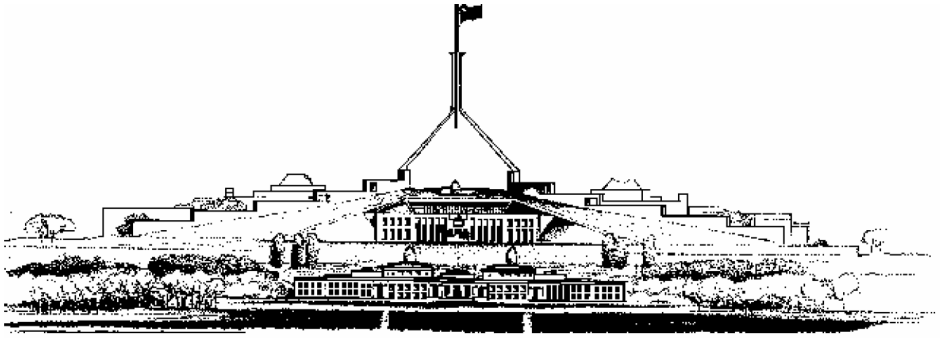
COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



Senate

Official Hansard

No. 50, 1973
Thursday, 13 December 1973

TWENTY-EIGHTH PARLIAMENT
FIRST SESSION—SECOND PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

PARLIAMENT OF THE COMMONWEALTH

TWENTY-EIGHTH PARLIAMENT

FIRST SESSION: SECOND PERIOD

Governor-General

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

Second Whitlam Ministry

(From 5 March to 8 October 1973)

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

Second Whitlam Ministry

(From 9 October to 18 October 1973)

Prime Minister and Minister for Foreign Affairs ..	The Honourable Edward Gough Whitlam, Q.C.
Deputy Prime Minister, Minister for Defence, Minister for the Navy, Minister for the Army and Minister for Air	The Honourable Lance Herbert Barnard
Minister for Overseas Trade	The Honourable James Ford Cairns
Minister for Social Security	The Honourable William George Hayden
Treasurer	The Honourable Frank Crean
Leader of the Government in the Senate, Attorney-General and Minister for Customs and Excise	Senator the Honourable Lionel Keith Murphy, Q.C.
Special Minister of State, Vice-President of the Executive Council, Minister Assisting the Prime Minister and Minister Assisting the Minister for Foreign Affairs	Senator the Honourable Donald Robert Willesee

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

Second Whitlam Ministry

(From 19 October to 5 November 1973)

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

Second Whitlam Ministry

(From 6 November to 29 November 1973)

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

Second Whitlam Ministry

(From 30 November 1973)

Prime Minister	The Honourable Edward Gough Whitlam, Q.C.
Deputy Prime Minister and Minister for Defence	The Honourable Lance Herbert Barnard
Minister for Overseas Trade	The Honourable James Ford Cairns
Minister for Social Security	The Honourable William George Hayden
Treasurer	The Honourable Frank Crean
Leader of the Government in the Senate, Attorney-General and Minister for Customs and Excise	Senator the Honourable Lionel Keith Murphy, Q.C.
Minister for Foreign Affairs	Senator the Honourable Donald Robert Willesee
Minister for the Media	Senator the Honourable Douglas McClelland
Minister for Northern Development and Minister for the Northern Territory	The Honourable Rex Alan Patterson
Minister for Repatriation and Minister Assisting the Minister for Defence	Senator the Honourable Reginald Bishop
Minister for Services and Property and Leader of the House	The Honourable Frederick Michael Daly
Minister for Labour	The Honourable Clyde Robert Cameron
Minister for Urban and Regional Development	The Honourable Thomas Uren
Minister for Transport	The Honourable Charles Keith Jones
Minister for Education	The Honourable Kim Edward Beazley
Minister for Tourism and Recreation, Vice-President of the Executive Council and Minister Assisting the Treasurer	The Honourable Francis Eugene Stewart
Minister for Aboriginal Affairs	Senator the Honourable James Luke Cavanagh

Minister for Primary Industry	Senator the Honourable Kenneth Shaw Wriedt
Minister for the Capital Territory	The Honourable Gordon Munro Bryant, E.D.
Minister for Minerals and Energy	The Honourable Reginald Francis Xavier Connor
Minister for Immigration	The Honourable Albert Jaime Grassby
Minister for Housing and Construction	The Honourable Leslie Royston Johnson
Minister for Secondary Industry and Minister for Supply	The Honourable Keppel Earl Enderby
Postmaster-General, Special Minister of State and Minister Assisting the Prime Minister	The Honourable Lionel Frost Bowen
Minister for Health	The Honourable Douglas Nixon Everingham
Minister for the Environment and Conservation ..	The Honourable Moses Henry Cass
Minister for Science and Minister Assisting the Minister for Foreign Affairs in matters relating to Papua New Guinea	The Honourable William Lawrence Morrison

MEMBERS OF THE SENATE

TWENTY-EIGHTH PARLIAMENT—FIRST SESSION: FIRST PERIOD

President—Senator the Honourable Sir Magnus Cameron Cormack, K.B.E.

