sources? Should we not be doing something about solar energy beyond the small amount of money and the small amount of time we are spending now? Should we not be looking at the alternative sources of methyl alcohol and the various other fields which are being looked at in other countries and which
are being talked about? Should we not be talking about the development of liquefied fuel from our enormous coal resources?

The problem is a serious one. It should be of concern to us all. We should not be condemning those who are concerned and those who express their concern about nuclear power in the way they were condemned in the debate in the other House. They were not condemned by Mr Justice Fox and his colleagues. We should not just determine our policy on the need to make profits for ourselves or those companies which seek to make profits. I remain an optimist. I see no need for the haste. I see no need for the mad desire to rush into this plan and development now. I urge the Government to allow the full public debate which has been asked for by Mr Justice Fox and his colleagues and not just to accept a debate in the 2 Houses, with ten or twelve members of this Parliament speaking for 20 minutes each so soon after the Ranger inquiry report has come out, as the basis for a decision.

Senator MAUNSELL (Queensland) (9.1)—I believe that the Government of the day has a very important decision to make which could affect the interests of all Australians. It is right that there should be public concern over whether we should mine and export uranium. It is our responsibility to inform the public of what is involved, what are the advantages and what may be the disadvantages. A great deal of opposition to the mining and export of uranium has been generated in this country. Some of it, of course, has been well considered, and sincere people with a knowledge of the subject have supported the anti-uranium argument; but I am afraid that many of the arguments that have been put have come from people who have not considered the facts and whose aim is to stop the mining and export of uranium at any cost.

They fall into 2 categories: First of all, there are the people I call the preservationists. Despite strong argument and all the facts, they are determined that there shall be no progress. They are determined that everything, even a desert in central Australia that is producing nothing, should remain in its natural state. That is the argument of the preservationists. The other main area from which the opposition comes comprises people who have a vested interest in the breakdown of our social and economic standards so that in the future they will be able to foist their type of politics on our society. It is a tragedy that dedicated people—

Senator Devitt—Surely they are not the only 2 categories.

Senator MAUNSELL—No. I said that there are 2 sources of adverse propaganda. There are 2 types of people who are pouring out unsubstantiated propaganda and who are determined to stop the mining and export of uranium at all costs. That is what I am saying. I am not referring to those who have a genuine interest in and knowledge of the subject. The tragedy is that dedicated and sincere people who form the conservation foundations in this country and elsewhere and who of course play a vital role in the future of our society should have been infiltrated by such people as those I have just mentioned. The infiltrators are using the conservation organisations for political purposes.

I have been a member of various resources committees of this Senate over the last 5 years. Firstly, there was a select committee on resources, then a committee of another name and now there is a Senate Standing Committee on National Resources. I have been a member of such committees ever since the first committee was set up, which I think was early in 1971. Of course, I have been associated with the mining industry. This matter of uranium mining has been a subject that has cropped up during the whole period. It has been my object, the same as other members of the Committee, to inform myself as much as possible of the arguments for and against in this great debate on whether we should mine and export uranium. I must say that after listening to all the evidence it has not been difficult for me to come to a decision that we should mine uranium and that we should export it, provided that necessary and absolute safeguards that are known today are insisted upon. Another proviso, as Senator Young has said and as Mr Anthony already has indicated, is that only those countries which are signatories to the Nuclear Non-Proliferation Treaty should receive our uranium. It is all right to talk about how dangerous it would be if terrorists got hold of this commodity, but the fact is that almost every country in the world has it already. Most of the developed nations have nuclear power plants. Whether we leave our uranium in the ground or export it will not make much difference, because the terrorists will be able to get hold of the supplies scattered around the world at present.

There has been a demand for public debate. It is amazing. One would think that this subject has cropped up in just the last few weeks or the last few months. This debate has being going on for about 30 years. It has been going on ever since the first bomb was dropped on Hiroshima. I saw the effects of that bomb only a few weeks after it was dropped. I am well aware of the devastation
and tragedy that that bomb caused. But the fact is that nation after nation has considered this matter and nation after nation has made its decision over these 30 years to develop nuclear power for peaceful purposes. Are we to be just the odd people out in this isolated country in the southern Pacific region? Are we to miss out on all the advantages that can accrue from the use of nuclear power? We have to make a decision fairly shortly, because of the requirements of countries using uranium oxide, yellowcake, from about 1982 onwards. With our presently uncommitted supplies we can fill the gap in supply. Unless we are prepared to fill the gap created by new power stations coming into operation between 1982 and 1985, someone else will supply the required uranium oxide. Contracts have to be written now. It takes years for mining operations to reach a stage of production sufficient for export. Operations have to start now so that in 4 years time we will have the infrastructure that will enable us to fulfil the first contracts.

Look at the economic situation of uranium in this country. Our known reserves at the moment, on present world prices, are worth something like $30,000m. At the rate at which we will be able to mine uranium and at the projected rate to which world requirements will increase, we will be able to supply something like $3,000m of uranium oxide per annum. Our present exports from all mining are worth something like $2,500m. If we compare the projected figure for uranium exports with $800m for wool exports and about $500m for beef exports, we can see their enormous potential for the welfare of this country. Do not forget that we regard ourselves as one of the great trading nations of the world. Our very standard of living has been built up on our ability to trade and our ability to sell goods throughout the world. Although we have a low population, we are about the twelfth biggest trading nation. We depend on trade. So people can understand what Australia can gain from something like $3,000m of exports per annum.

But of course it is even more important than that. Because of the expense involved and the fine line which separates profitability from loss, most of the capital in a lot of our mining ventures had to come from overseas. These risk ventures have not been able to attract sufficient Australian capital. But when we come to uranium mining it is a totally different matter. It has been assessed that under present conditions we could mine uranium in Australia at about $6 per lb. When one considers that the world market price at the moment on long-range contracts is something like $30-odd per lb and the spot market price at the present time is something over $40 per lb, the profitability in mining uranium is clear.

It is interesting to note that over 50 per cent of proven uranium deposits in Australia is Australian owned and a little less than the remaining 50 per cent of the deposits involves at least 75 per cent Australian equity as required. I think only about 5 per cent of the deposits do not meet the Australian equity requirements as laid down by the Government. Uranium mining in Australia is not something that will provide great fortunes for people overseas. This is one venture that Australians will invest in and one has only to look at the stock exchanges to see what the position is. From a national point of view it is absolutely essential, I believe, that we get involved in uranium mining.

There have been lots of arguments put forward against the mining of uranium. As I said, they have been put up by people who obviously have a vested interest in destroying the economy of this nation. I think it would be interesting to read some of the answers given in reply to these sort of people by Professor Titterton whom I think most Australians regard as probably our top nuclear physicist.

**Senator Gietzelt**—He was in favour of the atom bomb. He would not be a bloke you would want to quote.

**Senator MAUNSELL**—He still knows the job. I would just like to quote what he had to say because it is interesting.

**Senator O'Byrne**—A war criminal.

**Senator MAUNSELL**—I would just like to quote some of this because it might interest Senator O'Byrne in particular who has been most vocal during this debate. Professor Titterton said:

1. Uranium mining was carried out in Australia from 1954 to 1971—
2. You had forgotten about that—
3. Successfully and safely. (Ores treated: Rum Jungle 863 000 tonnes, United Uranium 128 000 tonnes—

This is the amount of ores treated. People say it is that dangerous, but uranium mining was carried on from 1954 to 1971. Professor Titterton continues:

Mary Kathleen 2 947 000 tonnes . . . . Radium Hill and Port Pine 970 000.) Why should uranium mining be any less safe now than it was then?

There was not any great hue and cry when all that uranium was mined in those 17 years. Professor Titterton went on to say:
Uranium is being mined on increasing scale in the
U.S.A., Canada, South Africa, Niger, France, Gabon,
Soviet Union and many other places.

160 nuclear power stations are already operating
and, after 2000 power station years of operation,
there has not been a single death or injury to the
public at large. The U.K., U.S.A., Soviet Union, France,
Canada, Czechoslovakia, East Germany, West Ger-
many, India, Italy, Japan, Holland, Pakistan, Spain,
Sweden and Switzerland and many others are invest-
ing massively in nuclear power. Indeed 180 new nu-
clear power stations are currently being built and
another 160 are on order. By the year 2000 near to 50
per cent of all electricity generated in the world
will be from Nuclear Power Stations.

The argument against uranium mining is that we
should not have anything to do with it. It is being
said that although the rest of the world is
progressing we should just sit back and let it go.
Professor Titterton goes on to say:

It is not essential to have nuclear power stations to
produce a nuclear weapons capability. All nations
have access to uranium ores from the ever growing
mining industry or from sea-water. Separation
processes can be used to acquire weapons material
from these sources.

And this is correct. So all these arguments and
Aunt Sallies that have been put up by a lot of the
people today are not put with sincerity for the
future of our people.

Senator O'Byrne—Why did not the Fox report
say that? You are the authority; Fox is only a
fool!

Senator MAUNSELL—I am speaking about
these people who have made statements that
uranium mining is so dangerous that we should
not have anything to do with it, yet we have been
mining it in Australia for years. The world has
been mining uranium and has been using it. As
Senator Wriedt says, we should not even be trav-
eling on aircraft because there have been a few
aircraft crashes here and there. There was one in
the Soviet Union the other day. That should stop
the lot of us from getting on the DC9s and the
747s tomorrow. We have to look at this matter
from a rational point of view and, as Senator
Young says, and as most scientists will tell us,
there is more danger today from pollution from
oil and coal fired power stations than there ever
will be from uranium pollution. In fact, the polli-
tion from uranium is one-fifteenth of that from
a coal fired power station which produces the
same amount of electricity. Surely we can weigh
up the facts and make a decision the same as
every other country has done. This country has
20 per cent of the world's known uranium de-
posits. No doubt we have not discovered the lot
yet. We are sitting on what is a real golden egg as
far as this country is concerned.

Senator McLaren—Ten per cent; not 20 per
cent.

Senator MAUNSELL—We have 20 per cent of
the world's known reserves at the moment
and we would probably have a lot more if we
were to get out and explore. It is interesting to
note that on present day values it will cost some-
thing like $1,8000 to set up the infrastructure for
this industry in Australia. Most of that invest-
ment will benefit Australian workers. Most of
that money will be spent in this country. There-
fore I believe there is no question about mining
uranium. Sure, we have to inform the public. We
have to make sure that the public are satisfied in
their own minds that all precautions are being
taken and that the mining and exporting of
uranium can be safely controlled. The fact that it
has such great benefit to this country should also
be put to the people so that they can see both
sides of the arguments.

Senator McLaren—The only benefit is in
dollars.

Senator MAUNSELL—It does help. It would
help a lot of workers today if they had a higher
standard of living. I know the people on the op-
posite side think they represent the workers but
there are a lot of other people who are more con-
cerned about the workers and their standard of
living than apparently you people opposite.

Senator O'Byrne—School leavers have a high
standard of living.

Senator MAUNSELL—We might be able to
employ some of them if uranium mining gets off
the ground and is developed in this country. I
now refer to the safety of nuclear power. These
people opposing uranium mining do not quote
this part of the Fox report. The Fox report
referred to 'many wildly exaggerated state-
ments' made about the risks and dangers of nu-
clear energy production by those opposed to it. It
went on:

Misleading and unfounded propaganda of the anti-
nuclear lobby is continuing to confuse and worry the public
and make it difficult for the average citizen to make a well-
based decision. The facts are: Nuclear power has proved to
be among the safest industries yet established in the world.
For example, official United States figures show that the
annual death rate in the coal industry is 11 times greater than
that in the nuclear industry (including mining), injuries 7
times greater, and man days lost some 10 times greater.
Radioactive waste has been handled completely safely over
the 20-year history of nuclear power production and plans
now in hand for vitrification of waste material are technically
sound and feasible and will lead to a continuation of this ex-
cellent record as the industry grows.

Having weighed all the arguments, there is no
question in my mind that we should proceed with
the development of our mining interests and we
should export our uranium yellow cake, provided, of course, that every safety precaution is taken, as I mentioned earlier.

Senator MULVYHILL (New South Wales) (9.20)—I commence my remarks where my illustrious colleague, Senator Grimes, terminated his address by referring to the word 'caution'. Any doubt that anybody still has about that attitude should be dispelled by the comments made by the Minister for Environment, Housing and Community Development, Mr Newman, in the third paragraph of his statement when he said:

The second report of the Ranger Uranium Environmental Inquiry should further illuminate particular issues.

That should be related to page 5 of the Fox inquiry report which deals with the whole question of the Northern Territory which is the area in which the big league will be located if uranium extraction is to continue. That is the danger area. It is significant that on page 5 of its report the Fox inquiry goes into details about river systems, torrential rain and all the factors that could cause the river systems to be seriously impregnated with radio active wastes. It is not as simple as that. If one looks at the ministerial utterances, one sees that there has been an attempt to interpret the first Fox report as presenting an open house, an open slaughter, as it were, to continue with uranium extraction. I can appreciate Senator Maunsell and Senator Young talking about the dollar crusade. It is a very attractive proposition, I do not question that. My fear is that senior Ministers of this Government will not even wait for the second Fox report, which I am fairly sure will lay down stringent conditions in relation to uranium extraction in the Northern Territory which will make such extraction uneconomic.

Having said that, I indicate that I speak as one who did not get information simply from reports of the Senate. Senator Davidson, former Senator Ridley and one or two other honourable senators and I visited that area in the early 1970s. I say unhesitatingly that it was our vigilance that exposed the super-hypocritical evidence given to our committee by the Australian Atomic Energy Commission in relation to the mistakes—I emphasise the word 'mistakes'—that it made on the little league Rum Jungle operation. That is the operation upon which Senator Maunsell built his case. He said that everything was all right at Rum Jungle. It was not all right. It is significant that only today I received an answer to question No. 855. My question was based on the report of the Senate Select Committee on Water Pollution which pointed out that the Department of the Interior exposed the ineptitude of Sir Philip Baxter and his cohorts to the extent that the Finniss River was grossly polluted. The result is that everyone of us over the last 4 years has been paying $70,000 for mismanagement. I know that Senator Collard as a former railwayman would agree with me when I say that if a locomotive engineman or shunter makes a mistake he can be suspended for a week, a fortnight, or longer. But Sir Philip Baxter made a gross miscalculation and he got a knighthood for his mistake.

Senator Brown—That is the way it works in that system.

Senator MULVYHILL—This is the establishment system. He got a knighthood, and I know of many good men in industry who have been suspended. Such people can be sacked, suspended or fined for wasting the employers' materials. But that man and the people around him polluted the Finniss River. It is significant that earlier this year I asked what had been done to discipline the Atomic Energy Commission. My question was in these terms:

(1) Was any disciplinary action imposed on any officer of the Australian Atomic Energy Commission following the gross pollution of the Finniss River in the Northern Territory due to a failure to control industrial wastes from Rum Jungle as referred to in the Senate Select Committee's report on Water Pollution.

(2) Does the Australian Atomic Energy Commission contribute to the payment for the environmental rehabilitation of this river.

The answer to the first part of the question is: 'No.' In other words, no disciplinary action was taken at all. So Sir Philip Baxter and his successors are saying: 'You let us have the power to extract uranium. We will watch it, and everything will be alright'. If they could not manage successfully the Rum Jungle operations—they polluted the river—what will they do on the Ranger operation? I went to that area with Mr Bryant and Mr Lamb from the other place. I submitted a report to my Party, which was based on a report of a committee which I think was established by the then Minister for the Northern Territory, Dr Rex Patterson. Under the heading 'Seasonal Changes in Water Quality' the report states:

The quality of water and the sediments carried by it are determined by the source of the water.

The report goes on at length. I ask that pages 2 and 3 of the report be incorporated in Hansard, because if I read it at length I would be denying some of my colleagues on both sides of the chamber the opportunity to speak in this debate. So I seek leave to have incorporated in Hansard pages 2 and 3 of the report which I submitted.
The ACTING DEPUTY PRESIDENT
(Senator Devitt)—Is leave granted? There being no objection leave is granted.

The report read as follows—

Seasonal changes in water quality

The quality of water and the sediments carried by it are determined by the source of the water. If it has percolated through rock masses before emerging as springs it is likely to be harder and depending on what rock it has infiltrated it may be relatively high in heavy metals and in radioactivity. If it has entered the stream as direct run-off from the land surface it is more likely to be soft, low in heavy metals and low in radioactivity, unless it has passed directly over a radioactive deposit.

In the wet season the waters of most streams are soft, slightly acid and poorly buffered, low in heavy metals, and low in radioactivity.

When stream flows decrease after the wet season, the local contributions from springs and seepages become proportionately greater and their influence on the chemical constituents and radioactivity of the water may be considerable.

Heavy metal and radioactive elements are carried downstream either in solution or absorbed on suspended solids. The fate of these, and the manner and extent to which man and other biota in the environment may be subjected to them are important matters on which some information has been sought. This information will assist in predicting the fate of any waste materials which may be added to the drainage system, and in estimating how much material could be added without serious . . .

The Committee gained the impression from discussions with the mine operators that the Bureau of Mineral Resources can play a vital role in determining areas in which mineral exploration can be intensified.

In view of the recent N.S.W. Coolong limestone deposit dispute it is thought desirable that the Bureau of Mineral Resources might seek to encourage uranium exploration in more arid regions of the Territory where conservation conflicts would be at a minimum.

In setting conditions for mining operations it is essential to remember that the mining companies benefit greatly from knowing the exact conditions under which they can operate. In setting effective anti-pollution safeguards not only is the environment protected but mining companies immediately know the standards which they must maintain and will know if and when they can operate so removing speculation from their activities. It is essential that mining companies can move in a predictable environment in which to make decisions and that governments do not leave them (up in the air) as to their rights and obligations.

Recommendations

(a) That early discussions be held with the Minister for the Northern Territory on methods and standards which will be applied to uranium mining operations to ensure effective anti-pollution safeguards;

(b) Future Bureau of Mineral Resources' operations with emphasis on arid regions of the Territory;

Senator MULVYHILL—The matter to which I am referring was a proven offence. The area has high tropical rainfall, and no one could deny that the Alligator River system is the Garden of Eden of Australia. I have been over the area in a Land Rover. I have flown over it in an aircraft with the Deputy Leader of the Opposition, Senator Keeffe, when we were in that area on Aboriginal affairs matters. I say unhesitatingly that I share the fears of the Fox Committee as exemplified on page 5 of its report, namely, that this so-called uranium province should be off limits. There is no doubt that my Party was prepared to give a lead and say that although it had reservations we should fulfil certain contracts in relation to Mary Kathleen and possibly yellow cake from Lucas Heights. We made that offer. I have very little confidence in the situation with Mr Anthony occupying a high position in the present Government. He will not worry very much if, as I said, the Fox inquiry says that the Alligator River system—the entire Northern Territory—be virtually off limits to uranium extraction.

Senator Maunsell took to task the conservationists. I think that was a very despicable action because Dr Mosley, who is a very fine man and who is the Director of the Australian Conservation Foundation, took the liberty of sending to me the final submission of the Foundation to the Fox inquiry. It did not, like Dick Turpin, say: 'Stand and deliver'. It submitted a 5-point proposal, and it started off by suggesting no extraction. Then it went down the line suggesting what it thought should be done if the crunch came, and the argument it advanced was coexistence between the environmentalists and the developmentists. In order to do the decent thing by Dr Mosley I am asking that the correspondence which was sent to me by the Australian Conservation Foundation be incorporated in Hansard. The first letter is signed by Mr Hill, a senior project officer, and is a summary of the final submission made to the Ranger inquiry. It is also signed by Edward St John, Counsel for the Australian Conservation Foundation. I seek leave to have the material incorporated in Hansard.

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

The documents read as follows—

206 Clarendon Street
East Melbourne Victoria
Australia 3002
Telephone 419 3366
17 August 1976

Australian Conservation Foundation
DGH:MD
Senator Mulvihill,
The Senate,
Commonwealth Parliament Offices,
Sydney,
New South Wales 2000,
Dear Senator Mulvihill

Ranger Uranium Environmental Inquiry
6 December 1976 SENATE 2649

[Note: The text continues with details of the Ranger Uranium Environmental Inquiry proceedings.]
Uranium—Ranger


This document was submitted to the Inquiry when ACF representatives were questioned at the final hearings in Sydney.

Perhaps an additional point worth emphasising is that, if the Inquiry were to recommend mining at Ranger, we would consider that action should be deferred until the area was examined with regard to its suitability for acceptance as part of the World Heritage under the Convention for the Protection of the World Cultural and Natural Heritage.