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

Chairmen of Committees—Senator Edgar Wylie Prowse

Temporary Chairmen of Committees—Senators William Walter Charles Brown, Condon Bryan Byrne, Hartley Gordon James Cant, Gordon Sinclair Davidson, Peter Drew Durack, Alexander Greig Ellis Lawrie, Honourable John Edward Marriott, Albert George Poke, Arthur George Poyser, Lawrence Degenhardt Wilkinson and Ian Alexander Christie Wood

Leader of the Opposition—Senator Reginald Greive Withers

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

Leader of the Australian Democratic Labor Party—Senator the Honourable Vincent Clair Gair

Deputy Leader of the Australian Democratic Labor Party—Senator Francis Patrick McManus

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

Anderson, Hon. Sir Kenneth McColl, K.B.E. (N.S.W.)‡
Bishop, Hon. Reginald (S.A.)†
Bonner, Neville Thomas (Qld)†
Brown, William Walter Charles (Vic.)‡
Buttfield, Dame Nancy Eileen, D.B.E. (S.A.)†
Byrne, Condon Bryan (Qld)†
Cameron, Donald Newton (S.A.)‡
Cant, Hartley Gordon James (W.A.)‡
Carrick, John Leslie (N.S.W.)‡
Cavanagh, Hon. James Luke (S.A.)†
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.)‡
Drury, Arnold Joseph (S.A.)‡
Durack, Peter Drew (W.A.)‡
Fitzgerald, Joseph Francis (N.S.W.)†
Gair, Hon. Vincent Clair (Qld)‡
Georges, George (Qld)†
Gietzelt, Arthur Thomas (N.S.W.)‡
Greenwood, Hon. Ivor John, Q.C. (Vic.)‡
Guilfoyle, Margaret Georgina Constance (Vic.)‡
Hannan, George Conrad (Vic.)†
Jessop, Donald Scott (S.A.)‡
Kane, John Thomas (N.S.W.)†
Keeffe, James Bernard (Qld)‡
Laucke, Condor Louis (S.A.)†
Lawrie, Alexander Greig Ellis (Qld)‡
Lillico, Alexander Elliot Davidson (Tas.)‡
Little, John Albert (Vic.)†
McAuliffe, Ronald Edward (Qld)‡
McClelland, James Robert (N.S.W.)‡
McClelland, Hon. Douglas (N.S.W.)†
McLaren, Geoffrey Thomas (S.A.)‡
McManus, Francis Patrick (Vic.)‡
Marriott, Hon. John Edward (Tas.)‡
Maunsell, Charles Ronald (Qld)†
Milliner, Bertie Richard (Qld)†
Mulvihill, James Anthony (N.S.W.)‡
Murphy, Hon. Lionel Keith, Q.C. (N.S.W.)†
Negus, Sydney Ambrose (W.A.)‡
O'Byrne, Justin (Tas.)‡
Poke, Albert George (Tas.)†
Poyser, Arthur George (Vic.)†
Primmer, Cyril Graham (Vic.)‡
Prowse, Edgar Wylie (W.A.)†
Rae, Peter Elliot (Tas.)†
Sim, John Peter (W.A.)†
Townley, Michael (Tas.)‡
Turnbull, Reginald John David (Tas.)†
Webster, James Joseph (Vic.)†
Wheeldon, John Murray (W.A.)‡
Wilkinson, Lawrence Degenhardt (W.A.)†
Willesee, Hon. Donald Robert (W.A.)†
Withers, Reginald Greive (W.A.)†
Wood, Ian Alexander Christie (Qld)‡
Wriedt, Hon. Kenneth Shaw (Tas.)†
Wright, Hon. Reginald Charles (Tas.)†
Young, Harold William (S.A.)†

Dates of retirement of senators—† 30 June 1974. ‡ 30 June 1977.

THE COMMITTEES OF THE SESSION

(FIRST SESSION: SECOND PERIOD)

STANDING COMMITTEES

DISPUTED RETURNS AND QUALIFICATIONS—Senator Drury, Senator Fitzgerald, Senator Mulvihill, Senator O'Byrne, Senator Sim, Senator Rae, Senator Webster.

HOUSE—The President, Senator Keeffe, Senator Guilfoyle, Senator Jessop, Senator Laucke, Senator McLaren, Senator O'Byrne.

LIBRARY—The President (*Chairman*), Senator Davidson, Senator Gair, Senator Milliner, Senator Mulvihill, Senator Wheeldon, Senator Young.

PUBLICATIONS—Senator Milliner (*Chairman*), Senator Cameron, Senator Cant, Senator Davidson, Senator Drury, Senator Little, Senator Lawrie.

PRIVILEGES—Senator Cant, Senator Devitt, Senator Greenwood, Senator Murphy, Senator O'Byrne, Senator Withers, Senator Wright.

REGULATIONS AND ORDINANCES—Senator Devitt (*Chairman*), Senator Brown, Senator Durack, Senator James McClelland, Senator Wheeldon, Senator Wood, Senator Wright.

STANDING ORDERS—The President, the Chairman of Committees, the Leader of the Government in the Senate, the Leader of the Opposition in the Senate, Senator Brown, Senator Cant, Senator Drake-Brockman, Senator Gair, Senator Greenwood, Senator Wheeldon, Senator Wilkinson.

LEGISLATIVE AND GENERAL PURPOSE STANDING COMMITTEES

CONSTITUTIONAL AND LEGAL AFFAIRS—Senator James McClelland (*Chairman*), Senator Brown, Senator Byrne, Senator Durack, Senator Wheeldon, Senator Wright.

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

FINANCE AND GOVERNMENT OPERATIONS—Senator Gietzelt (*Chairman*), Senator Cotton, Senator Devitt, Senator Guilfoyle, Senator Lawrie, Senator McAuliffe.

FOREIGN AFFAIRS AND DEFENCE—Senator Drury (*Chairman*), Senator Carrick, Senator Devitt (from 25 October), Senator Gietzelt (to 25 October), Senator Kane (from 23 October), Senator McManus (to 23 October), Senator Maunsell, Senator Poke (from 25 October), Senator Primmer, Senator Sim, Senator Wheeldon (to 25 October).

HEALTH AND WELFARE—Senator Brown (*Chairman*), Senator Sir Kenneth Anderson, Senator Dame Nancy Buttfield, Senator Donald Cameron, Senator Fitzgerald, Senator Townley.

INDUSTRY AND TRADE—Senator Wilkinson (*Chairman*), Senator Lillico, Senator McAuliffe, Senator McLaren, Senator Webster, Senator Young.

SOCIAL ENVIRONMENT—Senator Keeffe (*Chairman*), Senator Bonner, Senator Davidson, Senator Georges, Senator Little, Senator Mulvihill.

SELECT COMMITTEES

CIVIL RIGHTS OF MIGRANT AUSTRALIANS—Senator Townley (*Chairman*), Senator Durack, Senator Georges (from 13 to 19 August), Senator Kane, Senator James McClelland (to 13 August and from 19 August), Senator Mulvihill, Senator Webster, Senator Wheeldon.

FOREIGN OWNERSHIP AND CONTROL—Senator Cant (*Chairman*), Senator Byrne, Senator Cotton, Senator Guilfoyle, Senator McAuliffe, Senator Maunsell, Senator Poke, Senator Wilkinson.

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

SHIPPING SERVICES BETWEEN KING ISLAND, STANLEY AND MELBOURNE—Senator Wright (*Chairman*), Senator Rae, Senator Townley.

ESTIMATES COMMITTEES

ESTIMATES COMMITTEE A (Attorney-General's, Customs and Excise, Parliament, Prime Minister and Cabinet, and Science)—Senator James McClelland (*Chairman*), Senator Gair, Senator Georges, Senator Greenwood, Senator Guilfoyle, Senator McLaren, Senator Wheeldon, Senator Wright.

ESTIMATES COMMITTEE B (Special Minister of State, Foreign Affairs, Treasury, Services and Property, Capital Territory, and External Territories)—Senator Drury (*Chairman*), Senator Cotton, Senator McManus, Senator Maunsell, Senator Milliner, Senator Primmer, Senator Sim, Senator Wheeldon.

ESTIMATES COMMITTEE C (Media, Social Security, Education, Tourism and Recreation, Immigration, Postmaster-General's, and Health)—Senator Mulvihill (*Chairman*), Senator Cant, Senator Carrick, Senator Laucke, Senator Lawrie, Senator McAuliffe, Senator Townley, Senator Wilkinson.

ESTIMATES COMMITTEES—*continued*

ESTIMATES COMMITTEE D (Repatriation, Defence, Navy, Army, Air, Supply, and Labour)—Senator Donald Cameron (*Chairman*), Senator Sir Kenneth Anderson (to 13 August), Senator Dame Nancy Buttfield (from 13 August), Senator Byrne, Senator Devitt, Senator Georges, Senator Hannan, Senator Keeffe, Senator Marriott.

ESTIMATES COMMITTEE E (Works, Urban and Regional Development, Transport, Civil Aviation, Aboriginal Affairs, Housing, and Environment and Conservation)—Senator McAuliffe (*Chairman*), Senator Bonner, Senator Davidson, Senator Jessop, Senator Keeffe, Senator Little, Senator McLaren, Senator Poyser.