Your sincerely,

D. G. HILL
Senior Projects Officer

RANGER URANIUM ENVIRONMENTAL INQUIRY

Summary of ACF Position

In summary, ACF believes the Inquiry should recommend as follows:

1. That there should be no mining or export of uranium in or from Australia. (ACF policy would permit the use of uranium for medical purposes only, but very limited quantities would be involved).

2. The above is ACF's basic position. However, if the Inquiry were to recommend mining and export, ACF would oppose mining in West Arnhem land, because of Aboriginal claims and the superior merits of the area for conservation purposes as part of the world heritage.

3. Conservation reserves should be established over the whole of the catchments of the East Alligator and South Alligator Rivers.

4. If the Inquiry were to recommend mining at Ranger, ACF:

   (a) Believes that mining should be controlled within the context of predominant conservation use of the area;

   (b) Opposes any release of heavy metals into Magela Creek;

   (c) Presses the need for effective control by a Commonwealth Government agency, not through AAEc or DON'T.

5. ACF recommends determination of the pastoral leases to Northern Pastoral Services and the removal of buffalo from the area.

6. Australia should develop and maintain research and foreign aid programmes in the energy field designed to meet the needs of poor people in developing countries.

7. The Inquiry should recommend to the Commonwealth Government that its findings be widely publicised and for that purpose should itself commission simple summaries of the conclusions, suitable for popular consumption, to be issued as nearly as possible contemporaneously with its Reports.

EDWARD ST JOHN
Counsel for Australian Conservation Foundation
Sydney, 10 August 1976.

Senator MULVIIHILL—I thank the Senate for that privilege. I do not want to indulge in a filibuster, but I always believe in documenting any assertion that I make in the Senate. If the Senate allows the extraction of uranium I do not think the bulk of the Australian population has got any confidence that the Australian Atomic Energy Commission can be trusted. I say that for another reason. My colleague, Senator Gietzelt, who will participate in this debate later, knows the area taken in by the St George, Barton and Hughes electorates. There have always been fears in New South Wales that any mistakes made at Lucas Heights could mean the impregnation of the Georges River, which is the heartland of oyster production in Sydney. I am sure that when he speaks Senator Gietzelt will tell the Senate that we could never get anybody to monitor the mistakes of the Atomic Energy Commission, and that is one of the problems that we fear. I say unhesitatingly that the credibility of Sir Philip Baxter and the men who succeeded him is certainly in grave doubt. They cooked the books, and I say that unhesitatingly, because that was disclosed by the diligence of Senator Davidson and the Water Pollution Committee. We on that Committee probed and probed. One of the proudest moments of my life was when I came out of the Darwin Court House and cattlemen who would always vote for the National Country Party said to me: 'Senator, we admired you for taking on the Atomic Energy Commission.' Senator Webster will nod his head and say: 'Well, that was certainly a proud moment when National Country Party voters eulogised Australian Labor Party senators for standing up to these wicked men who comprise the uranium mining lobby'.

I went down to hear the findings of the Fox report delivered. The court house was crowded. When I looked over my shoulder, I saw that 80 per cent of the audience was comprised of the commercial vultures—the people who would rape this country to make a quick dollar. That is all they were; there is no question about it. They are environmental rapists—the whole of the Mining Council. I sat on the Senate Select Committee on Water Pollution and said to them: 'You made mistakes when it came to the pollution of the Molonglo River that runs through Canberra and trout fishermen were denied decent fishing'. They said: 'Oh, senator, in the 1950s the law did not make us maintain any standards.' This is the point; those people have no environmental morality. If they can make a quick dollar they will do so. Senator Maunsell implied that if we were to give the mining industry an open go we would get prosperity. Senator Maunselli should ask the people in Kentucky in the United States what mining did for them. The mining companies began strip mining or what we call open cut mining. They raped Kentucky. Kentucky has the highest unemployment rate of any State in the United States. So the honourable senator should not give us this twaddle about uranium
mining taking us into a Garden of Eden situation.

I turn to another aspect. I said to the Minister for Environment, Housing and Community Development, Mr Newman, and to the Minister for Employment and Industrial Relations, Mr Street: ‘Well, now, how do we know that with radon everything will be all right?’ They told me: ‘Look, there is very little to fear from open cut mining’. Anyone who has studied industrial diseases knows that that same story was told in the United States and elsewhere with regard to asbestos mining. It is all very well for a man in his physical prime between the ages of 20 years and 30 years to work for long hours for 5 years—I am talking in the context of asbestos mining—but when he gets a manifestation of tuberculosis and other problems in his lungs at 40 years of age, it is not of much use saying: ‘Well, here is a code’. That is the answer that I received from Mr Street and Mr Newman. The Commonwealth Department of Health has released a code of practice on radiation protection in the mining and milling of radioactive ores.

There has been none of this mining as yet. All honourable senators opposite are doing is to take readings of what has happened in other countries. I do not know whether it was in Idaho or Colorado but some of the Indian tribes who were on a low income scale were involved in an open slather in relation to certain uranium extraction. Honourable senators should have a look at the United States figures relating to the devastation of the lungs of those poor men. When we have an eminent medico like Senator Grimes preaching the gospel of caution, buttressed by the factual evidence I have given, I say that we could well wait a considerable time before developing the mining of uranium. It amazes me when honourable senators talk about their fear of another country taking our resources. Time and time again the present Government has argued that we have a powerful alliance with some of the super-powers, including the United States and Britain. At least our Prime Minister (Mr Malcolm Fraser) says that we are going all the way with the presidium of the Chinese Communist Party. He is a bit worried about how we will go with Brezhnev. My views about those 2 countries are different from his. But that is by the way. In any case, is not the art of politics to play off one big power against another?

I think it is a supine attitude to say that those countries are going to be like Dick Turpin and order us to stand and deliver. I repeat that all honourable senators opposite, even Senator Young, implied that if we do not get in quickly now, as technological developments occur the new major source of energy may be solar energy or a host of other things. I say again and again that Australia has no need to court industrial hazards. In fact we may take this aspect a little bit further. It was said by others and by myself earlier today in relation to the States Grants (Water Resources Assessment) Bill that the protection of our rivers is of paramount importance. I am not going to stand by and remain silent while the Alligator River is polluted. The fact is that Mr Justice Fox and his colleagues obviously had strong reservations on this matter. I am not indicting anybody but honourable senators will recall that Senator Carrick is usually extremely meticulous when he answers questions. When the Australian Financial Review said that Mr Justice Fox was worried that the first report had been interpreted as providing for an open house on uranium extraction and that he had approached the Government to reinforce what I interpreted to be the caution involved, I was told that uranium mining was not on. To the credit of Senator Carrick, he corrected the position the next day, as did Mr Newman.

So I say that very definitely we are playing for very big stakes. It is not a question of earning a short profit; it is for all time. I appreciate what Senator Maunsell and my Deputy Leader in the other place, Mr Uren, had to say about Hiroshima. I do not want to blur that issue. Honourable senators might argue that the dropping of the atom bomb shortened World War II. All countries commit a lot of indignities in wartime, but this is peace time, and there is no occasion for the Government to beat the gun. It should wait until Mr Justice Fox brings down report No. 2. I have no doubt that, even if there is an argument about meeting a particular agreement, if these companies that certainly are more or less controlled from overseas happen to find some emerging African republic and can get a puppet government in, they will leave us like a shag on a rock.

I say very sincerely that I did not have to wait for conservation groups to warn me of what has happened. I think uranium mining is a diabolical thing. I say in a very calm way that recently in eastern Europe there was a massive aircraft disaster. I think it is significant that I should mention this matter. Five of the aircraft controllers were put under house arrest until the matter had been investigated. All I say is this: I received an answer to question No. 855 which showed that the Australian taxpayers are being slugged $75,000 a year to rehabilitate the Finniss River, yet nothing was ever done to discipline Sir Philip
Baxter and his officers. They are the people who came before the Senate Select Committee on Water Pollution on oath. We said to them: 'What did you do with regard to Rum Jungle?' They said: 'Senators, our standards are higher than those of North America.' Well, they ought to be, because they have a better river system than we have and they have a better rainfall. They said: 'Therefore the margin there is perfect. There is no danger.' I suppose that as laymen we knew that if you had holding ponds and you had excessive rain and the banks burst, industrial pollution had to go somewhere. The point I am making is that no punishment was imposed on Sir Philip Baxter and his officers. When people opposite talk about penal clauses and about getting stuck into the trade union movement, why do they not get stuck into Sir Philip Baxter? I have heard of Army officers who were accused of being traitors being stripped of their rank. I think that Sir Philip Baxter ought to be taken out to Yarralumla and the Governor-General ought to take his knighthood from him. Sir Philip Baxter is almost a quisling. Those are my words: He is a quisling. Sir Philip Baxter was the cause of the pollution of the Finniss River, yet he has the temerity to write drivel in the newspapers and say what a great man he is. This game is not fair. For example, a railwayman can be disciplined for some minor misdemeanour, and if a boilermaker makes a mistake when he is cutting plate he can be sacked. But Sir Philip Baxter, because he has a knighthood and even though he was a gross polluter of the Finniss River in the Northern Territory, goes along as though he was the lord of creation.

Probably I would have taken a different attitude had I not been on the Select Committee on Water Pollution. We saw the Atomic Energy Commission despoil the river; yet these are the people who will be the custodians of uranium mining. They will apply the standards if honourable senators allow uranium mining to go ahead. I know what will happen: We will get much more than what happened to the Finniss River. We will get gross explosions. We will get the lot. Nobody, from Sir Philip Baxter down to his successors, had the guts to answer a challenge I reissued to them in the Australian Financial Review several weeks ago. They cannot answer that challenge because they are guilty men. I say without any hesitation what Senator Grimes said: Caution is the watchword. We should wait until the second Fox report comes out. I have a fair idea of what Mr Justice Fox will say at that stage, and we will see what the Prime Minister and Mr Anthony will do. I repeat that while there are quislings like Sir Philip Baxter there will be more pollution. As my colleague, Senator Ruth Coleman, interjected earlier, it will not be pollution; there needs to be only one disaster in a uranium-fired power station and the consequences of that will certainly overshadow the misfortune of the eight or ten coalminers killed in industry. That is the warning I leave with the Senate.

Senator JESSOP (South Australia) (9.40)—I am sorry that Senator Mulvihill has chosen to refer to Sir Philip Baxter and others in the way he has. I know that he is genuinely interested in conservation matters. He referred earlier to Senator Maunsell who properly drew attention to extremists on the conservation side who were not acting in the best interests of this country with the extreme attitude they were adopting. I regret that Senator Mulvihill referred to people in the nuclear industry in Australia as wicked men who are more interested in making money. He said that the Australian Atomic Energy Commission cannot be trusted. Those words are unnecessary in a debate in which we are trying to understand the points of view of both sides of the argument.

Nuclear power development in the world has a long history. It goes back to 1954. The debate on this matter has reached its climax in recent times because the world has come to appreciate the exhaustibility of conventional methods of power generation. This has been evident in England. I think the first nuclear power generation plant there was established in 1956. The first plant in the United States was established in 1954. From that time onwards there has been an increasing interest in nuclear energy for the reasons I have just mentioned. This has resulted in an emotive debate tending to polarise the extremists on both sides. It is important, therefore, that people in the Parliament come to understand the points of view that have been expressed by genuine conservationists and people who are genuinely interested in developing an industry in Australia for the benefit and employment of many people. Tonight we have been discussing the subject in a rather peculiar fashion. When one mentions the mining of uranium most people tend to start talking immediately about nuclear power generation. The Fox report in essence really concerns itself with whether we ought to be mining and processing uranium in Australia. This is a different kettle of fish from the matter of nuclear power generation. We ought to bring ourselves back to the essence of the debate in that particular regard.
We have to give specific consideration to Australia's responsibility in the provision of energy to those countries which are less fortunate than ourselves and have little or no conventional fuels. In considering this proposition we must remember that Australia has abundant supplies of coal, oil, except heavy crudes, and gas. The gas supplies in this country will suffice our needs for many years to come. The advent of technology concerned with the conversion of coal to liquid fuel and gas is certainly contemplated by the Government. In fact, only recently, West German technologists were in Australia to discuss a proposal to embark on a joint West German—Australian venture in that particular field. I believe that within 10 years Australia's petroleum and gas will come from that source. To a certain extent this will overcome our shortages of heavy crudes. In Australia we have had experience in the mining and processing of uranium. This dates back to 1944 when the United Kingdom Government and the United States Government suggested that we ought to search for uranium in this country.

This important mineral was discovered in Radium Hill and Mount Painter in South Australia, Rum Jungle, United Uranium and South Alligator in the Northern Territory, and Mary Kathleen in Queensland. The mining process started in Australia in 1954. Between 1954 and 1971, 9,200 tonnes of yellow cake, uranium oxide, was derived from plants at 5 locations. This is a matter of history as far as Australia is concerned. In those days people were not too concerned about radio activity or pollution, or they did not seem to be. In recent times, however, this has become a matter of public debate and world concern. I have had experience in this field and have some knowledge of the associated hazards in the operation and it is clear that with proper management the hazards that may appear to be present are negligible. I recall that Sir Mark Oliphant, who cannot be classed as inexpert in this field, commented before he left South Australia that there was nothing to fear from the mining and processing of uranium. It was not until the conversion of uranium oxide to energy that problems arose with respect to pollution.

The first recommendation of the first report of the Fox Environmental Inquiry states:

The hazards of mining and milling uranium, if those activities are properly regulated and controlled, are not such as to justify a decision not to develop Australian uranium mines.

The second recommendation states:

The hazards involved in the ordinary operations of nuclear power reactors, if those operations are properly regulated and controlled, are not such as to justify a decision not to mine and sell Australian uranium.

That is the matter with which we are dealing at present. I expect that anybody in this House who wants to argue for or against the mining and development of uranium could find something in the report to prop up his argument. My suggestion to the Government is that we ought to be considering in this context the establishment of a marketing authority to ensure that proper provisions are carried out with respect to the supply of uranium to non-proliferation treaty countries and to countries which are bound to observe the international environmental standards as laid down. It would seem to me that that should be an appropriate statutory authority, perhaps representative of government departments and private industry, which could work in consultation or collaboration with a permanent uranium advisory council, as recommended in the Fox report. It is important that the Government has the capacity to control this commodity.

The need to conserve energy has been mentioned during the debate. This is also referred to in the Fox report. I believe that it is of great consequence to Australia that we should be critical of ourselves and wonder whether we should leave lights on around the place. I recall that during my childhood—and no doubt Senator Sim had the same experience—my father told me that it was important to turn off the taps and not waste water, and not to use radiators unnecessarily. When I was a child the problem was an economic one because my father could not afford to pay excessive power bills, and of course water was of great consequence in South Australia. I believe it is important that people in Australia recognise that they should not waste power but conserve it whenever they can.

In that context, I believe that all governments in Australia should encourage the use of low thermal solar heating and cooling for domestic purposes. That could also be carried through into the industrial area. If that happened, I believe that up to 20 per cent of our present energy requirements could be saved, and probably more than 20 per cent if it were carried through into industry.

Senator Sir Magnus Cormack—What is the estimated cost of solar energy?

Senator JESSOP—The estimated cost is very low.

Senator Sir Magnus Cormack—I have heard it estimated at $20,000m.
Senator JESSOP—I do not think that is right. If one went into the question, I think the cost would be relatively low. I understand that an industrial firm in Queanbeyan is installing solar panels and that that is a relatively inexpensive process, particularly when the long term economic consequences are considered. I want to revert now to the dangers of radiation and to the effects that might flow from the mining and processing of uranium. The emotion which this subject generates arises largely as a result of ignorance in the minds of people.

Senator Sim—It is Communist propaganda. They produce it themselves.

Senator JESSOP—That may be so, and perhaps that is what Senator Maunsell was referring to when he talked about the extremists in the conservation lobby. But I am a conservationist, and I hope that everyone in this House is a conservationist when it comes to the health of the people of Australia. I think we ought to deal with this matter in a sensible way. At Port Pirie the other day there was an over-reaction when a child trod in a dam and burnt his shoe. The burning was attributed to radioactivity, but the truth was that although the child was playing in the vicinity of an old uranium dump, which had very little radioactivity in evidence and was simply eliminated by covering it up with a little earth, it proved to be not a uranium burn but a burn from the sulphuric acid which had leached into the dam from the nearby Port Pirie acid plant. So the emotional matters can be over-emphasised.

For those honourable senators who heard the statements this morning on AM, it was interesting to note that the Mary Kathleen miners, who are trade unionists, demonstrated their view that the mining and processing of uranium ought to proceed. They were quite convinced that the radiation limits were well below those laid down by the ICRP—the International Commission on Radiological Protection—which was established in 1928. I say that for the benefit of Senator Townley, who is interested in these matters. The radioactivity to which these people are subjected in the mining of uranium at Mary Kathleen is well below the safe limits laid down. The people involved are examined periodically by safety officers to ensure that the levels are not exceeded. The ICRP recommends that the dose for the whole body of a radiation worker should not exceed 5 rems per annum averaged over his whole working life, and there are other figures for different organs of the body.

A world survey conducted by the International Labour Office—Hellen, 1972—indicated that out of more than 298,000 radiation workers, approximately 44 per cent worked in the medical field and the great majority of all workers received radiation doses of less than .5 rems per annum. Those dose levels can be compared with the natural background radiation level of about .1 rems per annum in many parts of the world. A few areas, such as parts of India and Brazil, have background radiation levels more than 10 times higher. Those facts escape our notice when we deal with natural radiation because there is no emotive sense of urgency about them. But when we start to mine uranium something quite different is sparked.

Senator Missen—It escapes the notice of the Labor Party because there are only 2 Labor senators in the chamber.

Senator JESSOP—It amazes me that more interest has not been taken in this important subject. But let us consider the less emotionally alarming biological effects of radiation from natural sources. What happens there? Everyone in the Senate would know that there are 2 types of radiation to which we are subjected in our natural surroundings. The first is from cosmic rays, and my learned colleague Senator Townley would suggest that he knows about mineral radiation. The intensity of cosmic rays is increased by altitude and it approximately doubles for every 1500 metres of altitude. The sea level intensity is given at 30 millirads a year, but when one gets up to 30,000 feet the dose rate is about .3 millirads an hour, or 2.600 millirads a year. Nobody seems to worry about that. When Senator Sim flies from Perth to Canberra, and assuming that he does that 36 times a year and that the average flight time is 5½ hours a trip, he is exposing his body to 60 millirads a year over and above the 100 millirads a year received on the ground. To my mind, that shoots to pieces the absolute claptrap which has been put. The pilots, air hostesses and other air crew who fly across Australia at these altitudes are probably too small a group to be assessed accurately, but no particular attention has been drawn to any cancer or genetic defects in these people.

Two studies have been conducted relating to natural radiation. These were carried out on a small island called Nui, which is in the vicinity of New Zealand—I am giving Senator Hall a geography lesson tonight—and in India along the Kerala coast. This is a more appropriate area to be considered, because the Indian study is more significant for the reason that the monazite there, containing sands of uranium and thorium, exposes large populations to background radiation of over 20 times the normal 100 millirad a
year level as measured at Bombay. Effects on fertility, the sex ratio among offsprings, infant mortality rate, pregnancy terminations and many other things have been shown to be of no consequence. Judged on a statistical basis, it was shown that the incidence of these factors was not dependent upon background radiation. This is a natural example of people being exposed to radiation. As far as I am concerned, the mining and processing of uranium are of far less consequence than the natural radiation to which we are exposed from day to day, even in Canberra.

Senator KEFFE (Queensland) 10.0)—I suppose that the most interesting part of that speech was the interjection of Senator Missen who said: ‘I do not see too many Labor people around’. I draw his attention to the fact that the Government has placed no real importance on this debate; it has brought it into only the lightweights and not one Minister. Either Ministers are not interested in what is going on or they know nothing about it. Let me run through the list of Government speakers. There was Senator Young: Senator Maunsell, a sheep farmer who would know all about the problems of uranium; Senator Jessop, an optometrist who would be an expert; Senator Collard and Senator Thomas—both newcomers to the chamber; and Senator Scott. Senator Missen would have been more of a heavyweight than those who have spoken tonight.

Senator Jessop—He is a lawyer.

Senator KEFFE—I will not be sidetracked by stupid interjections. I want to make a contribution tonight which is based on fact. I have previously discussed with you, Mr President, the matter of the incorporation of a number of tables and you have indicated that you are happy about it provided Hansard can cope with it. There are not many of them; so there should not be any problem.