ESTIMATES COMMITTEE F (Primary Industry, Overseas Trade, Secondary Industry, Northern Development, Minerals and Energy, and Northern Territory)—Senator Cant (*Chairman*), Senator Devitt, Senator Durack, Senator Lillico, Senator Primmer, Senator Webster, Senator Wilkinson, Senator Young.

JOINT STATUTORY COMMITTEES

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

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

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

JOINT COMMITTEES

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

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

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

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

PARLIAMENTARY DEPARTMENTS

SENATE

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

HOUSE OF REPRESENTATIVES

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

PARLIAMENTARY REPORTING STAFF

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

LIBRARY

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

JOINT HOUSE

Secretary—R. W. Hillyer

THE ACTS OF THE SESSION

(FIRST SESSION: SECOND PERIOD)

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

Aged Persons Homes Act 1973 (Act No. 128 of 1973)—
An Act to amend the *Aged Persons Homes Act* 1954–1972.

Air Accidents (Australian Government Liability) Act 1973 (Act No. 134 of 1973)—
An Act to make provision with respect to the Liability in relation to Air Accidents of certain Authorities of Territories.

Air Navigation Act 1973 (Act No. 130 of 1973)—
An Act to amend the *Air Navigation Act* 1920–1971.

Air Navigation (Charges) Act 1973 (Act No. 179 of 1973)—
An Act relating to Charges in respect of certain Air Navigation Facilities and Services.

Airlines Agreements Act 1973 (No. 178 of 1973)—
An Act to amend the *Airlines Agreements Act* 1952–1972.

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

Albury–Wodonga Development (Financial Assistance) Act 1973 (Act No. 190 of 1973)—
An Act to provide Financial Assistance to the States of New South Wales and Victoria for Purposes connected with the Development of Albury–Wodonga.

Aliens Act 1973 (Act No. 132 of 1973)—
An Act to amend the *Aliens Act* 1947–1966.

Apple and Pear Export Charges Act 1973 (Act No. 196 of 1973)—
An Act to amend the *Apple and Pear Export Charges Act* 1938–1968 in relation to the Australian Apple and Pear Board and the Australian Apple and Pear Corporation.

Apple and Pear Stabilisation Act 1973 (Act No. 195 of 1973)—
An Act to amend the *Apple and Pear Stabilisation Act* 1971–1972 in relation to the Australian Apple and Pear Board and the Australian Apple and Pear Corporation.

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

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

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

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

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

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

Australian Citizenship Act 1973 (Act No. 99 of 1973)—
An Act to amend the *Citizenship Act* 1948–1969.

Australian National Airlines Act 1973 (Act No. 92 of 1973)—
An Act to amend the *Australian National Airlines Act* 1945–1972.

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

Banking Act 1973 (Act No. 116 of 1973)—
An Act to amend the *Banking Act* 1959–1967.

Banking Act (No. 2) 1973 (Act No. 193 of 1973)—
An Act to amend section 39 of the *Banking Act* 1959–1967, as amended by the *Banking Act* 1973.

Broadcasting Stations Licence Fees Act 1973 (Act No. 148 of 1973)—
An Act to amend the *Broadcasting Stations Licence Fees Act* 1964–1966.

Canning-Fruit Charge Act 1973 (Act No. 198 of 1973)—
An Act to amend the *Canning-Fruit Charge Act* 1959–1966.

Cellulose Acetate Flake Bounty Act 1973 (Act No. 102 of 1973)—
An Act to amend the *Cellulose Acetate Flake Bounty Act* 1956–1971.

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

Commonwealth Banks Act (No. 2) of 1973 (Act No. 117 of 1973)—
An Act to amend the *Commonwealth Banks Act* 1959–1968, as amended by the *Commonwealth Banks Act* 1973.

Commonwealth Employees' Furlough Act 1973 (Act No. 210 of 1973)—
An Act to amend the *Commonwealth Employees' Furlough Act* 1943–1968.

Commonwealth Teaching Service Act 1973 (Act No. 98 of 1973)—
An Act to amend the *Commonwealth Teaching Service Act* 1972.

Companies (Foreign Take-overs) Act 1973 (Act No. 199 of 1973)—
An Act to amend section 2 of the *Companies (Foreign Take-overs) Act* 1972.

Compensation (Australian Government Employees) Act 1973 (Act No. 105 of 1973)—
An Act to amend the *Compensation (Commonwealth Employees) Act* 1971–1972 in its application in relation to Members of the Forces within the meaning of Division 10 of Part III of the *Repatriation Act* 1920–1973 and their Dependants.

Conciliation and Arbitration Act 1973 (Act No. 138 of 1973)—
An Act to amend the *Conciliation and Arbitration Act* 1904–1972.

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

Customs Act 1973 (Act No. 162 of 1973)—
An Act to amend section 131A of the *Customs Act* 1901–1971.

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

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

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

Death Penalty Abolition Act 1973 (Act No. 100 of 1973)—
An Act to abolish Capital Punishment under the Laws of the Commonwealth and under certain other Laws in relation to which the Powers of the Parliament extend.

Defence (Re-establishment) Act 1973 (Act No. 101 of 1973)—
An Act to amend the *Defence (Re-establishment) Act* 1965–1968.

Delivered Meals Subsidy Act 1973 (Act No. 129 of 1973)—
An Act to amend the *Delivered Meals Subsidy Act* 1970–1972.

Diesel Fuel Tax Act (No. 1) 1973 (Act No. 143 of 1973)—
An Act to amend the *Diesel Fuel Tax Act (No. 1)* 1957–1972.

Diesel Fuel Tax Act (No. 2) 1973 (Act No. 144 of 1973)—
An Act to amend the *Diesel Fuel Tax Act (No. 2)* 1957–1972.

Egg Export Charges Act 1973 (Act No. 186 of 1973)—
An Act to amend the *Egg Export Charges Act* 1947–1965.

Excise Act (No. 2) 1973 (Act No. 145 of 1973)—
An Act to amend section 77B of the *Excise Act* 1901–1972, as amended by the *Excise Act* 1973.

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

Export Incentive Grants Act 1973 (Act No. 180 of 1973)—
An Act to amend the *Export Incentive Grants Act* 1971.

Extradition (Commonwealth Countries) Act 1973 (Act No. 172 of 1973)—
An Act to amend the *Extradition (Commonwealth Countries) Act* 1966–1972.

Extradition (Foreign States) Act 1973 (Act No. 171 of 1973)—
An Act to amend the *Extradition (Foreign States) Act* 1966–1972.

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

Fisheries Act 1973 (Act No. 218 of 1973)—
An Act relating to Fisheries in certain Australian Waters.

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

Handicapped Children (Assistance) Act 1973 (Act No. 137 of 1973)—
An Act to amend the *Handicapped Children (Assistance) Act* 1970.

High Commissioner (United Kingdom) Act Repeal Act 1973 (Act No. 156 of 1973)—
An Act to repeal the *High Commissioner (United Kingdom) Act* 1909–1966, and for purposes connected therewith.

Honey Export Charge Act 1973 (Act No. 183 of 1973)—
An Act to impose a Charge upon the Export of Honey.

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

Honey Industry Act 1973 (Act No. 185 of 1973)—
An Act to amend the *Honey Industry Act* 1962–1972 in relation to moneys payable to the Australian Honey Board.

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

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

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

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

Income Tax Act 1973 (Act No. 166 of 1973)—
An Act to impose a Tax upon Incomes.

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

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

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

Industrial Research and Development Grants Act 1973 (Act No. 201 of 1973)—
An Act to amend the *Industrial Research and Development Grants Act* 1967–1972.

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

Land Commissions (Financial Assistance) Act 1973 (Act No. 192 of 1973)—
An Act to provide Financial Assistance to the States, in addition to that provided under the *Growth Centres* (*Financial Assistance*) *Act* 1973, in connexion with the Acquisition of Land in or near Urban Areas.

Lands Acquisition Act 1973 (Act No. 208 of 1973)—
An Act to amend the *Lands Acquisition Act* 1955–1966.

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

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

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

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

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

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

National Library Act 1973 (Act No. 217 of 1973)—
An Act to amend the *National Library Act* 1960–1967.

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

Papua New Guinea (Application of Laws) Act 1973 (Act No. 121 of 1973)—
An Act relating to Acts that have effect in Papua New Guinea.

Papua New Guinea Loans Guarantee Act 1973 (Act No. 124 of 1973)—
An Act to provide for the Giving of Guarantees by Australia with respect to Loans to be raised Overseas by Papua New Guinea, and for purposes connected therewith.

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

Papua New Guinea (Transfer of Banking Business) Act 1973 (Act No. 119 of 1973)—
An Act to transfer certain Business of the Reserve Bank of Australia, the Commonwealth Trading Bank of Australia and the Commonwealth Savings Bank of Australia to certain Banks in Papua New Guinea.

Parliamentary Proceedings Broadcasting Act 1973 (Act No. 94 of 1973)—
An Act to amend the *Parliamentary Proceedings Broadcasting Act* 1946–1960.

Pay-roll Tax Assessment Act 1973 (Act No. 163 of 1973)—
An Act to amend the *Pay-roll Tax Assessment Act* 1941–1969 in relation to Rebates of Tax by reference to Exports of Gold.

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

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

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

Post and Telegraph Regulations Act 1973 (Act No. 108 of 1973)—
An Act to amend certain Regulations under the *Post and Telegraph Act* 1901–1971.