The recently published Fox Ranger uranium environmental report goes a long way in pointing out the hazards, fears and misunderstandings associated with the nuclear power industry. The recommendations, viewed objectively—something that honourable senators opposite apparently cannot do—do not give the green light for mining as the media and the mining companies would have us believe. This is further highlighted by recent statements by the commissioners indicating their disturbance at the green light interpretation placed on their report. I will incorporate some brief statements in relation to that later, rather than hold up the Senate.

The Ranger report is an excellent one and one of the few and rare attempts to look at nuclear power without using rose coloured glasses, as did those honourable senators opposite, including the optometrist, who spoke tonight. The inquiry was instituted during the days of the Whitlam Labor Government and is something of which all Labor people and the Australian public can be proud. However, the whole exercise will be pointless unless we adhere to the major recommendations outlined in the report, and that means a long period of public debate, which is what the Labor Party has been saying all along. The Liberal-National Country Party Government has been totally condemned not only in the Parliament but also at the National Executive level in our Party. We have condemned the Government for its hasty, ill-considered and quite blatantly capitalistic approach in reaching a decision on the export and mining of uranium before an adequate period of time had elapsed in which to allow extended debate on the subject. This flies directly in the face of the major Fox recommendation and refutes the claims of the Minister for Environment, Housing and Community Development (Mr Newman) who stated that he agreed with all the Fox recommendations.

The Government also pre-empted the pending second Fox report which has not yet been published—it relates to the Northern Territory situation—despite the Fox recommendation that no decision be made before the second report is released. That is a fair enough recommendation. By this action the Federal Government has lost its credibility, and future generations will look to this day as the day that Australia buried its head in the sand, because that was the convenient thing to do, when it had the chance to lead the world out of the nuclear quagmire in which it had immersed itself. One can only assume that this hasty and ill-considered decision reflects the big business philosophy of the Government and the tremendous pressure from the mining companies.

Senator Lajovic—Like the Kremlin and Peking.

Senator KEFFE—What I am saying is dead right and it is no use honourable senators opposite making apologies for the Government. They had their chance to do that and they did not do so. Senator Lajovic is not even on the list of speakers, so what is he quacking about now? There are many indications in the Fox report that the commissioners considered that their inquiry was to form the basis of a broad public debate on the issues of uranium mining and the
nuclear energy industry, and that the final decision should be taken by the people. A close analysis of the Fox report shows that there are many disturbing features associated with the nuclear energy industry and these should be debated at large. In a moment I will quote some of the recommendations in the Fox report. If they are not prepared to debate them at large, we all shall reap the fruits of our action. The proponents of mining sit in their ivory towers and attempt to pacify everyone's fears by saying: 'We are involved and we know that it is safe'. I participated in a debate with miners only a few days ago and that is precisely the attitude which they adopted. The Fox report states at page 5:

What has surprised us more is a lack of objectivity in not a few of those in favour of it.

On page 6 it states:

It seemed to us that the objectives and working of the Environment Protection (Impact of Proposals) Act may not be clearly understood in some government departments.

This is just some of the continuous evidence which is found throughout the report and which justifies the case for an extended debate before any decision is made. To remind honourable senators opposite of the need for this pre-decision debate I will repeat a few of the points outlined by the Fox inquiry. On page 6 the report says:

We understand that it is unlikely that there can be production from any of the mines we have mentioned before about 1980.

Thus, it is obvious that we do have time for an extended debate, contrary to what the Government said, and that it will not affect the delivery time of the contracts entered into in 1972 by the McMahon Government. The report continues:

There is an urgent need to review the safety of the uranium fuel cycle and despite all the cries by nuclear proponents that it is safe; this has not been demonstrated to date.

On page 29 the report says:

Commercial recycling of plutonium and uranium from reprocessing has not begun, and the economic viability of reprocessing has not been demonstrated.

Authorities in the USA do not expect to make a decision on ultimate disposal for more than a decade.

This obviously is more reason for our postponing our decision. What do we do in 10 years time if the United States of America finds that there is no ultimate disposal of waste? That is a big question mark indeed. The uranium mining proponents argue that the ever-increasing energy needs of the world can be satisfied only by uranium, but the Fox report states on page 31:

... the developing countries with market economies, which accounted for nearly half of the world's population, consumed only 10 per cent of the total (energy consumption).

On page 32 the report states:

Energy consumption in the 24 industrialised countries which are members of the OECD fell by an average of about 2 per cent in 1974, while the level of economic activity declined marginally. A further fall of about 3 per cent in energy usage occurred in these countries in 1975...

Thus there has been a 5 per cent decrease in the energy use of OECD countries over the last 2 years. This decrease has not had any great effect on the quality of life. On page 33 the report states:

The results obtained (from A Time to Choose) from this model suggest that high energy growth rates are not necessarily required for high levels of economic activity and employment.

In this chamber tonight Senator Young, speaking on behalf of the Government tried to make the point that the oil rich countries might hold the world to ransom and therefore it is necessary to develop nuclear energy. I make the point that nuclear energy does not replace oil. Oil is the energy we need for transport—nuclear power cannot be used for transport—and it is in the field of transport that the greatest shortage of fuel will be found. Nuclear energy can replace coal, of which there is no shortage. In this area there is no shortage. I shall incorporate in Hansard a table that proves we have some 200 years supply of coal. We cannot discount the argument on pollution by coal because chemical and smog precipitators can overcome this problem. One of the greatest arguments by those who produce power from this area is that this is too expensive. I have some documents that I want to incorporate in Hansard later, together with some other tables. I now turn to page 34 of the Fox report. It states:

The commission notes that in 1975 the Government of Sweden set an energy growth target of 2 per cent per annum up to 1985; falling to zero by 1990.

On page 186 in recommendation 14 it states:

A program of energy conservation should be instituted nationally.

It is interesting to note the Government's claim that it agreed with the Fox recommendations, especially in the light of an answer I received from Mr Anthony to question No. 906. I asked a question regarding the need for conservation of energy needs, including lubricating oils. He stated:

Lubricating oils are manufactured from imported feed stocks, because indigenous crude oil does not contain a component from which lubricating oil can be manufactured. Accordingly, the re-processing of lubricating oil does not affect the rate of depletion of Australia's indigenous petroleum resources.

This statement clearly indicates that this Government does not consider conservation of energy as
a priority or a need in Australia. I return again to the report. On page 39 it states:

Without recycling of fuels, the reserves of uranium would amount to about 5 per cent of presently estimated fossil fuel reserves.

That is a fact which cannot be refuted. Fuel processing is not occurring. I have a reply to another question from the same Minister. He indicated that it is not happening in Australia. Uranium reserves are finite and are only postponing the energy crisis for a short period. It would be far more appropriate if the high capital costs incurred in nuclear industries were redirected to research and development of more permanent alternative energy sources. This is what the Opposition has been saying all along at all levels in the Australian Labor Party. We believe that there is a need to continue to debate the subject of the use of uranium and a need to look at alternative sources of energy. On page 43 the Fox report states:

Renewable energy sources, particularly solar energy in its various forms, seems likely to make important and growing contributions to total energy requirements, although the timing and extent of their contribution will depend heavily on the quantity of resources devoted to research and development.

This indicates an urgent need for the Government to foster alternative energy research; something which this Government purports to do, but I think in the last financial year we spent the petty cash in the bickie tin, about $600,000. Proponents for uranium mining and nuclear power point to the economic advantages of nuclear-produced electricity over other energy forms. The Fox report does not agree with this statement. For example, on page 48 it states:

Data compiled by the Head of the Section for Economic Studies in the IAEA’s Division of Nuclear Power and Reactors confirm the weight of evidence that the relative advantage in capital costs held by coal-fired stations has not diminished.

On page 49 it states:

The evidence also indicates that small scale nuclear plants are unlikely to be economic when compared with coal-fired units of the same size.

My friends opposite, Senator Maunsell and Senator Collard, as Queenslanders would know the amount of coal in Queensland. Yet at the moment the Premier of Queensland is saying that he wants nuclear power.

Senator Maunsell—We get $7 a tonne for our coal and Australia would get $40 a lb for this.

Senator KEEFFE—That is all right, because you would give the coal away to the markets of the world while you start setting up your nuclear power units. We in Australia, with our vast coal reserves, should not be stampeded into condoning nuclear power until all aspects of the industry are fully and exhaustively debated publicly. The economic viability of the nuclear industry has not been adequately demonstrated, especially in view of the non-completion of the uranium fuel cycle and the hazards involved. I quote again from the Fox report. On page 50 it states:

The evidence suggests that reprocessing may not be a profitable operation at the average price of uranium which seems likely to apply in future; and there is, therefore, considerable doubt as to whether it will prove to be commercially attractive government support.

Again on page 50 the report states:

It is conceivable that the real costs of processing and waste disposal or storage will not be met by electricity charges, but will be subsidised by governments. In this case, the ‘polluter pays’ principle will not be followed and the competitive position of nuclear power compared with alternative energy sources will be artificially improved.

On page 51 the report states:

Nuclear and coal generation costs are close. The delivered price of coal varies over a wide enough range that in some regions coal plants may generate electricity for less cost than do nuclear plant. Indeed, coal and nuclear plants are close enough that they might be considered the same, given the uncertainty associated with the estimates.

Those are not my words; they are from the Fox report. On page 55 the report states:

New coal fired stations, rather than increase nuclear capacity, could be built to cope with increased demand for electricity at least until other sources of energy are more fully developed . . . The evidence indicates that use of coal rather than further extensions of nuclear power would not, in general, cause very substantial overall increases in the cost of electricity or in the general level of prices.

On page 56 the report states:

The possibility that Australia could be of greater long-term assistance to the rest of the world and, in particular, to less affluent countries—

In other words, the Third World—by participating in international effort to develop those forms of solar technology most suited to the needs of developing countries appears worthy of serious consideration.

On page 57 the report states:

Demand for uranium did not increase significantly until the advent of substantially higher oil prices late in 1973.

This is when the panic started. On page 58 the report states:

The downward revisions over the past 2 years in anticipated additions to nuclear capacity have led to reductions in estimated uranium requirements.

On page 59 the report states:

Uranium reserves in the category below $US.15 per lb of—

Available in countries other than the centrally planned economies, clearly exceed estimated uranium requirements up to 1985 by a considerable margin.
The technical term used is U308. All this indicates clearly that the economic advantages of the nuclear industry have not been established, not to mention the environmental and health hazards associated with this industry. We would be wise to adhere to recommendation 14 of the Fox report and allow a lengthy period of time for debate and to observe the trends in the nuclear industry. In addition to the unproven viability of the world's nuclear industry, the net benefits to be gained from uranium mining in Australia have not yet been sufficiently demonstrated. I seek leave to have incorporated in Hansard a number of other quotes from the Fox report, in addition to the documents to which I have already referred.

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

The documents read as follows—

Page 66: Considering all the information available to the Commission on this matter, it appears that estimates of potential Australian sales of uranium up to 1985; presented by the Australian Uranium Producers Forum, the Australian Atomic Energy Commission and Pancontinental Mining Ltd, are probably too high.

Page 76: To the extent that these assumptions are not realised in practice, the net benefits are over-estimated.

Page 79.—(speaking on the viability of the Ranger prospects): Its contribution to employment in Australia would be small compared to the total Australian workforce.

Page 79: A number of factors suggest that average prices may fall below this figure, (the average) and so the estimates in this section may be regarded as the maximum returns likely to be achieved.

Page 80: Account must be taken of the effect of overseas ownership of profits on contributions to the net national income. It follows that if Ranger and Pancontinental were both operating, a significant level of foreign ownership of profits would need to be taken into consideration in estimating net national benefits. Moreover, it appears that substantial overseas ownership may be involved in other uranium mining ventures.

Page 83: Sales up to an annual rate of 30 000 tonnes uranium would probably result in an increase of about 0.1 per cent of national income in 1980-81, rising to about 0.5 per cent in 1990-91.

Page 109: A higher than normal incidence of respiratory cancer has been found among underground uranium miners in some parts of the world.

Page 113: While most of the potential adverse health effects of fossil fuel use accrue to the generation of people using the energy, any radiation effects from radioactive wastes and tailings are likely to be spread over many generations.

Page 128: There is undoubtedly a serious limitation on the operation of the NPT and of most safeguard arrangements.

Page 130: The NPT does not prohibit the further transfer of materials by a receiving state to a third state.

Page 147: Existing safeguards may provide only an illusion of protection.

Page 151: A Commissioner of the US Atomic Energy Commission has stated that the development of a black-market in plutonium is likely to result in numerous breaches of security in nuclear installations have been recorded.

Page 153: A terrorist team could, if conditions favoured them, construct a very destructive device.

Page 155: The Commission was informed of numerous incidents where nuclear materials had been stolen, or lost or simply could not be accounted for.

Page 159: An attempt by even a small well trained and armed group to take over a nuclear installation could have a good chance of success . . .

The evidence indicates that the risks are presently real and will tend to increase with the further spread of nuclear technology.

Page 167: Numbers of scientists with intimate knowledge of the scientific and technical considerations involved have this year expressed grave disquiet. Some are less concerned; some see the situation already beyond control.

Editorial of the Canberra Times of 2 November 1976:

A careful reading of the Fox Report on uranium mining suggests that some people, including politicians, mining executives and commentators, may have seen in it more than it intended to convey. Particular attention to parts of the report in which the commissioners express their own findings, conclusions and recommendations does not justify the view that it recommends that the mining and milling of uranium should proceed immediately, subject to strict controls . . . The form in which the commission has presented its conclusions may have led to some confusion. Thus it has grouped findings and recommendations together indiscriminately under the one heading, which carries the risk that mere findings will be interpreted as recommendations. The findings that the hazards involved in the ordinary operations of nuclear reactors are not by themselves sufficient reasons not to develop. Australian mines are not a positive recommendation that the mines be developed. They are simply findings relating to some specific operations in the nuclear cycle, operations that were called into question during the inquiry . . . A decision by Australia not to export uranium may or may not decisively influence the course of international events, but the probability is rather that any action taken by Australia will have some effect even though this cannot be gauged with accuracy. Another important reason why the Government should not make hasty decisions is, in the words used by Mr Justice Fox at his press conference last Thursday, that the Aboriginal-land-rights legislation now before the Parliament could create problems for the commission. It would be unwise to act on the contents of the first report before this contentious and emotional issue has been fully examined in the second report.

Australian Labor Party policy:

That it is the opinion of the parliamentary Labor Party following the publication of the Fox Report on uranium mining and the Fraser Government's decision of 11 November, 1976.

1. That existing contracts for uranium mining should be honoured, provided that no new mining developments are permitted to take place.

2. That the Labor Party should continually press for stricter international safeguards and controls over the handling of nuclear materials.

3. That it be made clear that the next Labor Government will not be bound to honour any future contracts entered into by the present Government.

4. That if, in government, the Labor Party is satisfied that the hazards associated with nuclear power have been
eliminated and satisfactory methods of waste disposal developed the question of uranium mining be re-
considered in the context of full public debate.

5. That the Government deserves the utmost condem-
nation for its haste in announcing decisions on the min-
ing of uranium, without giving the Australian com-

munity time in which to debate this highly important
subject, thereby, disregarding the commission of
inquiry's final recommendation.

The *Australian Financial Review* in its' editorial on 2
November 1976 headed 'Fox Revisited':

The commission, which obviously suffered from internal
differences but sought to resolve these by bringing down a
single report hedged with all sorts of qualifications, finds that
the first two recommendations, which find in favour of
uranium mining and milling, have overwhelmed the remain-
ing 14 recommendations, which add up to a litany of reser-
vations as to the virtues of uranium development.

The final recommendation of the Fox Report—and the
commission actually sought to stress this by using italics for
emphasis—is that no decision be taken in relation to the for-
going matters (the other 15 recommendations) until a
reasonable time has elapsed and there has been an
opportunity for the usual democratic processes to function
including, in this respect, parliamentary debates.

Undoubtedly the correct forum to handle this is the Parlia-
mentary one. It may be that the usual partisan approach of
having a Cabinet executive use its formidable strength of
numbers is not the best way of reaching a decision which re-
assures the largest possible number in the community (There
is no way everybody will be convinced, no matter what the
decision or the safeguards).

September 1976

APPENDIX 1

WORLDWIDE REPROCESSING FACILITIES (BUILT OR PLANNED)

<table>
<thead>
<tr>
<th>Location</th>
<th>Type of fuel reprocessed</th>
<th>Capacity (in metric tonnes per year)</th>
<th>Opening date</th>
<th>Operating status</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ezeiza Nuclear Center</td>
<td>natural uranium metal (reactor fuel)</td>
<td>lab-scale 1968</td>
<td>shutdown</td>
<td>Being upgraded and may be redesigned for low enriched uranium oxide.</td>
<td></td>
</tr>
<tr>
<td>Name and location unknown</td>
<td>plutonium</td>
<td>small-scale 1969</td>
<td>operating*</td>
<td>Chemical separation plant.</td>
<td></td>
</tr>
<tr>
<td>Belgium</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eurochemic-Mol</td>
<td>natural uranium metal and slightly enriched uranium oxide</td>
<td>100</td>
<td>1966</td>
<td>shutdown</td>
<td>May never reopen.</td>
</tr>
<tr>
<td>Brazil</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name and location unknown</td>
<td>?</td>
<td>lab-scale 1985</td>
<td>ordered</td>
<td>Being built with West Germany.</td>
<td></td>
</tr>
<tr>
<td>Britain</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Douarey</td>
<td>advanced fuels (i.e., high enriched uranium and plutonium)</td>
<td>lab-scale 1958</td>
<td>operating</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Windscale 1</td>
<td>natural uranium metal</td>
<td>1 500-2 500 1964</td>
<td>operating*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Windscale 2</td>
<td>low enriched uranium oxide</td>
<td>300-400 1978</td>
<td>shutdown</td>
<td>The plant is being refurbished and is to be phased into full operation shortly.</td>
<td></td>
</tr>
<tr>
<td>Name and location unknown</td>
<td>low enriched uranium oxide</td>
<td>1 000 1984</td>
<td>planned</td>
<td>For domestic commercial use.</td>
<td></td>
</tr>
</tbody>
</table>

A number of different parliamentary approaches can be
adopted, ranging from select committees of each or both
houses to the process of a free vote.

The initiative to draft the legislation should be in the
hands of the Government. The examination and consider-
ation of those proposals could for once be considered and
evaluated by the Parliament—and not rubber-stamped.

*National Times* (16 November 1976), article by Mr Paul
Kelly:

Contrary to popular impression, claims of the Fraser
Government, and delights of the miners, the Fox report has not
given the 'all clear' sign for Australian uranium sales.

While the report has not vetoed development as such, it
recommends that development be subject to a series of con-
ditions which, when closely examined, are incredibly exact-
ing and never likely to be met by the Fraser Government or
probably any other Australian Government.

Of the 16 recommendations made by the three com-
missioners the only ones which offer encouragement for the
mining industry are the first three. The remaining 13 with
the body of the report offer an alarming and carefully
documented case on the dangers of uranium development.
Certainly the Prime Minister is determined to move fast. This
is indicated in the Government's already apparent open con-
tempt for the final Fox recommendation which required a
public debate about uranium development before a decision.