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

Public Works Committee Act 1973 (Act No. 140 of 1973)—
An Act to amend the *Public Works Committee Act* 1969–1972.

Queensland Grant (Dawson River Weirs) Act 1973 (Act No. 206 of 1973)—
An Act to grant Financial Assistance to the State of Queensland in connection with the Construction of a Weir at Baralaba on the Dawson River, and of an Associated Weir.

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

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

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

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

Reserve Bank Act 1973 (Act No. 118 of 1973)—
An Act to amend the *Reserve Bank Act* 1959–1966.

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

Sales Tax (Exemptions and Classifications) Act (No. 2) 1973 (Act No. 181 of 1973)—
An Act to amend the *Sales Tax (Exemptions and Classifications) Act* 1935–1973 in relation to Carbonated Beverages.

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

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

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

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

Sheltered Employment (Assistance) Act 1973 (Act No. 136 of 1973)—
An Act to amend the *Sheltered Employment (Assistance) Act* 1967–1970.

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

Social Welfare Commission Act 1973 (Act No. 151 of 1973)—
An Act to establish a Social Welfare Commission.

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

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

States Grants (Advanced Education) Act 1973 (Act No. 93 of 1973)—
An Act to amend the *States Grants (Advanced Education) Act (No. 3)* 1972.

States Grants (Advanced Education) Act (No. 2) 1973 (Act No. 173 of 1973)—
An Act to amend the *States Grants (Advanced Education) Act* 1969–1972.

States Grants (Advanced Education) Act (No. 3) 1973 (Act No. 174 of 1973)—
An Act to amend the *States Grants (Advanced Education) Act (No. 3) 1972* as amended by the *States Grants (Advanced Education) Act* 1973.

States Grants (Advanced Education) Act (No. 4) 1973 (Act No. 175 of 1973)—
An Act to amend the *States Grants (Advanced Education) Act (No. 3) 1972* as amended by the *States Grants (Advanced Education) Act* 1973 and the *States Grants (Advanced Education) Act (No. 3) 1973.*

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

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

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

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

States Grants (Petroleum Products) Act 1973 (Act No. 112 of 1973)—
An Act to amend the *States Grants (Petroleum Products) Act* 1965–1969.

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

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

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

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

States Grants (Universities) Act (No. 3) 1973 (Act No. 176 of 1973)—
An Act to amend the *States Grants (Universities) Act (No. 2) 1972* as amended by the *States Grants (Universities) Act* 1973 and the *States Grants (Universities) Act (No. 2) 1973.*

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

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

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

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

Supply Act (No. 3) 1973–74 (Act No. 139 of 1973)—
An Act to make interim provision for the appropriation of moneys out of the Consolidated Revenue Fund for the service of the year ending on 30 June 1974.

Territory Authorities (Financial Provisions) Act 1973 (Act No. 133 of 1973)—
An Act relating to Moneys appropriated for the purposes of certain Authorities of the Territories.

Wheat Export Charge Act 1973 (Act No. 160 of 1973)—
An Act to amend the *Wheat Export Charge Act* 1968.

Wheat Industry Stabilisation Act 1973 (Act No. 159 of 1973)—
An Act to amend the *Wheat Industry Stabilisation Act* 1968–1970.

Wheat Tax Act 1973 (Act No. 153 of 1973)—
An Act to amend the *Wheat Tax Act* 1957–1966.

Wine Grapes Charges Act 1973 (Act No. 142 of 1973)—
An Act to amend the *Wine Grapes Charges Act* 1929–1969.

Wine Overseas Marketing Act 1973 (Act No. 141 of 1973)—
An Act to amend the *Wine Overseas Marketing Act* 1929–1966.

Wireless Telegraphy Act 1973 (Act No. 122 of 1973)—
An Act to amend the *Wireless Telegraphy Act* 1905–1967.

THE BILLS OF THE SESSION

(FIRST SESSION—SECOND PERIOD)

Australian Industry Development Corporation Bill 1973—
Iniated in the House of Representatives. Second Reading.

Commonwealth Electoral Bill (No. 2) 1973 [No. 2]—
Initiated in the House of Representatives. Second reading negatived.

Compensation (Commonwealth Employees) Bill 1973—
Initiated in the House of Representatives. In Committee.

Constitution Alteration (Democratic Elections) Bill 1973—
Initiated in the House of Representatives. Second reading negatived.

Constitution Alteration (Local Government Bodies) Bill 1973—
Initiated in the House of Representatives. Second reading negatived.

Constitution Alteration (Prices and Incomes) Bill 1973—
Initiated in the Senate. First Reading.

Constitution Alteration (Simultaneous Elections) Bill 1973—
Initiated in the House of Representatives. Second Reading.

Estate Duty (Termination) Bill 1973—
Initiated in the Senate. Withdrawn pending report by Committee.

Constitution Alteration (Mode of Altering the Constitution) Bill 1973—
Initiated in the House of Representatives. Passed with amendments. Laid aside by the House of Representatives.

Representation Bill 1973 (No. 2)—
Initiated in the House of Representatives. Second reading negatived.

Seas and Submerged Lands Bill 1973—
Initiated in the House of Representatives. Second Reading.

Seas and Submerged Lands (Royalty on Minerals) Bill 1973—
Initiated in the House of Representatives. Second Reading.

Seas and Submerged Lands (Royalty on Minerals) Bill 1973 [No. 2]—
Initiated in the House of Representatives. Second reading negatived.

Senate (Representation of Territories) Bill 1973 [No. 2]—
Initiated in the House of Representatives. Second reading negatived.

Superior Court of Australia Bill 1973—
Initiated in the Senate. Second Reading.

Trade Practices Bill 1973—
Initiated in the House of Representatives. Second Reading.

Trade Practices Bill 1973 [No. 2]—
Initiated in the House of Representatives. Second Reading.

Family Law Bill 1973—
Initiated in the Senate. Second Reading.

Health Insurance Bill 1973—
Initiated in the House of Representatives. Second reading negatived.

Health Insurance Commission Bill 1973—
Initiated in the House of Representatives. Negatived at second reading.

Human Rights Bill 1973—
Initiated in the Senate. Second Reading.

Lands Acquisition (Australian Capital Territory) Bill 1973—
Initiated in the Senate. Second reading negatived.

Legislative Drafting Institute Bill 1973—
Passed by the Senate. Not returned from the House of Representatives.

National Health Bill (No. 3) 1973—
Initiated in the Senate. Second reading.

National Investment Fund Bill 1973—
Initiated in the House of Representatives. Second Reading.

Parliament Bill 1973—
Initiated in the Senate. Nor returned from the House of Representatives.

Petroleum and Minerals Authority Bill 1973—
Initiated in the House of Representatives. Second Reading.

Racial Discrimination Bill 1973—
Initiated in the Senate. Second Reading.

CONTENTS

THURSDAY, 13 DECEMBER 1973

CHAMBER

QUESTIONS IN WRITING

Thursday, 13 December 1973

The PRESIDENT (Senator the Hon. Sir Magnus Cormack) took the chair at 10.15 a.m., and read prayers.

POLITICAL PRISONERS IN CHILE

Petition

Senator WHEELDON—I present the following petition from 5 citizens of the Commonwealth:

To the Honourable the President and Members of the Senate in Parliament assembled. The petition of the undersigned respectfully showeth:

That support should be given to the growing world movement for the return of democracy to Chile.

Your petitioners most humbly pray that the Senate, in Parliament assembled, should

(a) urge the Australian Government to make use of its office in Santiago to bring pressure to bear on the junta in power there for the immediate release of all political prisoners, and

(b) strongly urge that immediate approval be given to applications by these prisoners to migrate to Australia.

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

Petition received and read.

Senator WHEELDON—I have other documents containing a further 186 signatures indicating support for the subject matter of the petition. I ask for leave to have these documents attached to the petition.

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

AUSTRALIAN CAPITAL TERRITORY ANNUAL HOLIDAYS ORDINANCE

Notice of Motion

Senator WOOD (Queensland)—I give notice that on the next day of sitting I shall move:

That the Annual Holidays Ordinance 1973, as contained in Australian Capital Territory Ordinance No. 46 of 1973 and made under the Seat of Government (Administration) Act 1910-1972, be disallowed.

AUSTRALIA'S FOREIGN POLICY

Senator WITHERS—My question is directed to the Minister for Foreign Affairs. I refer to an answer which he gave me to a question that I asked on 8 November last in which he said that of course the Federal Government did not go round trying to upset governments. I also refer to the Prime Minister's provocative statement yesterday that black Africans were justified in taking up arms and killing in order to overthrow the governments of Rhodesia and South Africa. While the Liberal Party of Australia does not condone the apartheid policy of South Africa and Rhodesia, like all Australian people it is appalled at the Australian Prime Minister openly advocating violence and terror. Therefore, I ask: Was the answer which the Minister gave me on 8 November accurate or inaccurate? Does he agree or disagree with the Prime Minister advocating and condoning violence to remove these southern African governments? If the Prime Minister's statement is Government policy, in what other countries can we expect this Government to incite violence?

Senator WILLESEE—At long last we have got the Liberal Party Opposition to say that it opposes apartheid and the things associated with it.