Lip service may be paid to this concept but if there is one
thing the present Federal Government is incapable of doing,
it is encouraging a public debate on anything, let alone
uranium.
<table>
<thead>
<tr>
<th>Location</th>
<th>Type of fuel reprocessed</th>
<th>Capacity (in metric tonnes per year)</th>
<th>Opening date</th>
<th>Operating status</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Name and location unknown</strong></td>
<td>low enriched uranium oxide</td>
<td>1 000</td>
<td>1987</td>
<td>planned</td>
<td>For overseas contracts.</td>
</tr>
<tr>
<td><strong>Canada</strong></td>
<td>natural uranium oxide</td>
<td>lab-scale</td>
<td>? 1958</td>
<td>operating*</td>
<td>Military plant.</td>
</tr>
<tr>
<td><strong>Chalk River</strong></td>
<td>lab-scale</td>
<td>? 1966</td>
<td>operating</td>
<td>Will be slowly phased out.</td>
<td></td>
</tr>
<tr>
<td><strong>Czechoslovakia</strong></td>
<td>low enriched uranium oxide</td>
<td>900-1 200</td>
<td>1976</td>
<td>operating</td>
<td>Is being phased into full operation by 1981.</td>
</tr>
<tr>
<td><strong>Uranium Industry Chemical Plant (Mydlovary)</strong></td>
<td>300</td>
<td>1970</td>
<td>operating</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Nuclear Fuel Institute (Zbraslav)</strong></td>
<td>150-800</td>
<td>1985</td>
<td>planned</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>France</strong></td>
<td>natural uranium metal</td>
<td>100</td>
<td>1967</td>
<td>operating</td>
<td></td>
</tr>
<tr>
<td><strong>Marcoule</strong></td>
<td>natural uranium metal</td>
<td>100</td>
<td>1977</td>
<td>final testing</td>
<td></td>
</tr>
<tr>
<td><strong>La Hague 1</strong></td>
<td>900-1 200</td>
<td>1981</td>
<td>planned</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>La Hague 2</strong></td>
<td>300</td>
<td>1973</td>
<td>planned</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>La Hague 3</strong></td>
<td>low enriched uranium oxide</td>
<td>1 000</td>
<td>1985</td>
<td>planned</td>
<td></td>
</tr>
<tr>
<td><strong>India</strong></td>
<td>low enriched uranium oxide and thorium</td>
<td>500</td>
<td>1985</td>
<td>planned</td>
<td></td>
</tr>
<tr>
<td><strong>Trombay</strong></td>
<td>low enriched uranium oxide</td>
<td>100</td>
<td>(lab-scale)</td>
<td>operating</td>
<td></td>
</tr>
<tr>
<td><strong>Tarapur</strong></td>
<td>natural uranium metal and low enriched uranium oxide</td>
<td>100-150</td>
<td>1985</td>
<td>planned</td>
<td></td>
</tr>
<tr>
<td><strong>Italy</strong></td>
<td>natural uranium metal and low enriched uranium oxide</td>
<td>35</td>
<td>(pilot-scale)</td>
<td>operating</td>
<td></td>
</tr>
<tr>
<td><strong>Eurex 1—Sabreggin</strong></td>
<td>1970</td>
<td>operating</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ITRE-C—Rotondella</strong></td>
<td>low enriched uranium oxide and thorium</td>
<td>1969</td>
<td>operating</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Name and location unknown</strong></td>
<td>low enriched uranium oxide</td>
<td>1981</td>
<td>planned</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Japan</strong></td>
<td>natural uranium metal</td>
<td>small-scale</td>
<td>1978</td>
<td>operating</td>
<td>Plagued by leaks and other mechanical failures.</td>
</tr>
<tr>
<td><strong>Tokai—Mura 1</strong></td>
<td>low enriched uranium oxide</td>
<td>210</td>
<td>shutdown</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Tokai—Mura 2</strong></td>
<td>low enriched uranium oxide</td>
<td>? 1978</td>
<td>operating</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Tokai—Mura 3</strong></td>
<td>low enriched uranium oxide</td>
<td>1 000</td>
<td>1987</td>
<td>planned</td>
<td></td>
</tr>
<tr>
<td><strong>Tokai—Mura 4</strong></td>
<td>low enriched uranium oxide</td>
<td>? 1987</td>
<td>early</td>
<td>1990s</td>
<td>planned</td>
</tr>
<tr>
<td><strong>Pakistan</strong></td>
<td>natural uranium metal and low enriched uranium oxide*</td>
<td>100</td>
<td>1987</td>
<td>planned</td>
<td></td>
</tr>
<tr>
<td><strong>Name and location unknown</strong></td>
<td></td>
<td></td>
<td></td>
<td>ordered</td>
<td>Supplied by France.</td>
</tr>
<tr>
<td><strong>Peoples Republic of China</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Names and locations unknown</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Program assumed to be both advanced and large-scale</td>
</tr>
<tr>
<td><strong>Spain</strong></td>
<td>natural uranium metal</td>
<td>pilot-scale*</td>
<td>? 1981</td>
<td>operating</td>
<td></td>
</tr>
<tr>
<td><strong>Juan Vigon Center (Madrid)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sweden</strong></td>
<td>low enriched uranium oxide</td>
<td>800</td>
<td>1990s</td>
<td>considered</td>
<td>This plant was just recommended by a Royal Commission. If approved, it might become a regional center. But opposition is expected to be heavy.</td>
</tr>
<tr>
<td><strong>Name and location unknown</strong></td>
<td>low enriched uranium oxide</td>
<td>100</td>
<td>1985</td>
<td>planned</td>
<td></td>
</tr>
<tr>
<td><strong>United States</strong></td>
<td>low enriched uranium oxide</td>
<td>300-750</td>
<td>1966</td>
<td>shutdown</td>
<td>May never reopen.</td>
</tr>
<tr>
<td><strong>West Valley, N.Y.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

APPENDIX 2a

Reasonably assured resources

<table>
<thead>
<tr>
<th>Location</th>
<th>Reasonably assured resources</th>
<th>Estimated additional resources</th>
<th>Total reasonsbly assured and estimated addition resources</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Up to $US15</td>
<td>$15-30</td>
<td>Total up to $30</td>
</tr>
<tr>
<td></td>
<td>Percentage of total</td>
<td>Percentage of total</td>
<td>Percentage of total</td>
</tr>
<tr>
<td>North America</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>145</td>
<td>12.6</td>
<td>28</td>
</tr>
<tr>
<td>United States of America</td>
<td>331</td>
<td>28.8</td>
<td>(g)269</td>
</tr>
<tr>
<td>Mexico</td>
<td>5</td>
<td>0.4</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>481</td>
<td>41.8</td>
<td>298</td>
</tr>
<tr>
<td>Western Europe(a)</td>
<td>61</td>
<td>5.3</td>
<td>(h)426</td>
</tr>
<tr>
<td>Africa</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Algeria</td>
<td>28</td>
<td>2.4</td>
<td>..</td>
</tr>
<tr>
<td>Gabon</td>
<td>20</td>
<td>1.7</td>
<td>..</td>
</tr>
<tr>
<td>Niger</td>
<td>40</td>
<td>3.5</td>
<td>10</td>
</tr>
<tr>
<td>South Africa(b)</td>
<td>186</td>
<td>16.2</td>
<td>90</td>
</tr>
<tr>
<td>Total(c)</td>
<td>274</td>
<td>23.8</td>
<td>100</td>
</tr>
<tr>
<td>South America(d)</td>
<td>19</td>
<td>1.7</td>
<td>12</td>
</tr>
<tr>
<td>Asia(e)</td>
<td>4</td>
<td>0.3</td>
<td>35</td>
</tr>
<tr>
<td>Total (excluding Australia(f))</td>
<td>839</td>
<td>72.9</td>
<td>871</td>
</tr>
<tr>
<td>Australia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ranger</td>
<td>85</td>
<td>..</td>
<td>..</td>
</tr>
<tr>
<td>Others</td>
<td>227</td>
<td>..</td>
<td>..</td>
</tr>
<tr>
<td>Total</td>
<td>312</td>
<td>27.1</td>
<td>..</td>
</tr>
<tr>
<td>World Total(f)</td>
<td>1151</td>
<td>100.0</td>
<td>871</td>
</tr>
</tbody>
</table>

Sources: Principally OECD-NEA/IAEA, Uranium: Resources, Production and Demand, 1975, Tables 1 and 2, amended as follows—


Notes:
(a) Finland, France, West Germany, Italy, Portugal, Spain, Sweden, Turkey, United Kingdom, Yugoslavia.
(b) Includes Namibia.
(c) Includes Central African Republic of Zaire, not shown separately.
(d) Argentina and Brazil.
(e) India, Japan, Korea.
(f) Excludes countries with centrally planned economies.
(g) Includes 108 thousand tonnes as by-product of phosphate and copper production.
(h) Includes 300 thousand tonnes for Sweden.

**APPENDIX 26**
Estimates of Uranium Requirements to 2000

<table>
<thead>
<tr>
<th>Requirements</th>
<th>(1) AUPF(b)</th>
<th>(2) Edison Electric Institute(c)</th>
<th>(3) AAEC(d)</th>
<th>(4) OECD-NEA/IAEA(e)</th>
<th>(5) US ERDA(f)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States of America—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Annual rate—1985</td>
<td>52</td>
<td>35-47</td>
<td>35</td>
<td>..</td>
<td>25-30</td>
</tr>
<tr>
<td>—2000</td>
<td>79-154</td>
<td>..</td>
<td>..</td>
<td>60-74</td>
<td></td>
</tr>
<tr>
<td>Cumulative to 1985</td>
<td>292</td>
<td>209-272</td>
<td>238</td>
<td>..</td>
<td>145-198</td>
</tr>
<tr>
<td>to 2000</td>
<td>1 087-1 787</td>
<td>..</td>
<td>..</td>
<td>851-1 038</td>
<td></td>
</tr>
<tr>
<td>Other(a)—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual rate—1985</td>
<td>68</td>
<td>57-68</td>
<td>56</td>
<td>..</td>
<td>37-43</td>
</tr>
<tr>
<td>—2000</td>
<td>183-210</td>
<td>..</td>
<td>..</td>
<td>102-123</td>
<td></td>
</tr>
<tr>
<td>Cumulative to 1985</td>
<td>380</td>
<td>346-393</td>
<td>332</td>
<td>..</td>
<td>237-278</td>
</tr>
<tr>
<td>to 2000</td>
<td>2 180-2 525</td>
<td>..</td>
<td>..</td>
<td>1 346-1 600</td>
<td></td>
</tr>
<tr>
<td>Total(a)—</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual rate—1985</td>
<td>120</td>
<td>92-115</td>
<td>91</td>
<td>82-101</td>
<td>62-73</td>
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<tr>
<td>—2000</td>
<td>262-364</td>
<td>140-210</td>
<td>238-313</td>
<td>162-197</td>
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<tr>
<td>Cumulative to 1985</td>
<td>672</td>
<td>555-665</td>
<td>570</td>
<td>513-594</td>
<td>401-476</td>
</tr>
<tr>
<td>to 2000</td>
<td>3 267-4 312</td>
<td>3 100-3 800</td>
<td>2 974-3 826</td>
<td>2 197-2 638</td>
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</tr>
</tbody>
</table>

Column:
(1) Evidence given to the Inquiry by the Australian Uranium Producers' Forum.
(3) Evidence given to the Inquiry by the Australian Atomic Energy Commission.
(a) excluding countries with centrally planned economies.
(b) 0.275 per cent tails assay 1976-80, 0.3 per cent tails assay after 1981; no recycling.
(c) high estimate 0.3 per cent tails assay, no recycling; low estimate 0.2 per cent tails assay (U.S. only), recycling.
(d) tails assay increasing from 0.2 per cent to 0.3 per cent over 1980-85 period; U recycling from 1979; Pu recycling from 1981 (U.S.) and 1980 (elsewhere).
(e) 0.25 per cent tails assay; high estimate: no Pu recycle, high growth rate of nuclear capacity; low estimates: Pu recycle from 1981, low growth rate of nuclear capacity.
(f) high estimate 0.3 per cent tails assay; low estimate 0.2 per cent tails assay; Pu recycle from 1982 (U.S.) and 1978 (elsewhere); U recycle from 1978; 'low' growth rate.

**APPENDIX 3**
The Age, Thursday, July 29, 1976

**ATTITUDES TO URANIUM AND NUCLEAR POWER POLICY**

<table>
<thead>
<tr>
<th>Because Australia has more than 25 per cent of the known reserves of uranium in the world</th>
<th>(2 000)</th>
<th>Total</th>
<th>Male (998)</th>
<th>Female (1 002)</th>
<th>Will vote</th>
<th>Will vote</th>
<th>Will vote</th>
<th>60 and over</th>
<th>Uni educated</th>
<th>Primary educated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>per cent</td>
<td>per cent</td>
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<td>per cent</td>
<td>per cent</td>
<td>per cent</td>
<td>per cent</td>
</tr>
<tr>
<td>We would be stupid not to earn income from mining and exploiting this product</td>
<td>37</td>
<td>46</td>
<td>28</td>
<td>46</td>
<td>29</td>
<td>24</td>
<td>44</td>
<td>32</td>
<td>41</td>
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<tr>
<td>We should be more concerned about the possible harmful effects of nuclear development on future generations than about selling uranium</td>
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<td>48</td>
<td>67</td>
<td>49</td>
<td>67</td>
<td>72</td>
<td>49</td>
<td>63</td>
<td>53</td>
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<td>6</td>
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<td>7</td>
<td>5</td>
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</table>
Because Australia has more than 25 per cent of the known reserves of uranium in the world

<table>
<thead>
<tr>
<th>Total (2 000)</th>
<th>Male (998)</th>
<th>Female (1 002)</th>
<th>Will vote Lib. (858)</th>
<th>Will vote ALP (827)</th>
<th>18-20</th>
<th>60 and over (384)</th>
<th>Uni educated (188)</th>
<th>Primary educated (278)</th>
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</thead>
<tbody>
<tr>
<td>Scientists can be relied on to solve the problems in developing nuclear power</td>
<td></td>
<td></td>
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<tr>
<td>We should make sure we have the solutions to all possible problems before we develop nuclear power</td>
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<td></td>
<td></td>
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<td>80</td>
<td>88</td>
<td>66</td>
<td>64</td>
<td>68</td>
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</tbody>
</table>

Even if it costs a lot more, Australia should concentrate on learning to use new forms of energy

<table>
<thead>
<tr>
<th>Total (2 000)</th>
<th>Male (998)</th>
<th>Female (1 002)</th>
<th>Will vote Lib. (858)</th>
<th>Will vote ALP (827)</th>
<th>18-20</th>
<th>60 and over (384)</th>
<th>Uni educated (188)</th>
<th>Primary educated (278)</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is no need to spend money on developing other energy sources</td>
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<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Don't know</td>
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<td>4</td>
<td>1</td>
<td>4</td>
<td>4</td>
<td>5</td>
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</tbody>
</table>

**APPENDIX 4**

**CURRENT AUSTRALIAN URANIUM SALES CONTRACTS**

<table>
<thead>
<tr>
<th>Dates announced</th>
<th>Company</th>
<th>Amount (tonnes)</th>
<th>Customer</th>
<th>Period of contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>23.5.72</td>
<td>Mary Kathleen</td>
<td>1 110</td>
<td>Japan</td>
<td>1975-1985</td>
</tr>
<tr>
<td>23.5.72</td>
<td>Queensland Mines</td>
<td>2 230</td>
<td>Shikoku Electric Power Co. (Japan)</td>
<td>1977-1986</td>
</tr>
<tr>
<td>9.11.72</td>
<td>Peko-EZ</td>
<td>1 300</td>
<td>Chubu Electric Power Co. (Japan)</td>
<td>1977-1982</td>
</tr>
<tr>
<td>17.11.72</td>
<td>Peko-EZ</td>
<td>1 000</td>
<td>Kyushu Electric Power Co. (Japan)</td>
<td>1977-1986</td>
</tr>
<tr>
<td>30.11.72</td>
<td>Queensland Mines</td>
<td>1 000</td>
<td>Kyushu Electric Power Co. (Japan)</td>
<td>1977-1983</td>
</tr>
<tr>
<td>30.11.72</td>
<td>Queensland Mines</td>
<td>500</td>
<td>Chugoku Electric Power Co. (Japan)</td>
<td>(Letters of intent exchanged)</td>
</tr>
</tbody>
</table>

**APPENDIX 5**

**SCHEDULE OF ANNUAL AGGREGATE DELIVERIES—EXISTING CONTRACTS TOTAL 11 755 SHORT TONS U3O8**

- 1976-694 short tons U3O8—MKU production only
- 1977-1612 short tons U3O8—50 per cent MKU 50 per cent Stockpile
- 1978-1461 short tons U3O8—55 per cent MKU 45 per cent Stockpile
- 1979-1350 short tons U3O8—53 per cent MKU 47 per cent Stockpile* 
- 1980-1465 short tons U3O8—55 per cent MKU 45 per cent MKU (Late delivery)
- 1981-1325 short tons U3O8—60 per cent MKU 40 per cent MKU (Late delivery)
- 1982-1040 short tons U3O8—80 per cent MKU 20 per cent MKU (Late delivery)
- 1983-950 short tons U3O8—50 per cent MKU 50 per cent MKU (Late delivery)
- 1984-580 short tons U3O8—?
- 1985-700 short tons U3O8—?
- 1986-400 short tons U3O8—?

Percentages shown are close approximations
* End of stockpile

**Australian Financial Review**

FOX COMMISSIONERS JOIN IN ATTACK ON GOVERNMENT

By JUDITH HOARE

JUSTICE Fox and the two commissioners from the Ranger environmental inquiry have attacked the Government over its interpretation of the Fox report.

In a recent letter to the Minister for Environment, Housing and Community Development Mr Newman, the Fox commissioners have claimed their first two findings do not amount to recommendations.

These two conclusions did not appear to raise obstacles to uranium development from the hazards of mining and milling.

The Government has used these findings to justify honouring existing contracts.

The Government has been accused, however, of ignoring several important reservations concerning the hazards involved with future development of an Australian uranium industry contained in the body of the report.

But the letter emphasises that the first two conclusions are findings and not recommendations.

The Fox commissioners are further concerned that the Government has used the report to support its stated policy for uranium development.
The letter stresses that the report had sought to put forward the various opinions on the issues involved.

These are: the case against the mining of uranium, the case for delay, and the case for immediate development.

The commissioners have also expressed concern in the letter to the Government having effectively ignored the final recommendation of the report which called for ample time for public consideration of it before Government decision.

While the Government has yet to make a decision on the Northern Territory producers, Government ministers, including Mr Newman, have made it clear they consider the first Fox report as giving the green light to uranium development.

The commissioners have argued the Government should be placing more emphasis on the second and final report than the first which canvassed the broader issues.

Although it can be argued that the wording and presentation of the report’s findings and recommendations are open to various interpretations the commissioners are known to be alarmed at the tactics adopted by the Government and proponents of uranium development.

Australasian Financial Review

GOVT ADMITS JUSTICE FOX LETTER ON INTERPRETATION

By Judith Hoare

The Government yesterday admitted that it had received a letter from Justice Fox of the Ranger uranium inquiry criticising the government’s interpretation of its first report, despite denying this in Parliament on Tuesday.

The Minister for Education, Senator Carrick, representing the Minister for Environment, Housing and Community Development, Mr Newman, in the Senate yesterday retracted his original statement that no such letter had been received by Mr Newman.

Senator Carrick said that his information on the question had been incorrect.

In a statement issued after question time Senator Carrick said that Mr Newman had in fact received a number of letters from Justice Fox, one of which was concerned with ‘the interpretation that has been placed on the commission’s first report’.

On Tuesday Senator Carrick said that he had been instructed that Mr Newman had not received ‘such a letter’.

In explanation yesterday Senator Carrick said that he had now been informed that his instructions were incorrect.

He understood that Mr Newman had discussed the matter satisfactorily with Justice Fox.

The issue arose following an article in Tuesday’s Australasian Financial Review.

Yesterday Mr Newman told the Financial Review, ‘Through no fault of his own Senator Carrick had been wrongly instructed. Several letters have been exchanged between Justice Fox and myself.

‘One dealt with a query on the government’s interpretation of his report. That matter, I believe, has been satisfactorily resolved between us.

‘The definitive government position on the matter was given on November 11.

It was this very Ministerial statement issued by Mr Newman on the Ranger uranium environmental inquiry that sparked off a debate in Parliament on Tuesday, with one government backbencher, Mr Don Chipp, threatening to cross the floor if a two-year moratorium on the mining and exporting of uranium was not instituted.

The Opposition argued that the government had ‘evaded and misrepresented the inquiry’s findings’.

Speaking in the debate the Leader of the Opposition, Mr Whitlam said that anyone reading Mr Newman’s statement without seeing the Fox Report ‘would have interpreted the report as a firm endorsement of mining’.

Mr Whitlam further challenged Mr Newman’s assertion that the principal findings and recommendations of the inquiry . . . relate to the development and export of Australia’s uranium resources’.

Mr Whitlam argued to the contrary that ‘the recommendations and findings are overwhelmingly concerned with the hazards of nuclear development’.

Mr Keating, the Shadow Minister for National Resources, claimed in the debate that the government has made no acknowledgement of the powers and hazards associated with nuclear power mentioned by the commission throughout the body of its report.

Mr Keating said that the government does not take the Fox Commission’s warnings seriously.

He referred to Mr Newman’s emphasis on Item 1 of the findings and recommendations of the report as ‘the major recommendation of the report’.

Item 1 of the report does not appear to raise obstacles to uranium development from the hazards of mining and milling.

Referring to reports that the Ranger commissioners were unhappy with the government’s interpretation of the report Mr Keating criticised the commission itself.

‘It is to no avail for the commission now to cry over this misinterpretation of its report’, he said.

‘It should have had enough sense to make its findings, conclusions and recommendations clear, firm and unequivocal’.

Senator KEEFFE—I thank the Senate. On that note I shall conclude my contribution to this debate. I believe that one of the first things we have to do in Australia—it concerns all sections of the community—is to carry on this intensive debate, to look at the hazards of using nuclear energy and to look at the safeguards which may be applied. There has been criticism from the other side of the chamber that the Australian Labor Party in Opposition is totally opposed to nuclear energy. We have said that if there are sufficient safeguards for the disposal of wastes and in the use of nuclear energy the industry may operate effectively. But we are not members of the miners’ lobby who will mine uranium or among the so-called conservationists on the other side of the chamber who are prepared to go out and mine uranium with their own sticky little fingers tomorrow morning.

Senator Thomas—And create jobs.

Senator KEEFFE—You are quite prepared to do it.

Senator Maunsell—Oh!

Senator KEEFFE—You are. You are quite determined to do it. You might be an expert at
milking cows but I do not think you are an expert on uranium mining and the use of nuclear energy. I think there are enough examples in this world to indicate that a whole number of precautions have to be taken and a whole number of safeguards have to be investigated. I repeat finally that the easiest way, and the most safe way, and the most humane and moral way around this problem is to continue this debate until we all are absolutely sure that the use of nuclear power in any form is safe for the people of this world.

Senator COLLARD (Queensland) (10.20)—When Senator Keeffe commenced his remarks he referred to the 'lightweights'—I think that was the term that he used—on the Government side of the chamber in this debate. He even paralleled the length of time in this chamber of some of the members of this chamber with their being lightweights. I must say that from the contributions that I have heard from honourable senators opposite and the length of time in this chamber of some of those honourable senators, they do not altogether weigh in too heavily. My interest in uranium mining began when I lived adjacent to Mary Kathleen for many years. Indeed, I worked trains that carried yellow cake to the port. That has not made me the fount of all knowledge; I suppose it is to the contrary. But it has given me an interest in the subject and it has given me an interest in the men who are mining uranium there. They are quite happy and contented with their conditions and they want to live their lives there.

Ever since man first emerged from the cave he has required some form of energy. We saw it first in the use of firewood. As civilisation progressed through the ages man used animal fats, paraffin and so forth for lighting and heating. We have reached the stage in civilisation today where we have a very great need for vast energy resources so that we can turn a switch and have lighting, power, heating, cooling, communications and whatever else we want. Of course the more civilised we get the more energy we require and the faster we use up our natural resources. We have reached the stage where we are starting to look further afield and are trying to conserve the fossil fuels that we have. Of course, we are looking at solar power, wind power, tidal power and hydroelectric power, but at this stage, despite the vast amounts of money that have been spent on those subjects, there is not enough of those sources of power available or enough technology to prove them feasible. I admit that we can power some things with solar panels, but not enough to run a steel works. I admit that we can run a station property with a wind generator, but it does not provide enough power to power a city.

So we have found that we have had to look for some sort of interim power. The Ranger Uranium Environmental Inquiry—the Fox Inquiry—look at the fossil fuel problem. It stated that if coal, oil and gas continue to be used at the same rates as during 1975 the present known reserves will be exhausted in 206, 39 and 55 years respectively, and that is not taking into consideration the increased usage which undoubtedly will flow in the years ahead. This leaves us with only one alternative at present—albeit an interim one—and that is nuclear power. Nuclear energy is just another source of power; it is as simple as that. It is a viable alternative. It can be used with a nuclear reactor to generate electricity and it will help to keep our fossil fuels just that little bit longer. Honourable senators will note that I said that our coal reserves could last for 206 years but that our petroleum reserves could last for only 39 years. So I think it would be conceivable to start to try to generate more power by electricity and look towards coal liquefaction to run motor vehicles in the future. The life of the present known reserves of uranium is limited if the present type of reactor is used. But if we look further ahead in the future, with the possibility of fast breeder reactors just around the corner, instead of looking at decades of known energy reserves we will be looking literally at millions of years. That is what is facing us. It is not a simple proposition. Fast breeders are complicated and have some inherent dangers. But I am sure that man, in his quest for energy, will not find those dangers insurmountable.

Looking at the economics of the matter, a feasibility study in 1974 of the Loy Yang power station in the Latrobe Valley showed a cost of 0.61c per kilowatt hour for a brown coal fossil fuel power station and 0.63c per kilowatt hour for a nuclear power station—that is, a station with a potential output of 4000 megawatts. This is working on a price of approximately $2 per tonne for coal. It must be said that the power authority does own the coalfield and that the power station will be sited right on that coalfield. Of course, this does not take into consideration the necessary pollution reducing requirements that would have to be met if towns moved further out towards that station. So it can be seen that it is marginally cheaper to use a fossil fuel power station right on a coalfield in Victoria.

In New South Wales black steamimg coal is about $6 to $7 per tonne. Senator Keeffe mentioned the availability of coal in Queensland. I
must say that it is to the Queensland Government's credit that arrangements were entered into with the Utah organisation when it was mining coking coal and there was a seam of steaming coal on top of the coking coal. Part of the provision in the licence was that the steaming coal had to be stockpiled. The Gladstone power station is now being run on steaming coal which has been bought literally at over-burden rates. It is as simple as that. So, under these circumstances, why not use coal fired power stations?

The figures in the United States of America for 1975 are very interesting. The United States nuclear power plants saved utilities over $2 billion in generating costs in 1975, compared with burning fossil fuels. In 1975 United States nuclear power plants saved the equivalent of the burning of more than 238 million barrels of oil or more than 50 million tonnes of coal. The average nuclear generating cost in the United States in 1975 was 1.227c per kilowatt hour which was 63 per cent less than oil and 30 per cent less than coal. So in this day and age we find that the nuclear power plant is indeed an economic proposition. Let us look at the position of developing countries which do not have their own fossil fuel reserves. If they have growing cities and no source of power, the obvious thing for them to do is to look towards nuclear power generation. They have to import steaming coal for possibly $26 a ton. So I question the morality of a nation of 'haves', such as Australia, withholding a possible source of power from the nations of 'have nots' around the world.

When one looks at it, one sees that a nuclear reactor is nothing more than a source of heat. Water or gas is circulated through that reactor and goes through a heat exchanger. It then generates steam, which turns a turbine. It is as simple as that. The fission process inside is controlled. Safety systems are built into the process. It is a physical impossibility for a reactor to turn into a bomb. The worst that could possibly happen would be a melt down if all the systems went wrong. That has not yet happened with all the accidents that there have been. It is quite significant that not one life has been lost to this time at any nuclear reactor power generation plant in the world.

One pound of yellow cake or U308 has the equivalent energy of 1350 gallons of oil or 7 tonnes of coal. A 1000 megawatt power station would use 140 tonnes of yellow cake a year if it was a nuclear power station. If it was a fossil fuel power station it would use 2 million tonnes of coal. So here we see the significance of developing countries being able to use nuclear power as compared with all the ancillary industries needed to export steaming coal. They would have to put in large stockpiles, provide handling facilities, pay for all the freight and so on. The list is endless. As well as that, from the fossil fuel power stations one has the sulphur dioxide, the nitrous dioxide and the fly ash. I admit that they can be removed, but at what expense. I believe that they have to be shut down quite often to enable the screens to be cleaned. It must be said that radioactive waste going up the funnels of every fossil fired power station in the world. Uranium is a natural element that is found in many coal mines and there is nothing we can do about it.

There is a certain amount of background radiation in the world today. This has been touched on by the previous speaker. We get it from our luminous wrist watches; we get it from our television sets; we get it from air travel. Everyone is exposed to certain background radiation. Most of it is natural. The amount that comes from the earth, the sun and outer space is 83.7 per cent, while 13.5 per cent comes from medical use—X-rays, etc.—2.1 per cent from fallout from nuclear tests, 0.7 per cent from industrial and miscellaneous use and 0.01 per cent from the uranium-nuclear fuel cycle.

As has been mentioned, some places have a higher radiation than others. Yet, experts go to the highest radiation places on earth and cannot find any difference in the likelihood or incidence of leukaemia, cancer and other such things. We do not see any mass exodus of people from the high natural radiation areas to the low natural radiation areas. This is not to say that there is not a hazard with radiation. Of course there is, but there is a certain amount of background radiation and obviously the human body can take a certain amount without ill effects. It has been mentioned that it is more dangerous to fly in an aircraft from Sydney to Perth than it is to live beside a nuclear power station for 25 years. For those who are betting men and like the odds, let me say that there is one chance in 5000 million of being killed from a nuclear power station. There is one chance in 4000 of being killed in a car accident. There is one chance in 25 000 of being killed from a fall. There is one chance in 30 000 of being killed from fire or scalding. There is one chance in 100 000 of being killed as a result of a firearm accident. There is one chance in 100 000 of being killed from air travel. There is one chance in 160 000 of being killed by electrocution. As I said previously, there is one chance in 5000 million of being killed by a nuclear power accident.
Mention has been made of the disposal of waste products. It is common knowledge that one-third of the fuel rods are taken out of a nuclear reactor every year and replaced. They are placed in water tanks. The water in the tanks is pure demineralised water. The rods are left there literally to cool down. The heat is taken out of them and the water, without being affected, absorbs the gamma radiation. Then these fuel rods can be reprocessed. The usable uranium can be taken out of them and 99.5 per cent of the plutonium recovered for re-use. The rest—some strontium 90 and caesium—is part of the high level waste that has to be disposed of.

There has been much talk about plutonium, and indeed much more will be said about it in the debate to come. Plutonium is more a toxic substance than source of radio-active problems. An ordinary sheet of paper round plutonium will shield a person from any radiation from it, but in a powder form it is a very serious toxic problem if it is taken into the lungs or the digestive tract. It can cause cancer, and nobody is denying that; but arsenic and cyanide also can cause death, and they do not have even a half life. They remain what they are right through their life. So plutonium is like any other poison. What does not reach man does not harm him. Provided people recognise this with plutonium and it is kept in its right place, as all other poisons should be, there will be no problem for the human race.

Senator Cavanagh—They buried it 12 feet under the ground at Maralinga.

Senator COLLARD—Twelve feet under the ground is quite an adequate precaution even for high level waste. Three methods of disposal of nuclear waste are being looked at. They are burial, transmutation and extra-terrestrial. High level wastes at present are in solution. The idea is to solidify them and vitrify them. They are made into a borosilicate glass substance which is not subject to chemical action and which is insoluble. So far it is agreed that the best method is putting them in salt mines because salt mines are recognised as generally being geo-logically stable, they are dry and they are easily deformed by heat and pressure. So, if anything goes wrong, and one of the cans happens to heat up, the salt will just melt around it. The waste is made into a glass button size and put into canisters which can be put down into salt mines. If all the high level waste from a 1000-megawatt power station in one year were put together there would be 33 cubic metres of high level liquid waste. When it is solidified and vitrified it ends up as 2 cubic metres of glass. It is buried at least 1000 feet deep. In reality, if it could remain undisturbed, just a few feet of soil would be sufficient to shield anybody from the radiation. All the sites which are intended to be used will feature easy retrievability in case a better method of disposal is found and in case we might be able to use the waste at some future time.

Nuclear weapons are a problem. Nobody likes a war, but let us face it: Whether one is killed by a bayonet, by a bullet, by TNT, by napalm or by an atomic bomb, one is dead. The weapon itself is not the horrific part. It is war that is horrific. It is the horrors of war against which we as a government and governments of the world have to campaign. Nothing we will do in Australia will prevent nations from making atomic weapons. Terrorists have been mentioned. Why on earth a terrorist, other than for prestige reasons, would want to get hold of plutonium and try to make an atomic bomb has got me beaten, when he has more likelihood of blowing himself up. If he wants to take over a city, why not spread some botulism germs in the water supply? He could wipe out the population and take over the city intact. Yet we hear all this silly rot about terrorists trying to make atomic weapons, albeit crude ones.

There has been much talk about the problems of uranium mining. This is all that is facing Australia at present. Uranium has been mined for about 500 years, together with lead and zinc, in Czechoslovakia. Radon gas did cause problems, but so did coal dust. It caused black lung or pneumoconiosis. Workers in asbes-tos mines developed lung cancer. As soon as civilisation started to recognise the problems, action was taken to circumvent those problems. Ventilation was improved. At Mary Kathleen no level of radon gas can be registered. An article appeared in the Australian on 19 November, which stated: Urine tests on workers at the Mary Kathleen uranium mine have shown definite signs of radiation absorption, according to unions in Queensland.

A report by the Queensland branch of the Amalgamated Metal Workers Union read to a meeting of all affiliated unions of the Trades and Labour Council yesterday said a number of workers had absorbed greater than normal radiation levels.

That just was not true. They did absorb uranium, but the workers themselves will tell you that it was their own fault through not being clean enough, through not washing their hands before their crib, or through not washing their hands before smoking or rolling a cigarette. The men themselves know the problem. It could occur in only one section of the plant. If the amount of uranium which is present as a toxic substance just like lead is above a certain level, the men are removed from that section of the plant. It is not a
cumulative poison. The men just work in another section until the level gets back to normal. The men themselves will tell you this. They will tell you that it is half their own fault if they have an increased uranium count in their urine.

I welcome the suggestion by Mr Justice Fox that there should be debate on the subject. I agree with the recommendation in the report that there should be debate, provided the debate is a rational one and provided it is engaged in by people with considerably more knowledge and with less ill-informed emotion than we have had up to this point of time.

Senator GIETZELT (New South Wales) (10.40)—The Senate is discussing—and I think that would be the context in which we ought to be dealing with this important matter—the first report of the Ranger Uranium Environmental Inquiry which means we discuss nuclear energy and uranium mining. I think it is interesting that the debate has taken place because of the initiative of the Australian Labor Party who requested the opportunity to debate this issue before the Senate rose. The number of speakers who will have an opportunity to speak will represent only one-seventh of the Senate. We can only see this debate as heralding the wider public debate which has been referred to and requested by the Ranger inquiry commissioners and drawing attention of the general public to the importance of the uranium mining issue. But of course it will only be those few hardy souls who read Hansard who will be informed; perhaps some of us in this place might somehow or another penetrate the media through the good graces of the lone journalist who sits above us.

Nevertheless, we need to be involved. We need to express our point of view and we need to discuss the issue but we should not see this as the beginning or the end of the debate. It should be considered as only part of the debate. I think honourable senators ought to look at this issue in the same way as we were looking at the issue of Vietnam a little over a decade ago when the first public opinion poll showed that two out of three Australians supported Australia’s involvement in that war; but in the ensuing public debate that took place I would wager that today you would not get one person in three who would justify Australia’s involvement in that war.

The regrettable feature of the discussion that has taken place today would seem to indicate that a number of the Government senators have read this report with dark glasses in fading light, because I cannot believe that Senator Collard could possibly come to the conclusions that he did when he said that he supports generally the report and the public debate and on the very questions that he raised so vociferously and with so much expertise and knowledge he ignored the very essence of the report itself. In particular he ignored the postscript of the report which dealt with the findings of the United Kingdom Royal Commission on Environmental Pollution which speaks of the very questions that he raised. It says:

... the spread of nuclear power will inevitably facilitate the spread of the ability to make nuclear weapons and, we fear, the construction of these weapons.

Indeed, we see no reason to trust in the stability of any nation of any political persuasion for centuries ahead. The proliferation problem is very serious and it will not go away by refusing to acknowledge it.

Take note, Senator Collard. Time does not permit me to continue reading because I have only 20 minutes in which to speak, but it seems to me that the honourable senator ought to read the sections of the report of the Royal Commission which deal with radioactive wastes. They point out that there are no safeguards in respect of the ‘containment of long-lived, highly radioactive waste for the indefinite future’. In respect of general nuclear policy for the United Kingdom that report reads:

The dangers of the creation of plutonium in large quantities in conditions of increased world unrest are genuine and serious. We should not rely for energy supply on a process that produces such a hazardous substance as plutonium unless there is no reasonable alternative.

It goes on to say that there are other forms of energy that ought to be considered. Yet one would imagine from the contributions of Senator Collard and his colleagues that we have no alternative but to use nuclear energy as the source of energy for the future. The uranium inquiry commissioners themselves have declared:

Ultimately, when the matters of fact are resolved, many of the questions which arise are social and ethical ones. We agree strongly with the view repeatedly put to us by opponents of nuclear development, that, given a sufficient understanding of the science and technology involved, the final decisions should rest with the ordinary man and not be regarded as the preserve of any group of scientists or experts, however distinguished.

I do not think we could claim that members of Parliament are experts, scientists or even distinguished. Yet one would imagine that some have already decided to take a definitive position and hold it till the end of time. The commissioners imply that they should not be considered decision makers, that the Parliament should not be considered as the decision maker, but the ordinary man and women in the street should be considered the decision makers. That
is what has prompted the ALP to take the initiative and write to every one of its branches throughout Australia, offering them video tapes and other material which will enable both sides of the question to be debated at every one of our branch meetings with all of the affiliated trade unions, and to hold at some time early in 1977 a consultative conference at which all members of our party and affiliated unionists will be able to attend and debate the issue. In this way we will be carrying into effect the process of democratic discussion. It was pleasing to read in the newspapers this morning that the Apex Clubs have decided to do something similar themselves—to take as a project for 1977 the holding of public discussions throughout the various localities in this country.

The Australian people are entitled to have the time to read the Fox report and to assess it before Australia is committed to the status of a uranium supplier which may well prove to be a status from which future Australians will be unable to extract or will have difficulty in extracting Australia. It seems to me that when we are in doubt, and clearly it must be admitted by those who have spoken so strongly this evening that there is sufficient doubt, we are entitled to be hesitant. I believe that the Government has a duty to the Senate to explain why, in view of the final recommendation that 'there should be ample time for public consideration of this report and for debate upon it', a decision to go ahead with uranium mining was made. In fact, even the debate in the House of Representatives and indeed the debate in the Senate is post-decision making by this Government. Surely we can call in the Government to explain why so few copies of the report itself were published.

It is true that each member and senator was issued with one copy. However, it is also true that no additional copies have been made available. I have been reliably informed that only a limited number of copies were printed and made available through the Australian Government Publishing Service outlets at a cost of $4 and that these copies have been sold. I am also informed that there are no existing plans for a second edition. Perhaps honourable senators opposite who have spoken in this debate will ask the Government to confirm or deny that the decision not to print an adequate number of copies of the report was made by the Cabinet. Unless there is an adequate dissemination of the report it is very difficult for the general public to come to any conclusions.

There are certain matters concerning the uranium issue which I believe have to be put forward to correct the erroneous opinion that the whole issue is confined to the safety of workers in the industry, or for that matter the equally important if not more important safety factors which will affect this generation and all future generations. All Australians must be given the opportunity to assess the detrimental and beneficial effects that the mining of uranium is likely to bring to this country. In times of unemployment, for example, there is a need to consider ways in which employment opportunities can be improved. Senator Collard made some reference to that. It cannot be denied that some employment opportunities would be obtained if we were to go ahead willy-nilly on uranium mining and that some jobs would be retained if the go-ahead were given. The Fox report indicates at page 77 the job opportunities the Ranger operation would provide. I quote the report:

The Ranger operation would employ about 600 people during the construction period of two years, if the initial production rate were 3000 tonnes per year of U_3O_8 in yellowcake and 1000 people if the rate were 6000 tonnes per year. Thereafter the operation would employ about 250 and 400 people respectively.

So we are not talking about a major impact upon our unemployment position. I think the findings of the report illustrate that the employment benefits are limited. The new mining development is highly capital intensive compared with the figures for the old Mary Kathleen uranium mine which has been employing for the last year 300 men for an annual production of 800 tonnes. The argument has been put that the indirect employment benefits are much greater, but this claim has not been substantiated in the Australian context.

Firstly, the facts that the proposed mines are in remote locations and that the machinery for the mines will not be made in Australia run contrary to this claim. Secondly, the rapid expansion of uranium mining, which is capital intensive, and mining generally, will have indirect detrimental effects on the employment prospects and existing jobs in the other 2 major sectors of our economy—the rural and the manufacturing sectors. I think it is about time that we renamed the National Country Party the National Mining Party because in all of its public pronouncements it seems to be much more concerned about what is under the ground than what is above the ground.

Senator Kilgarriff—I rise on a point of order, Mr President. Senator Gietzelt is reading his speech.
The PRESIDENT—Senator Gietzelt will continue his speech. I have noticed that he is making use of his notes.

Senator GIETZEL T—What I am endeavou ring to draw to the attention of the Senate is the effect that the proposed move will have on the economy of our country. Mining, of course, requires—this is particularly so in relation to uranium mining—large amounts of capital, and that capital must be found somewhere. It would be redirected from other sections of the economy, particularly from manufacturing industry which at the moment is being systematically dismantled and shifted to parts of South East Asia.

Senator Maunsell—Get it back in one year.

Senator GIETZEL T—Of course, Senator Maunsell would not have the knowledge or the understanding to know what I am talking about. The investment decisions of companies like the Australian Mutual Provident Society, the Bank of New South Wales and the Broken Hill Pty Co. Ltd illustrate the vast rechanneling of funds that is taking place. If Senator Maunsell reads some of the reports that are freely available he might be a little more educated. In Australia capital has been moving away from labour intensive ventures which are being denied investment funds and towards capital intensive, higher growth areas, such as the mining sector. It cannot be denied that the Fraser Government's economic policies, both in the 3-year period before the Labor Government took office and now, have fallen down in controlling the flow of capital into the country. Let us look at the period 1969 to 1972 when there was a mining boom. Net capital inflow for those 3 years was as follows: In 1969-70, $750m; 1970-71, $1,403m; and 1971-72, $1,779m. That unbridled capital increase caused many of the problems with which the Whitlam Labor Government was confronted in the first year of office. If I may be permitted, I would like to refer to a section of the Industries Assistance Commission's report on rural reconstruction, in which, one would imagine, members of the National Country Party would be interested. It said of the early mining boom:

The emergence of other significant export industries in Australia, particularly minerals, has also affected rural exports. Favourable balance of payments mainly through increased mineral exports prompted government to revalue the Australian currency . . . effectively raising the cost of Australia's exports on overseas markets . . .

That capital inflow increased the money supply and brought about those early years of the inflationary spiral. It brought an inflationary pressure, which began the problems that the present Government now has shown itself totally unable to control, just as we found in government it very difficult to control. It cannot be denied that it has not brought about more job opportunities for Australians or a higher standard of living. That is the point that was made by Senator Maunsell in his contribution. That mining boom, in fact, created tremendous difficulties for the rural sector, and another mining boom will have exactly the same effect. That situation, I believe, arose because the capital inflow was used largely to create the mining boom of the early 1970s and not to restructure, update or assist our manufacturing or agricultural industries. Mr Macphee in the other place spoke today about the need for restructuring our industries. It was precisely because of the mineral boom of the late 1960s and the early 1970s, before the Labor Party took office, that we have those structural problems which have to be adjusted today. So rapid growth in the mining sector has detrimental economic effects. Mr Gregory, in an article in the August 1976 issue of the Australian Journal of Agricultural Economics, summed up the effects as follows:

. . . assistance to the import competing sector is paid for, in part, by the export sector and that increases in assistance to export industries will reduce the quantity of resources being used in import competing industries. Consequently, as the rapid growth of a new export sector will lead to adjustments both to the traditional export sector and the import competing sector any reduction in the adjustment of one sector, brought about by government intervention, will increase the adjustment which must occur in the other . . . It has been estimated, very approximately, that the rapid growth of mineral exports has been equivalent, from the viewpoint of the traditional rural export sector, to a doubling of the tariff. From the viewpoint of the import competing sector the rapid growth of mineral exports appears to have been equivalent to the removal of the tariff and the introduction of an import subsidy.

Yet Senator Maunsell had the audacity to suggest that the $3,000m that we may accrue annually from the extraction and enrichment of uranium will be a great thing for the country. It will spell even greater disaster to our export industries, and principally our primary industries, which he claims he wants to represent. There can be no doubt that from an economic point of view both agriculture and manufacturing cannot afford another mineral boom. The results for the employment situation in this country may well be disastrous. The strategy of the Government is to promote such a mining boom with foreign capital inflow. Already the results of the devaluation are showing the correctness of the assertion that there will be a foreign capital inflow. Now, because of devaluation caused by the speculation of large companies, that foreign capital will be buying 17½ per cent more of
Australia for the same money than would have been possible previously. The desire particularly seems to be, as is evidenced by the immoral speed with which the Fox report was dismissed, to lead with uranium mining which, to get off the ground, requires large capital inflows. An alternative argument, which is partly moral and partly economic, has been put by those advocating uranium mining, the development of nuclear power, and a nuclear based economy.

There is no question but that there is considerable disquiet in scientific circles, in the church, and among those people who concern themselves with moral issues. There is considerable disquiet even in the Government parties. There is disquiet, of course, in the trade union movement and in the community generally. The only way in which these issues can be properly ventilated is to bring about the sort of stimulation, by means of a public debate, that is essential to resolve these issues. I support the view that was expressed recently by the National Secretary of the Labor Party, David Combe when he said that he believed that within the next decade the issues of uranium and mining generally in Australia will be the biggest issues to be faced by the Australian people. So this argument centres around the view that the Western world is currently facing or is likely to face a severe energy shortage.

In the few moments that I have left to speak I want to answer the point that was raised by Senator Collard. He seemed to take the view that uranium was the answer to the energy problems. But the argument that the world’s energy resources are in danger of imminent exhaustion and that therefore the alternative expensive nuclear technology has to be developed has been dismissed by the Fox commissioners. At page 164 of the report it is stated:

It is also clear that world energy resources are not in danger of imminent exhaustion. Total world coal resources are so large that they will not be approaching depletion for many decades, even if the rate of energy use continues to increase exponentially as it has this century. We have examined the relative costs of electricity generated by coal and nuclear energy, particularly in those countries which are said to be critically dependent on Australian uranium. If coal is in the future made available to such countries at prices equivalent to recent prices, the cost of electricity generated from it is likely to be only marginally higher than the cost of electricity generated from nuclear energy.

Figures prepared for me by the Legislative Research Service of the Parliamentary Library suggest that nuclear power does not have an outstanding economic advantage over coal in the case of a power station on which construction commenced in 1975. So only in the light of all the evidence that is available to laymen—that is all we are; not one of us is a scientist or an expert—and on the basis of our philosophical position and the information that we can gather can we make a contribution to this debate. I might point out that according to the dictionary the word ‘public’ means: ‘Concerning the public as a whole’, which includes members of the community generally. The word ‘debate’ means to discuss whole argument, consider and ponder. That is precisely what the Fox inquiry seeks to do, namely, to have the Australian people consider and ponder the whole argument and discuss as a community the problems associated with the uranium industry.

Debate interrupted.

ADJOURNMENT

The PRESIDENT—Order! In accordance with the sessional order relating to the adjournment of the Senate I formally put the question:

That the Senate do now adjourn.

Question resolved in the affirmative.

Senate adjourned at 11 p.m.
The following answers to questions were circulated:

**Water Pollution: Finnis River**  
(Question No. 855)

Senator Mulvihill asked the Minister representing the Minister for National Resources, upon notice:

1. Was any disciplinary action imposed on any officer of the Australian Atomic Energy Commission following the gross pollution of the Finnis River in the Northern Territory due to a failure to control industrial wastes from Rum Jungle, as referred to in the Senate Select Committee’s Report on Water Pollution.

2. Does the Australian Atomic Energy Commission contribute to the payment for the environmental rehabilitation of this river.

**Senator Withers**—The Acting Minister for National Resources has provided the following answer to the honourable senator’s question:

1. No.

2. The Australian Atomic Energy Commission and the Department of the Northern Territory have jointly undertaken a program of environmental studies, including field trials for revegetation around Rum Jungle, on pollution in the Rum Jungle area. Most of the expenditure to date has been by the Commission. When the studies are sufficiently advanced, it is expected that a program for rehabilitation will be put before the Government for its consideration.

**World’s Hydrocarbon Reserves**  
(Question No. 902)

Senator Keeffe asked the Minister representing the Minister for National Resources, upon notice:

What is the current predicted year for the exhaustion of the world’s recoverable hydrocarbon reserves, assuming that no new major fields are discovered.

**Senator Withers**—The Acting Minister for National Resources has provided the following answer to the honourable senator’s question:

It is not possible to predict a specific year in which the world’s recoverable hydrocarbon reserves will be exhausted, even assuming the discovery of no new major fields, because of the influence of a variety of factors including future technology, hydrocarbon consumption patterns and price levels. It might be of interest, however, that in its Survey of Energy Resources 1974, the World Energy Conference, a non-governmental organisation composed of about 70 countries including the major fuel and energy producers and consumers, lists the following world reserve to production ratios which have been determined from present world estimates of recoverable reserves* and recent world annual levels of production:

<table>
<thead>
<tr>
<th>Source</th>
<th>Production Years</th>
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<tbody>
<tr>
<td>natural gas</td>
<td>38</td>
</tr>
<tr>
<td>crude oil</td>
<td>37</td>
</tr>
<tr>
<td>brown coal</td>
<td>194</td>
</tr>
<tr>
<td>black coal</td>
<td>198</td>
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* Recoverable reserves are defined as the portion of the total amount of known reserves considered to be actually recoverable under current economic conditions and using current technology.

**Tin and Wolfram: Small Producers**  
(Question No. 1084)

Senator Keeffe asked the Minister representing the Minister for National Resources, upon notice:

1. Are small tin and wolfram producers often required to pay buyers 10 to 20 per cent of the value of the concentrate they sell.

2. Will the Government look into this allegation and, in line with its enunciated policy of aid to small producers, consider establishing a market outlet for such producers with a view to ensuring them of fair and equitable prices.

**Senator Withers**—The Acting Minister for National Resources has provided the following answer to the honourable senator’s question:

1. In the case of tin, concentrates from small producers are generally purchased by the Australian smelter through its various agents located around Australia in the major tin producing regions. The concentrates are bought at prices which are quoted by the smelter daily and are based upon the daily (world) market price of tin on the Penang Tin Market. The prices include deductions for smelting charges, impurities, low assay and handling and transport costs.

For wolfram, concentrates are not treated in Australia and must be exported. Concentrates for small producers are generally sold to a mineral merchant who has to accept the risk of an unknown assay and may have to combine a number of small parcels to form a saleable lot for buyers overseas. Wolfram concentrates are generally priced within the London Metal Exchange average range for month of shipment and may incur a premium or discount depending upon supply and demand, assay and parcel size. It is quite possible that small producers would need to pay buyers 10 to 20 per cent to cover storage and freight costs as well as risk.

2. The Commonwealth Government, in conjunction with the State Governments who already provide various forms of assistance to small miners, is at present examining the question of small miner assistance. However, if the producers believe unfair trading practices are involved the appropriate course would be for them to bring this to the attention of the Trade Practices Commission.

**Small Mineral Producers: North Queensland**  
(Question No. 1085)

Senator Keeffe asked the Minister representing the Minister for National Resources, upon notice:

1. Is there a desperate need for crushing and treatment facilities for small mineral producers in many north Queensland areas.

2. Are there at present only two tin batteries available to small producers working in north Queensland.

3. Is the State battery at Irvinebank outdated.

4. Did the State battery close down last year for many months at the expense of small producers.
(5) Is it correct that the Queensland State Government is not particularly interested in keeping this battery operating.

(6) In the light of the Government's stated policy on aid to small producers, will the Minister undertake to look into this matter with the aim of up-dating and extending those facilities available to small producers.

(7) Would the Government consider purchasing the unused battery at Herberton for use by small producers.

**Senator Withers—**The Acting Minister for National Resources has provided the following answer to the honourable senator's question:

1. Taking into account the volume of tin ore available for treatment in the area, in normal circumstances it would appear that there is not a desperate need for additional crushing and treatment facilities for small producers in many north Queensland areas. However, the honourable senator's attention is drawn to the situation whereby demand for such facilities fluctuates with the climatic conditions in the region. The existing batteries in these areas are often oversized in the dry season when roads are open.

2. The situation at present is that the State Battery at Irvinebank and a privately-owned battery at Emuford, 20 miles from Irvinebank, are accepting parcels of ore from small producers. Most producers are closer to the Irvinebank battery and consequently prefer to have their ore treated at the battery. The battery is at present operating one shift although at times it is operated on a two-shift basis when considered necessary.

The Great Northern Battery at Herberton (the one referred to in (7) below) re-opened recently but is operating on the company's own ore only.

Another privately-owned battery at Sunnawuiny only treats its own ore.

3. I refer the honourable senator to the Queensland State Government.

4. The Irvinebank State Battery did not operate from September 1975 to April 1976 because of the breakdown of a major item of equipment (the rod mill) and the time taken to obtain replacement parts. Some renovations were carried out during this period.

5. I refer the honourable senator to the Queensland State Government.

6. and (7) The Government is at present examining ways of assisting small miners. However, provision of crushing and treatment facilities are primarily the concern of private enterprise or the State Government.

**Small Mineral Producers**

**Question No. 1086**

**Senator Keeffe asked the Minister representing the Minister for National Resources, upon notice:**

1. In view of the Government's declared concern for small mineral producers, will the Minister ensure the forfeiture of those mineral leases which are held by large mining companies but never worked.

2. Is the Minister aware that such leases not worked by large companies could and would be worked by the small producers.

**Senator Withers—**The Acting Minister for National Resources has provided the following answer to the honourable senator's question:

1. and (2) The Government does have a concern for small producers and, to the extent practicable, will encourage and assist their activities. However, the granting, renewal and forfeiture of mining leases is a responsibility of State Governments within State boundaries, and of the Minister for the Northern Territory in the Northern Territory. I suggest the honourable senator inquire from these sources whether, in fact, any mineral leases are held by large companies but never worked.

**Gladstone Mining Warden: Hearing on 24 November 1975**

(Question No. 1111)

**Senator Keeffe asked the Minister representing the Minister for National Resources, upon notice:**

1. Is the Minister aware of a Mining Warden's hearing at Gladstone on 24 November 1975, concerning a proposal by Darra Mining to mine for limestone and clay in the Mount Larcom district.

2. Did the Australian Legal Aid Office financially aid the mining protest group's objection.

3. Have the Mining Warden's recommendations been released. If not, why not.

4. Has the Queensland Government suppressed the publication of the Mining Warden's recommendations because they recommended against mining.

5. Will the Minister advise the Parliament of those recommendations as soon as possible.

**Senator Withers—**The Acting Minister for National Resources has provided the following answer to the honourable senator's question:

1. and (2) Yes.

3. (4) and (5) These are matters for the Queensland Government.

**Albury-Wodonga Development Corporation**

(Question No. 1127)

**Senator Priorrmer asked the Minister representing the Minister for Environment, Housing and Community Development, upon notice:**

Would the Albury-Wodonga Corporation, given funding at the rate set in past years, go into a profit situation at the end of 12 years from the date of starting and will it repay all Government moneys by the end of the twentieth year.

**Senator Carrick—**The Minister for Environment, Housing and Community Development has provided the following answer to the honourable senator's question:

The objective of establishing a development corporation at Albury-Wodonga with power to acquire, develop and market land, along with the responsibility for promoting growth in the area, was to enable the recovery of at least the Government moneys directed to the corporation.

While it is impossible to state with certainty when the Corporation will achieve this objective, the recent announcement by the Ministerial Council re-affirming the commitment of the Commonwealth, Victorian and New South Wales Governments to the project should enhance business confidence in the centre.
Northern Territory Legislative Assembly: Travelling Allowances

(Question No. 1129)

Senator Robertson asked the Minister representing the Minister for the Northern Territory, upon notice:

What travelling allowances were paid to each Member of the Northern Territory Legislative Assembly during the last financial year.

Senator Webster—The Minister for the Northern Territory has provided the following answer to the honourable senator’s question:

NORTHERN TERRITORY LEGISLATIVE ASSEMBLY

Travelling Allowances Paid—1975-76

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<tr>
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It is emphasised that these figures are estimates as up-to-date information from all States is not readily available. Most of these estimates are based on information which was compiled at various times between late 1975 and March 1976.

(3) (a) and (b) Approximately 7000 places are available in non-profit full day care centres receiving recurrent assistance from the Commonwealth Government at September 1976. About 5500 additional places are expected to become available and to receive Commonwealth recurrent assistance when other currently approved child care centre capital projects come into operation.

These centre-based child care places may be used for full day care or for regular part-time or in some cases occasional or emergency day care.

Support is provided by the Commonwealth for care services based on homes and facilities other than child care centres. Presently 65 family day care schemes providing about 3300 child places and 72 outside-school-hours care services are assisted under the Children’s Services Program. In addition, grants have been provided for vacation care programs during school holiday periods.

This information does not take account of the contribution that pre-school kindergartens make.

Child Care Centres

(Question No. 1140)

Senator Grimes asked the Minister for Social Security, upon notice:

(1) How many children under the age of 5 years have both parents in the work force.

(2) How many places are available in commercial child care centres.

(3) How many places are available in non-profit making child care centres which are funded by the Federal Government for (a) full day care, and (b) other forms of care.

Senator Guilfoyle—The answer to the honourable senator’s question is as follows:

(1) The Australian Bureau of Statistics advise that information has not been collected in terms of the number of children under the age of 5 years who have both parents in the work force.

(2) An estimate of the number of child places in commercial centres by States is as follows:

<table>
<thead>
<tr>
<th>N.S.W.</th>
<th>Vic.</th>
<th>Qld</th>
<th>W.A.</th>
<th>S.A.</th>
<th>Tas.</th>
<th>A.C.T.</th>
<th>N.T.</th>
<th>Total number of child places</th>
</tr>
</thead>
<tbody>
<tr>
<td>19,640</td>
<td>10,500</td>
<td>5,757</td>
<td>2,511</td>
<td>4,635</td>
<td>270</td>
<td>503</td>
<td>530</td>
<td>44,346</td>
</tr>
</tbody>
</table>

Family Law Act: Custody Orders

(Question No. 1147)

Senator Misesn asked the Minister representing the Attorney-General, upon notice:

(1) In what percentage of cases have orders for custody been made in favour of the father of children as against the mother by family law Judges since the coming into operation of the Family Law Act.

(2) To what degree do such orders compare with the number of custody orders made by Supreme Courts before the coming into operation of the Family Law Act.

(3) What is the anticipated date of commencement of operation of the Family Law Institute and will it be requested to make enquiries in the areas of custody of children or other related subjects.

Senator Durack—The Attorney-General has provided the following answer to the honourable senator’s question:

(1) and (2) I am informed that neither the Supreme Courts nor the Family Court nor my Department have as yet kept such statistics.

(3) As indicated in my statement on 20 May 1976, the Institute of Family Studies will come into being towards the end of the first half of 1977. At present I am considering the question of the appointment of a Director.
The subject of custody and maintenance of children, to the extent that it is not covered by the Family Law Act, has been referred by the Standing Committee of Commonwealth and State Attorneys-General for the consideration of the Family Law Council, which has just been established. Whether this subject will also be considered by the Institute will be a matter for the Institute when established.

**Australian Beef Exports**

*(Question No. 1175)*

Senator Keeffe asked the Minister representing the Minister for Overseas Trade, upon notice:

1. What does Japan’s recent statement concerning the importing of a proportion of their beef requirements from the People’s Republic of China mean to the Australian beef industry?

2. Is this move likely to further reduce the Australian export beef quota?

3. Is the same result likely in consequence of the Australian Meat Board’s decision to close the export ‘loophole’ to the United States of America through Puerto Rico.

**Senator Cotton—The Acting Minister for Overseas Trade** has provided the following information in answer to the honourable senator’s question:

I am advised that there is little immediate prospect of Japan importing sizeable quantities of beef from the People’s Republic of China.

Imports by Japan of fresh, chilled and frozen meat from China are currently prohibited for quarantine reasons. Discussions between the two countries on this matter have been continuing for some years and I understand that there are still significant technical barriers which will have to be overcome before meat from the People’s Republic is likely to be permitted entry into Japan.

**Aurukun Associates: Bauxite Deposits**

*(Question No. 1201)*

Senator Keeffe asked the Minister representing the Minister for National Resources, upon notice:

1. What steps have the Aurukun Associates taken to reconsult and negotiate with the Aurukun Aborigines regarding royalties?

2. What steps have the Aurukun Associates taken to bring the Australian equity in the project up to the Government stated acceptable level of 50 per cent?

3. Have the Aurukun Associates asked to renegotiate the terms and conditions with the Queensland Government?

4. If the Aurukun Associates have not made any progress in any of these areas, what is the Government’s policy regarding the development of the Aurukun bauxite project under such circumstances?

**Senator Withers—The Acting Minister for National Resources** has provided the following answer to the honourable senator’s question:

1. Discussions were held at Aurukun on 10 and 11 May 1976 between representatives of the companies, mission authorities, the Aboriginal community and its advisers. Representatives of Commonwealth and State Departments responsible for Aboriginal Affairs also attended as observers.

The companies have put the view to the Aborigines that the project cannot, for cost reasons, provide further payments on a direct basis to the community. The companies have agreed to provide specific proposals on matters such as employment, housing and training for the next community meeting. Further discussions on question of access to companies’ technical data, mining plans, etc., were held in Melbourne on 26 October between the companies and the Aurukun community’s legal and technical advisers. Consultations between the companies and the community or its representatives is therefore continuing. (4) below is also relevant.

2. It would not be appropriate for Ministers to give details of actual or potential foreign investment proposals. However, any proposal by the Aurukun Associates to develop bauxite deposits would be subject to the Government’s foreign investment policy as outlined by my colleague, the Treasurer, in his statement to Parliament on 1 April 1976. The policy provides that projects such as this will, in general, only be allowed to proceed provided they have a minimum of 50 per cent Australian equity together with at least 50 per cent of the voting strength on the Board held by Australian interests.

3. This is a matter for the Aurukun Associates and/or the Queensland Government.

4. Commonwealth Government policy regarding consultation with the Aurukun Aboriginal community remains in accordance with the Prime Minister’s statements in Parliament on 2 and 23 March 1976. As the companies have said that mining is not expected to begin before 1981, the opportunity exists for full consultation and consideration before any final decisions are necessary. Representatives of the mining companies concerned have made clear their intention to have extensive discussions with the Aurukun Aborigines before mining plans are formulated.

**Prime Minister’s Staff: Overtime**

*(Question No. 1227)*

Senator McLaren asked the Minister for Administrative Services, upon notice:

What has been the total amount of overtime worked and the amount paid to each member of the Prime Minister’s staff for the periods (a) 11 November 1975 to 30 June 1976, and (b) 1 July 1976 to date.

**Senator Withers—The answer to the honourable senator’s question is as follows:**

The tables below set out details of overtime and ministerial staff allowance paid to each member of the Prime Minister’s staff for the periods (a) 11 November 1975 to 30 June 1976 and (b) 1 July 1976 to 31 October 1976.

Ministerial staff allowance, currently $4010 per annum, is payable in lieu of overtime to the occupants of some positions. Overtime payments have been made in accordance with the relevant awards.

(a) Overtime paid to Mr Fraser’s staff—Period 11 November 1975 to 30 June 1976:

<table>
<thead>
<tr>
<th>Officer/Employee</th>
<th>Overtime/Ministerial staff allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>D. Budd</td>
<td>2,453.29*</td>
</tr>
<tr>
<td>D. Kemp</td>
<td>2,453.29*</td>
</tr>
<tr>
<td>L. Simington</td>
<td>1,472.66*</td>
</tr>
<tr>
<td>P. Georgiou</td>
<td>1,752.84*</td>
</tr>
</tbody>
</table>

[Table continued]
Overtime/Ministerial staff allowance

<table>
<thead>
<tr>
<th>Officer/Employee</th>
<th>Overtime/Ministerial staff allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>S. Vaughan</td>
<td>$8</td>
</tr>
<tr>
<td>D. Barnett</td>
<td>20,058.35</td>
</tr>
<tr>
<td>A. Drysdale</td>
<td>5,992.72</td>
</tr>
<tr>
<td>M. Hazell</td>
<td>1,472.66*</td>
</tr>
<tr>
<td>W. Clarke</td>
<td>1,472.66*</td>
</tr>
<tr>
<td>F. Reynolds</td>
<td>5,217.30</td>
</tr>
<tr>
<td>A. Bennett</td>
<td>4,580.29</td>
</tr>
<tr>
<td>C. Quayle</td>
<td>6,001.97</td>
</tr>
<tr>
<td>B. Morcom</td>
<td>803.47</td>
</tr>
<tr>
<td>P. Rust</td>
<td>1,721.36</td>
</tr>
<tr>
<td>L. Hiddlestone</td>
<td>3,938.20</td>
</tr>
<tr>
<td>K. Gebert</td>
<td>2,845.87</td>
</tr>
<tr>
<td>S. Law-Smith</td>
<td>983-24</td>
</tr>
<tr>
<td>J. McIntyre</td>
<td>251.61</td>
</tr>
<tr>
<td>J. Curry</td>
<td>1,264.04</td>
</tr>
<tr>
<td>C. Hays</td>
<td>597.63</td>
</tr>
<tr>
<td>J. Percy</td>
<td>3,596.17</td>
</tr>
<tr>
<td>J. Gardner</td>
<td>1,123.85</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>72,506.76</strong></td>
</tr>
</tbody>
</table>

* Ministerial staff allowance.

Note: During the period of the caretaker Government, that is from 11 November 1975 to 22 December 1975, the Prime Minister received some staff assistance from within his own Department. The cost of overtime associated with this assistance is not included in the table above.

(b) Overtime paid to Mr Fraser's staff—Period 1 July 1976 to 31 October 1976:

<table>
<thead>
<tr>
<th>Officer/Employee</th>
<th>Overtime/Ministerial staff allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>D. Budd</td>
<td>$1,376.83*</td>
</tr>
<tr>
<td>D. Kemp</td>
<td>1,376.83*</td>
</tr>
<tr>
<td>I. Simington</td>
<td>149.06</td>
</tr>
<tr>
<td>K. Heydon</td>
<td>1,480.47*</td>
</tr>
<tr>
<td>P. Georgiou</td>
<td>1,376.83*</td>
</tr>
<tr>
<td>S. Vaughan</td>
<td>1,376.83*</td>
</tr>
<tr>
<td>M. Hazell</td>
<td>7,853.06</td>
</tr>
<tr>
<td>W. Clarke</td>
<td>9,143.29</td>
</tr>
<tr>
<td>F. Reynolds</td>
<td>1,692.29</td>
</tr>
<tr>
<td>A. Bennett</td>
<td>3,729.09</td>
</tr>
<tr>
<td>C. Quayle</td>
<td>3,291.08</td>
</tr>
<tr>
<td>P. Rust</td>
<td>1,817.73</td>
</tr>
<tr>
<td>L. Hiddlestone</td>
<td>1,847.20</td>
</tr>
<tr>
<td>K. Gebert</td>
<td>1,709.22</td>
</tr>
<tr>
<td>S. Law-Smith</td>
<td>783.33</td>
</tr>
<tr>
<td>J. Curry</td>
<td>1,474.31</td>
</tr>
<tr>
<td>C. Hays</td>
<td>1,582.80</td>
</tr>
<tr>
<td>J. Gardner</td>
<td>429.60</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>45,642.51</strong></td>
</tr>
</tbody>
</table>

* Ministerial staff allowance.

The figures in the above tables have been extracted manually in my Department from Treasury computer print-outs.

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**Fraser Island National Park**
(Question No. 1230)

Senator Colston asked the Minister representing the Minister for Environment, Housing and Community Development, upon notice:

Is the Minister aware that the Queensland Government has granted a mining purposes lease and a forestry grazing permit in the Fraser Island National Park to Murphysores Incorporated Pty Ltd as outlined in the Courier-Mail on 15 October 1976. If so,

(a) what are the details,
(b) when did the Minister first learn of the Queensland Government's actions, and
(c) what steps does the Minister intend taking as a result of the Queensland Government's actions.

Senator Carrick—The Minister for Environment, Housing and Community Development has provided the following answer to the honourable senator's question:

I was not aware, except from the Press report referred to in the question, of the matter raised by the honourable senator. Since this question was asked, the general situation has of course changed as the Government decided to accept the recommendations of the Fraser Island Environmental Inquiry.

In a ministerial statement announcing the Government’s decision on 10 November (Hansard p. 2549), I noted that I would consult the Queensland Government to seek joint Commonwealth/State action to develop an agreed management plan for Fraser Island, having in mind the preservation of the Island's natural features and the oversight of Island activity. I expect that the matter raised by the honourable senator will be considered in the context of these discussions on a management plan.

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**Australian Development Assistance Agency**
(Question No. 1236)

Senator Missen asked the Minister representing the Minister for Foreign Affairs, upon notice:

(1) What savings have been achieved by relegating the Australian Development Assistance Agency to incorporation in the Department of Foreign Affairs.
(2) What changes in staffing have occurred as a consequence.
(3) What losses of expertise on international aid have occurred as a consequence of the changeover and to what extent have they been replaced by foreign affairs generalists.
(4) Has the change led to increases in Australian or other consultancy services in the aided countries. If so, what additional payments are to be made in 1976-77 for consultancy services.

Senator Withers—The Foreign Minister has provided the following answer to the honourable senator’s question:

(1) Following the decision by the Government to establish a Bureau of Overseas Aid within the Department of Foreign Affairs to take over the functions of the Australian Development Assistance Agency, it is estimated that there will be a saving of up to $700,000 in 1976-77 arising from the reduction in staff.
(2) As a result of this decision and the overall economies within the Public Service, the staff establishment of the Australian Development Assistance Agency has been reduced
from 739 to 635 positions. Also the Aid Policy Section of the Department of Foreign Affairs has been abolished, resulting in a saving of one position.

(3) These changes have not resulted in any loss of experts on international aid or their replacement by foreign affairs generalists.

(4) Although it is becoming increasingly necessary to call upon consultancy firms rather than individually contracted experts to carry out project preparation and project management functions, this is not work which in the past was done by staff of the Australian Development Assistance Agency.

Department of the Northern Territory: Staff Ceiling

(Question No. 1250)

Senator Button asked the Minister representing the Minister for the Northern Territory, upon notice:

What is the projected staff ceiling for the Department of the Northern Territory at 30 June 1977.

Senator Webster—The Minister for the Northern Territory has provided the following answer to the honourable senator's question:

I refer the honourable senator to the Prime Minister's reply to Question No. 1246 (Senate Hansard of 9 November 1976, page 1774).

Queensland Government Submissions for Assistance

(Question No. 1270)

Senator Colston asked the Minister representing the Prime Minister, upon notice:

Has the Queensland Government made any submissions since 11 November 1975 for funding assistance for (a) the Julius Dam at Mount Isa, (b) the Bundaberg irrigation scheme, (c) transport services in Brisbane, and (d) repair of storm damage at Toowoomba; if so, what are the details.

Senator Withers—The Prime Minister has provided the following information for answer to the honourable senator's question:

(a) Yes; (b) Yes; (c) Yes; (d) Yes.

The details of correspondence between a Premier and Prime Minister are normally regarded as confidential and for this reason I do not intend to provide details.

Australian Capital Territory: Child Care

(Question No. 1300)

Senator Ryan asked the Minister for Social Security, upon notice:

(1) Has the Australian Capital Territory Advisory Committee on Child Care met since the Child Care Office was formed.

(2) If it has met, has it made any recommendations to the Minister on the priority of child care projects in the Territory.

(3) If it has not met, can the Minister inform the Senate whether it is likely to be convened in the near future and whether it is to retain its function of recommending priority programs to the Minister.

Senator Guiffoyle—The answer to the honourable senator's question is as follows:

(1) The Australian Capital Territory Advisory Committee on Child Care has not met since the Office of Child Care was formed on 2 June 1976.

(2) See answer to (1) above.

(3) A meeting was held on Thursday, 25 November. The Committee is an advisory body and will continue to act in this capacity.

Darwin and Alice Springs Councils: Staff Lay-Off

(Question No. 1350)

Senator Kilgarriff asked the Minister representing the Minister for the Northern Territory, upon notice:

Was it reported in the Northern Territory News of 4 November 1976 under the heading 'Massive Lay-offs in Darwin, Alice?' that Senator J. B. Keeffe said that the Darwin and Alice Springs Councils would be forced by lack of funds to lay off massive numbers of workers in the near future. If so, will the Minister deny or confirm the statement.

Senator Webster—The Minister for the Northern Territory has provided the following answer to the honourable senator's question:

It was reported in the Northern Territory News of 4 November 1976 under the heading 'Massive Lay-offs in Darwin, Alice?' that Senator J. B. Keeffe said that the Darwin and Alice Springs Councils would be forced by lack of funds to lay off massive numbers of workers in the near future. However, the statement was incorrect. Both Councils currently are not replacing staff wastage, but no staff have been made redundant because of restrictions on funds. Non-replacement of outside staff is the practice in Darwin during the wet season.

Timorese Refugees: Rentals Charged

(Question No. 1351)

Senator Kilgarriff asked the Minister representing the Minister for the Northern Territory, upon notice:

In view of reports that Timorese refugees are being charged high rentals, and that the Rent Controller is investigating the matter, will the Minister obtain a copy of the Controller's report and make it available to the Senate.

Senator Webster—The Minister for the Northern Territory has provided the following answer to the honourable senator's question:

Following a report in the Northern Territory News of 21 November that some Timorese refugees were paying exorbitant rentals for two houses—one at Fannie Bay and the other at Rapid Creek—the Northern Territory Rent Controller investigated the matter.

It was found that two Timorese families occupied each of the two houses and the rents charged amounted to $60 and $80 per week respectively. At the time neither house had been fair-rented, but subsequently valuations of both premises have been undertaken by the Valuer-General and the houses have, in fact, been fair-rented at $60 and $80 per week. In view of this, no further action has been taken in these instances.

Further investigations are proceeding to locate other Timorese families and to check the rentals they are being charged.
Northern Territory: Daylight Saving
(Question No. 1364)

Senator Colston asked the Minister representing the Minister for the Capital Territory, upon notice:

Why did daylight saving not commence in the Northern Territory on 1 November 1976.

**Senator Webster**—The Minister for the Northern Territory has provided the following answer to the honourable senator’s question:

The Northern Territory has not participated in the daylight saving scheme of the States.

This can be explained by two meteorological aspects. The first is that most of the Northern Territory is west of the meridian of longitude chosen for Central Standard Time and so the local apparent time of sunrise or any other event is later than Standard Time. This means that Darwin, for example, already enjoys a natural daylight saving in that its true local time is about 30-minute behind Standard Time.

The second aspect is that in the tropical zone there is much less variation in the times of sunset and sunrise throughout the year than in southern Australia. The times adopted for various activities, such as office hours, take advantage of these aspects. There is no need to adopt daylight saving merely to conform with the States.

To alter the Standard Time would require amendment to existing legislation. In 1971 the Government introduced a Bill into the then Northern Territory Legislative Council for daylight saving on a trial basis in a similar manner to that then proposed by the States and the Australian Capital Territory. The Bill was defeated. It has since been considered as a local matter for elected members of the Legislative Assembly to decide. The question has been raised from time to time, but there are no proposals for daylight saving this summer.

**Housing Allowance Voucher Experiment**
(Question No. 1366)

Senator Colston asked the Minister representing the Minister for Environment, Housing and Community Development, upon notice:

Why was Hobart included, along with Sydney and Melbourne, in the housing allowance voucher experiment recently announced by the Australian Government.

**Senator Carrick**—The Minister for Environment, Housing and Community Development has provided the following answer to the honourable senator’s question:

Melbourne, Sydney and Hobart have been selected as sites for the Housing Allowance Voucher Experiment. The Experiment is intended to test the feasibility and desirability of using housing allowances as a housing policy instrument suitable for Australia. A housing allowance experiment with different aims from the Australian one is being conducted in the United States of America. National housing allowance programs of various forms already exist in several European countries.

Sites have been selected in order to test housing allowances under a range of different demand and market supply conditions and to test the effectiveness of housing allowances in meeting the various needs of different population groups. Clearly, the two largest metropolitan areas provide a good testing field as they represent a large proportion of the nation’s housing market.

The third site is envisaged to test the impact of a housing allowance program on the local market. For this purpose a city with a population not higher than 300,000 was required. Hobart’s rental population consists of approximately 14,000 households of which some 7000 would be eligible under the HAVE criteria. As this number includes the occupants of Housing Authority dwellings, the planned sample of approximately 1500 households will cover a substantial proportion of the eligible rental population in the private market. It is expected that both effects—on the one hand the effect on the housing consumption of participants and, on the other, the reaction of the market to housing allowances, can be assessed. Hobart’s population characteristics come close to the national average in many significant categories. Further, I believe that the housing market in Hobart is as well-balanced as other cities of the required size.

**Great Barrier Reef: Oil Spillages**
(Question No. 1382)

Senator Colston asked the Minister representing the Minister for Environment, Housing and Community Development, upon notice:

Has the Minister’s attention been drawn to comments by Dr Alistair Gilmour, Assistant Director of Marine Pollution Studies in the Victorian Conservation Ministry, as reported in the Courier-Mail on 10 November 1976, that there is an urgent need for research into potential effects of continuing oil spillages on the Great Barrier Reef. If so,

(a) what are the details of research into this subject currently being undertaken with funds provided by the Australian Government;

(b) has the Government made any attempt to encourage the oil industry to fund such research; and

(c) does the Minister intend taking any steps as a result of the claims and suggestions made by Dr Gilmour in his Paper to the Marine Oil Pollution Convention in Brisbane on 9 November 1976.

**Senator Carrick**—The Minister for Environment, Housing and Community Development has provided the following answer to the honourable senator’s question:

The Minister has seen the comments by Dr Gilmour. While there is no such research currently being undertaken with Commonwealth Government funds, an investigation has been underway for some months into the possibility of such research being done. No funds have been requested as yet from the oil industry, but they have been consulted concerning the need for such research.

**Food Shortages in Poland**
(Question No. 1394)

Senator Colston asked the Minister representing the Minister for Overseas Trade the following question, upon notice:

Is the Minister aware of food shortages in Poland, as outlined in an article entitled ‘Poland’s Complaint’ in Newsweek magazine of 15 November 1976. If so, what action is the Australian Government taking to encourage the Polish Government to buy Australian produce.

**Senator Cotton**—The Acting Minister for Overseas Trade has provided the following
information in answer to the honourable senator’s question:

I am aware that Polish agricultural production has suffered in recent times as a result of adverse weather conditions. The Government has received regular reports on the situation, particularly in respect of commodities of prime interest to Australia such as meat and grains.

Australia is not a traditional supplier of foodstuffs to Poland. However, over the last 12 months substantial quantities of butter and meat have been sold to Poland. The Australian Trade Commissioner in Warsaw has worked closely with the Australian commercial interests and Polish authorities involved in these contracts.

In view of the need for Poland to import meat, and having regard to the current circumstances of the Australian meat industry, the Minister for Overseas Trade recently invited senior Polish meat purchasing officials to visit Australia. During a program of contacts in Sydney, Melbourne, Adelaide and Brisbane in October 1976, the officials had discussions with the Australian Meat Board, beef producers, processors/packers, and other exporters of meat, as well as inspecting several abattoirs, meat processing establishments and a cattle stud. Since the visit of the Polish officials further substantial meat sales have been concluded.

Poland has also expressed interest in wheat supplies from Australia and the Department of Overseas Trade is investigating further opportunities to supply Poland’s import needs from Australia.

Pollution Levels at Gladstone
(Question No. 1403)

Senator Georges asked the Minister representing the Minister for Environment, Housing and Community Development, upon notice:

(1) Can the Minister provide information on pollution levels at Gladstone in Queensland.

(2) Can any figures relating to air and sea pollution be compared with World Health Organisation standards.

Senator Carrick—The Minister for Environment, Housing and Community Development has provided the following answer to the honourable senator’s question:

(1) I am not aware of any published information relating to pollution levels at Gladstone in Queensland. In this context the honourable senator will be aware that responsibility for the control of pollution in Queensland lies with the appropriate State authorities. It is my suggestion that he might pursue this matter further with the Air Pollution and Water Quality Control Councils of Queensland.

(2) In the absence of published information I am not able to form any comparison with World Health Organisation standards.

Through the Australian Environment Council, the Government is examining with the States ways in which air monitoring can be fostered and harmonised. This includes the establishment of a data bank as a co-operative venture, which, when fully operational, will provide a central reference point for such data as is observed on State and Territory air monitoring systems.

East Timor
(Question No. 1419)

Senator Georges asked the Minister representing the Minister for Foreign Affairs, upon notice:

(1) Can the Minister provide the Senate with a detailed account of the spending of the $80,000 already provided to the Indonesian Red Cross.

(2) Is the Minister aware of many reports that Indonesian Red Cross aid is being used by Indonesian soldiers.

(3) Can the Minister provide full assurances that the Australian assistance is not being used to assist Indonesian troops in their brutal activities in East Timor.

Senator Withers—The Minister for Foreign Affairs has provided the following answer to the honourable senator’s question:

(1) On 3 November in a letter to the Australian Ambassador in Jakarta, the Chairman of the Indonesian Red Cross (IRC) wrote that the money received from the Australian Government had been spent on 'purchasing medical cross supplies, hospital equipment and relief goods, as well as a part of the operational and transportation costs of our medical teams'.

(2) No. The only information the Government has received on the expenditure of funds by the IRC in East Timor concerns the Australian contribution of $83,000, details of which are given in (1).

(3) The IRC has assured us that the contributions from Australia are being used for humanitarian relief.

Electronic Voting Machines
(Question No. 1425)

Senator Colston asked the Minister for Administrative Services, upon notice:

Has the Minister, or the Australian Electoral Office, investigated the possibilities of introducing the use of electronic voting machines in Federal Elections in Australia, similar to machines used in United States elections. If so, what was the result of the investigation.

Senator Withers—The answer to the honourable senator’s question is as follows:

I have not considered in any detail the possibility of introducing electronic voting machines, but when the then Chief Australian Electoral Officer was overseas in 1973, he did examine systems and machines which were available in the United States and in France.

The conclusion reached at that time was that no voting machine then available would accommodate our preferential voting system, although units could be adapted for first-pass-the-post voting.

It was also considered that although more sophisticated machines capable of coping with a full preferential ballot could be designed, the cost would be prohibitive.

The Australian Electoral Office will continue to keep abreast of overseas developments.

Australian Ambassador to Yugoslavia
(Question No. 1495)

Senator Colston asked the Minister representing the Minister for Foreign Affairs, upon notice:

Is the Department of Foreign Affairs trying to harass the Australian Ambassador to Yugoslavia, Mr Booker, into retirement as was claimed by Mr Booker in an article in the Courier-Mail dated 26 November 1976. If so, what are the details.
Senator Withers—The Foreign Minister has provided the following answer to the honourable senator’s question:

No.

Assistance to the Arts

Senator Withers—On 2 November 1976 Senator Messner asked the Minister representing the Prime Minister without notice:

(1) Will he provide the names of persons comprising the interdepartmental committee currently reviewing methods of encouraging private sector participation in the arts, particularly through taxation deductions for donations.

(2) Can the Minister say when this interdepartmental committee is expected to report to the Government.

(3) Is he in a position to divulge the names of corporations involved in a similar study known as the Myer Foundation study.

(4) Is it likely that results of this study will be available to the Government. If so, will they be made public.

The Prime Minister has provided the following information for answer to the honourable senator’s question

(1) and (2) Representatives of the Departments of the Prime Minister and Cabinet, Administrative Services and the Treasury make up the interdepartmental committee currently examining the possibility of taxation concessions or other incentives for the arts, and ways and means of encouraging individual and private enterprise and corporate patronage. The committee is expected to report to the Government early in the New Year.

(3) The Government has been informed by the Myer Foundation of a private study it is undertaking to ascertain the most efficient and productive ways to encourage private sector support for the arts. The Government understands that the study is being conducted solely by the Myer Foundation and is not aware of any corporations being involved at present.

(4) Those who are involved in the study have indicated that they will keep the Government informed of progress and will make the results available to the Government when completed. It will be a matter for the Myer Foundation as to whether the results will be made public.

Superphosphate Research

Senator Webster—On 9 November 1976 (Hansard page 1705) Senator Chaney asked me the following question, without notice:

Is the Minister for Science able to say what research is being carried out by the Commonwealth Scientific and Industrial Research Organisation or other bodies in Australia aimed at ensuring the most efficient use of superphosphate by farmers and the development of substitutes for superphosphate? Will the Minister make a statement to the Parliament on this subject, which is of fundamental importance to primary producers in Australia.

The following information is additional to my answer on 9 November:

CSIRO and State Departments of Agriculture have been actively engaged for many years on research aimed at improving the efficiency of superphosphate usage and to determine the place of alternative fertilisers in Australian agriculture.

By way of introduction, it should be noted that two important phases of superphosphate application are recognised. Firstly, the quantity needed to induce optimum plant yield in a new cropping or improved pasture system (this is called the ‘establishment’ phase). Secondly, the quantity and frequency of subsequent applications needed to maintain optimum economic production (this is called the ‘maintenance’ phase).

An important component of the efficiency of superphosphate usage is the residual value of applied fertiliser. This is influenced by such site factors as soil type, climate, form of land use and previous fertiliser history. Much research is being carried out by CSIRO and State Departments of Agriculture on this aspect including work on the frequency of application needed to maintain optimum production, the development of soil phosphorus testing services to indicate to farmers how much superphosphate need be applied, and the development of predictive models with a similar function but which include a much wider set of factors. The residual value of applied fertiliser becomes operative in the ‘maintenance’ phase of agriculture.

Examples of such research within CSIRO include work by the Division of Plant Industry based in Canberra on the development of methods of monitoring the phosphorus status of pasture soils in New South Wales, the Division of Soils based in Adelaide on the development of reliable soil phosphorus analytical tests and the Division of Land Resources Management based in Perth on the development of a predictive model ‘Decide’. The work in Perth has been developed in close co-operation with the Western Agricultural Department of Agriculture which has developed a farmer advisory service using the ‘Decide’ model with promising results. The two research agencies are continually seeking to improve the predictive accuracy by further field experiments.

Another example of research in this area is the National Soil Fertility Project conducted co-operatively by CSIRO and State Departments of Agriculture. This project related wheat yields to site factors such as soil properties, climate, topography and fertilisers applied. Again, the results of the project have helped State Departments in making fertiliser recommendations to farmers.

Here again CSIRO and State Departments of Agriculture have experimented for many years to assess the value and the potential place of alternatives to superphosphate in Australian agriculture.

Increasing interest is developing in the use of high analysis phosphatic fertilisers such as double and triple superphosphate, potassium phosphate and ammonium phosphate. These fertilisers are highly water soluble and at least as effective on an equivalent phosphorous basis as superphosphate. They have lower transport, handling and application costs per unit of phosphorus content, but these advantages are partially offset by higher production costs per unit of phosphorus. The relative economics of single and double phosphate at present largely depend on transport costs. One disadvantage of the high analysis fertilisers is that they have lower amounts of sulphur than superphosphate and so their continued use would lead, in many areas, to an early sulphur deficiency in the soil.

Other alternatives to superphosphate that have been closely investigated are mainly ground rock phosphate and calcined rock phosphate (that is, rock phosphate that has been heat treated to improve the availability of the phosphorus to plants). Neither of these materials seem to be a fully acceptable substitute for superphosphate mainly because of their lower phosphorus availability and their lack of sulphur. However, they have a higher, residual value and appear to show promise in certain defined situations, such as
in areas with high rainfall and sandy soils and also in mixtures with superphosphate to be used as a maintenance dressing on sheep pastures in the higher rainfall areas.

CSIRO, in particular, is experimenting with two other alternatives—biosuper and organic nitrogen/phosphorus compounds. Biosuper appears to have its main role in higher rainfall areas in tropical Australia.

**Export Development Grants**

**Senator Cotton—On 11 November 1976 Senator Missen asked the Minister representing the Minister for Overseas Trade the following question, without notice:**

Can he inform the Senate whether the applications for export development grants applicable for the year 1975-76 are being approved. If so, can the Minister say when these payments to exporters will commence?

The Acting Minister for Overseas Trade has provided the following information in answer to the honourable senator’s question:

The Export Development Grants Board is currently receiving applications for grants covering eligible export promotion expenditure incurred by claimants during the year 1975-76.

Claimants have been requested to lodge these claims for grants with the Board by 30 November 1976.

The Board has commenced processing the initial claims received in respect of the year 1975-76 and it has determined the grant entitlement of approximately 110 claimants as at 22 November. Payments of approved claims are now being made.

**Prime Minister’s Overseas Visits**

(Question No. 878)

**Senator Cameron asked the Minister representing the Prime Minister, upon notice:**

(1) How many official trips has the Prime Minister undertaken since 13 December 1975.

(2) What was the period of each trip and where did the Prime Minister visit.

(3) How many people (a) accompanied the Prime Minister on each trip, or any parts thereof; (b) what were their names; and (c) on what portion of the trip did each travel.

(4) Were any normal commercial flights re-routed to accommodate the Prime Minister’s itineraries, and were staff re-organised for this purpose. If so, what staff for what journeys and at what dates and times.

(5) What portion of each trip was by (a) charter, and (b) commercial aircraft.

(6) What was the seating capacity of commercial aircraft used for each trip.

(7) How many other paying passengers travelled on each trip and how many vacant seats were there in (a) first class and (b) economy class, on each trip.

(8) What was (a) the cost of each trip; (b) the total cost of all trips; and (c) what costs were incurred under part (4).

**Senator Withers—The Prime Minister has provided the following information for answer to the honourable senator’s question:**

(1) Five.

(2) and (3) The names and designations of persons who accompanied me on each visit are as follows:

Malaysia (Kuala Lumpur) and Singapore: 15-19 January 1976

The Honourable Andrew Peacock, MP—Minister for Foreign Affairs

The Honourable E. G. Whitlam, QC, MP—Leader of the Opposition

Mr A. P. Renouf, OBE—Secretary, Department of Foreign Affairs

Mr A. T. Griffith—First Assistant Secretary, Department of the Prime Minister and Cabinet

Mr Dale Budd—Principal Private Secretary, Prime Minister’s Office

Mr J. H. Scholtens, CVO—Director, Government Ceremonial and Hospitality

Mr I. Simington—Private Secretary, Prime Minister’s Office

Mr David Barnett—Press Secretary, Prime Minister’s Office

Mr R. Whittington—Private Secretary to Mr Whitlam

Miss Cathy Quealy—Assistant to the Private Secretary, Prime Minister’s Office

Mr D. S. Evans—Ministerial Security Officer, Department of Administrative Services

Inspector G. Davidson—Security Officer

Sergeant J. Sexton—Security Officer

Mr P. Cross—The Australian (Canberra–Darwin)

New Zealand (Rotorua): 8-11 March 1976

Mrs Fraser

Mr J. L. Menadue—Secretary, Department of the Prime Minister and Cabinet

Mr J. O. Stone—Deputy Secretary, Department of the Treasury

Mr Dale Budd—Principal Private Secretary, Prime Minister’s Office

Mr A. T. Griffith—First Assistant Secretary, Department of the Prime Minister and Cabinet

Mr J. H. Scholtens, CVO—Director, Government Ceremonial and Hospitality

Mr David Barnett—Press Secretary, Prime Minister’s Office

Miss Anne Bennett—Assistant to the Press Secretary, Prime Minister’s Office

Miss Lesley Hiddlestone—Assistant Private Secretary, Prime Minister’s Office

Miss Susannah Law-Smith—Personal Secretary to Mrs Fraser

Inspector G. Davidson—Security Officer (Auckland–Sydney)

Senior Constable F. J. Mc Ardle—Security Officer

Japan (Tokyo, Kyoto), China (Peking, Tai Yuan, Urumchi, Canton) and Hong Kong: 14-29 June 1976

Mrs Fraser

The Honourable Andrew Peacock, MP—Minister for Foreign Affairs

Mr J. L. Menadue—Secretary, Department of the Prime Minister and Cabinet

Mrs Menadue

Mr A. P. Renouf, OBE—Secretary, Department of Foreign Affairs

Mr J. O. Stone—Deputy Secretary, Department of the Treasury (Tokyo and Kyoto only)

Mr B. J. Hill—First Assistant Secretary, Department of Overseas Trade

Mr Dale Budd—Principal Private Secretary, Prime Minister’s Office

Mr C. G. Woodard—First Assistant Secretary, Department of Foreign Affairs

Mr J. H. Scholtens, CVO—Director, Government Ceremonial and Hospitality

6 December 1976 SENATE 2681
Answers to Questions

Mr D. P. McElligott—Acting Assistant Secretary, Department of the Prime Minister and Cabinet
Mr David Barnett—Press Secretary, Prime Minister’s Office
Dr David Kemp—Senior Adviser, Prime Minister’s Office
Mr Petro Georgiou—Adviser, Prime Minister’s Office
Mr J. S. Ridley—Senior Private Secretary, Office of the Minister for Foreign Affairs
Dr J. Ray—Consultant Physician
Miss Fiona Reynolds—Personal Secretary, Prime Minister’s Office
Miss Anne Bennett—Assistant to the Press Secretary, Prime Minister’s Office
Miss Cathy Quay—Assistant to the Private Secretary, Prime Minister’s Office
Miss Susannah Law-Smith—Personal Secretary to Mrs Fraser
Inspector G. Davidson—Security Officer
Sergeant B. Carpenter—Security Officer
Mr B. Wilson—Security Officer

Other passengers accompanying me between Osaka and Peking were:
Miss N. Doust—Senior Secretary, Australian Embassy, Tokyo; and
Press Party: Mr D. Baker, Mr B. Bayly, Mr W. Beeby, Mr K. Begg, Mr P. Bowers, Mr D. Brown, Mr R. Carleton, Mr P. Costigan, Mr R. Drew, Mr C. Fryman, Mr P. Hardacre, Mr P. Harvey, Mr M. Hunt, Mr B. Jones, Mr J. Jost, Mr T. Kavanagh, Mr P. Lorant, Mr P. Morley, Mr M. Peterson, Mr L. Power, Mr R. Rea, Mr J. Shaw.

In summary 24 persons (other than press representatives) accompanied me for all or part of the visit. This may be compared with the 53 persons (other than press representatives) who accompanied the former Prime Minister, Mr Whitlam, on all or part of his visit to Japan and China in October/November 1973.

Canada (Montreal) and the United States of America (Washington, New York, Boston): 22 July-6 August 1976
Mrs Fraser
*The Honourable Andrew Peacock, MP—Minister for Foreign Affairs
Mr J. L. Menadue—Secretary, Department of the Prime Minister and Cabinet
*Mr A. P. Renouf, OBE—Secretary, Department of Foreign Affairs
Sir Arthur Tanque, CBE—Secretary, Department of Defence
†Mr J. D. Moore—First Assistant Secretary, Department of the Treasury
Mr Dale Budd—Principal Private Secretary, Prime Minister’s Office
†Mr A. T. Griffith—First Assistant Secretary, Department of the Prime Minister and Cabinet
Mr W. G. N. Orr, CVO, MBE, ED—Deputy Director, Government Ceremonial and Hospitality
Mr David Barnett—Press Secretary, Prime Minister’s Office
†Dr David Kemp—Senior Adviser, Prime Minister’s Office
Mr Alister Drysdale—Press Officer, Prime Minister’s Office
†Mr Petro Georgiou—Adviser, Prime Minister’s Office
*Mr J. S. Ridley—Senior Private Secretary, Office of the Minister for Foreign Affairs
*Dr J. Ray—Consultant Physician
†Miss Lesley Hiddlestone—Assistant Private Secretary, Prime Minister’s Office
Miss Susannah Law-Smith—Personal Secretary to Mrs Fraser
†Miss Louise Percy—Assistant to the Press Officer, Prime Minister’s Office
Inspector G. Davidson—Security Officer
Senior Constable R. Heggie—Security Officer
Mr D. Ashman—Security Officer

*Washington and New York only.
†Washington, New York and Boston only.
Note: For my private visit from 30 July to 4 August 1 was accompanied by Mrs Fraser, Inspector Davidson and Senior Constable Heggie.

In summary, a total of 21 persons accompanied me for all or part of the visit. This may be compared with the 28 persons (other than press representatives) who accompanied the former Prime Minister, Mr Whitlam, on all or part of his visit to Mexico, the USA and Canada in July/August 1973.

Indonesia (Jakarta): 7-11 October 1976
Mrs Fraser
*The Honourable Andrew Peacock, MP—Minister for Foreign Affairs
†Mr J. O. Stone—Deputy Secretary, Department of the Treasury
Mr A. T. Griffith—First Assistant Secretary, Department of the Prime Minister and Cabinet
Mr A. R. Persons—First Assistant Secretary, Department of Foreign Affairs
Mr J. H. Scholtens, CVO—Director, Government Ceremonial and Hospitality
Mr Ken Heydon—Private Secretary, Prime Minister’s Office
Dr David Kemp—Senior Adviser, Prime Minister’s Office
Mr David Barnett—Press Secretary, Prime Minister’s Office
Mr Petro Georgiou—Adviser, Prime Minister’s Office
Mr Alister Drysdale—Press Officer, Prime Minister’s Office
*Mr Leslie Rowe—Private Secretary, Office of the Minister for Foreign Affairs
Dr J. Ray—Consultant Physician
Miss Anne Bennett—Assistant to the Press Secretary, Prime Minister’s Office
Miss Cathy Quay—Assistant to the Private Secretary, Prime Minister’s Office
Miss Kathy Gebert—Assistant Private Secretary, Prime Minister’s Office
†Mr Alan St George—Personal Secretary, Office of the Minister for Foreign Affairs
†Inspector G. Davidson—Security Officer
Senior Constable R. Jackson—Security Officer
Mr N. Unwin—Security Officer
*Travelled independently
†Jakarta—Canberra only

(4) The Qantas flight scheduled to leave from Tokyo to Sydney on Saturday, 19 June 1976 was re-scheduled on 11 May 1976 for departure at 2230 hours on Sunday 20 June. There was no re-routing of the commercial flight and the airline view was that re-scheduling was not unreasonable given the lead time and available options for the five passengers holding bookings.

On Sunday, 20 June, the aircraft took the party by charter flight from Osaka to Peking. It re-positioned in Tokyo and left that night for Australia. Qantas staffing arrangements were routine for flights of this nature.

(5) Malaysia and Singapore: An RAAF aircraft was used throughout.

New Zealand: An RAAF aircraft—Melbourne/Auckland/Sydney.

Japan and China: Charter—Osaka/Peking; Commercial aircraft—Sydney/Tokyo and Hong Kong/Brisbane.

Indonesia: An RAAF aircraft was used throughout.

(6) Seats available for sale on commercial aircraft used for each trip were as follows:

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<th>Economy</th>
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<td>Melbourne/Auckland</td>
<td>Boeing 707</td>
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<tr>
<td>Auckland/Melbourne</td>
<td>Boeing 747B</td>
<td>32</td>
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<tr>
<td>Sydney/Tokyo</td>
<td>Boeing 707</td>
<td>20</td>
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<tr>
<td>Hong Kong/Brisbane</td>
<td>Boeing 707</td>
<td>20</td>
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<tr>
<td>Sydney/San Francisco</td>
<td>Boeing 747B</td>
<td>32</td>
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<tr>
<td>San Francisco/Sydney</td>
<td>Boeing 747B</td>
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(7) Trip:

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<th>No. of other paying passengers</th>
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<td></td>
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<td>Auckland/Melbourne</td>
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<td>Sydney/Tokyo</td>
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<td>Sydney/Nadi</td>
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<td>Nadi/San Francisco</td>
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<td>188</td>
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<td>San Francisco/Sydney</td>
<td>21</td>
<td>366</td>
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(8) (a) The air travel cost of each trip was as follows:

Malaysia and Singapore: BAC 1-11, $17,614.

New Zealand: Commercial fares, $6,080.

Japan and China: Net charter cost, $21,206; Commercial fares, $39,940.

The total air travel cost of $61,146 may be compared with an estimated total cost of $109,850 had I followed the practice of my predecessor in using a charter flight throughout the visit.

Canada and the United States of America: Expected charter cost: $20,748; Commercial fares: $33,609.

The total air travel cost of $74,357 may be compared with an estimated total cost of $174,580 had I followed the practice of my predecessor in using a charter flight throughout the visit.

Indonesia: BAC 1-11, $15,027.

(b) The Appropriation Bill (No. 1) 1976-77 and the Appropriation Bill (No. 1) 1977-78 will show, against the Department of Administrative Services, expenditure in the preceding financial years for overseas travel by Ministers and their personal staff. Expenditure on behalf of other persons will be shown in the Bills against the appropriate Departments. This is the normal practice, followed under this and previous Governments. Detailed costs have not yet been finalised but would include such items as travelling allowances, accommodation, reciprocal hospitality, gifts, fares and excess baggage, car hire and miscellaneous expenses, which are normal for overseas missions.

(c) See my answer to part 4.