(Opposition senators interjecting)——

Senator WILLESEE—I repeat that at long last we have got members of the Opposition to come this far away from their old cold war days when they were a government. Was my answer accurate that we did not want to go around upsetting governments? Yes, it was accurate, like all the answers I give to questions. Senator Withers asked me what I thought about something the Prime Minister had said. He knows perfectly well that he cannot ask me for an opinion on what anyone says, or for any opinion at all. We have consistently made our position clear regarding the situation in both Rhodesia and South Africa. We have consistently voted in the United Nations against violence. I have said that violence breeds violence. The Prime Minister said—and Senator Withers carefully avoided saying—that he hoped that the solution to the problems in South Africa did not lie in the realm of violence. That is one statement that the honourable senator conveniently forgot to mention. He must face up to the fact that when people in any country of the world are denied the right of the ballot to alter their governments, they are forced into a situation in which they take other measures. This will apply in Rhodesia; it will apply in South Africa; and it will apply, as it did recently in Thailand, in any country in the world where the people are denied that right. It is great to get an admission at long last from Senator Withers that at least the Opposition goes along on this, because from the way he behaves in this place, he is forever protecting the position, and he criticises everything we do in relation to Rhodesia and South Africa. I repeat that it is great to get that statement from him at long last.

BRIEFING OF COUNSEL

Senator GREENWOOD—Has the Attorney-General inquired about the matter I raised in this chamber on Tuesday last, namely, the inquiry made by the Deputy Crown Solicitor in Melbourne about the names of barristers who are members of or sympathetic to the Australian Labor Party? If so, does he still say that no such inquiry was made? If he does not say that, why and on whose directions and for what purposes was that inquiry made?

Senator MURPHY—The honourable senator by his questions now is retreating from what was put in this chamber last week, that is, the entirely false suggestion by him that some direction had been given by the Attorney-General's Department, if not by me, that only members of the Australian Labor Party should be briefed on behalf of the Commonwealth. I have said from the beginning that no such direction had been given by me. I said also that from what I knew of the facts of the matter it was inconceivable—that was not quite the word I used—but I said that it was not happening. I say again that that is the position. I trust that the honourable senator will not persevere with that entirely false suggestion. I have spoken to the President of the Victorian Bar Council on the matter. I have written to the Victorian Bar Council on the matter, and I propose to await the reply which I receive from that body.

Senator GREENWOOD—I ask leave to ask a supplementary question in order to get an answer to the question I have just asked.

The PRESIDENT—No, not to get an answer—to elucidate the matter which is involved in your question and which you feel has not been effectively answered. On that basis I accord you a supplementary question.

Senator GREENWOOD—The inquiry I made of the Attorney-General on Tuesday was not the inquiry which he just stated I had made. I asked him then and I ask him now: Has he inquired, as he promised on Tuesday he would, whether the Deputy Crown Solicitor in Melbourne inquired from barristers' clerks as to the indentity, the names, of barristers who are sympathetic to or members of the Australian Labor Party? I ask the Minister: Has he checked whether that inquiry was made and, if so, for what purposes was it made?

Senator MURPHY—The first issue raised here is that of supplementary questions. This is a matter which has been concerning the members of the Government. The notion that there should be a departure from the traditional practice that a Minister answers a question as he sees fit, and that a supplementary question be allowed simply on the basis that the questioner is not satisfied with the answer provided, is something which is of very great concern to members of the Ministry. We do not accept that Ministers are here to be interrogated in this fashion simply at the instance of the questioner. I repeat what I have said previously: I have engaged in correspondence with the President of the Victorian Bar Council and I do not propose at this stage to add to the answer that I have given.

Senator GREENWOOD—I seek leave to ask a further question, and I shall continue to seek leave until you say that I can no longer pursue the matter, Mr President. I simply asked a question and I have not been given a reply. I ask for leave to ask a further question in order to get a reply.

The PRESIDENT—Order! I have taken note of the matter raised by the Leader of the Government in the Senate, in which he has indicated to me that the Ministry is becoming concerned at the Presiding Officer allowing supplementary questions. I have given a ruling on this matter, and I will repeat the ruling in a moment. The allowing of supplementary questions is not an unusual device in many other Parliaments, not the least of which is the Mother of Parliaments. My ruling in this context, which I repeat, is as follows: Within reasonable limits supplementary questions will be allowed in order to elucidate an answer. The Chair recognises the questioner as having the first opportunity to seek the call to ask a supplementary question, and within the discretion of the Chair other supplementary questions may be allowed. That is the ruling which I have put down previously, and it is a ruling which I repeat here this morning. I shall maintain that ruling until such time as I am otherwise directed by the Senate.

Senator O'Byrne—Mr President——

The PRESIDENT—Yes, Senator O'Byrne.

Senator GREENWOOD—Mr President, I ask——

The PRESIDENT—Order! Senator Greenwood, are you raising a point of order?

Senator O'Byrne—I am raising a point of order.

Senator GREENWOOD—I am asking, pursuant to your ruling, for leave to ask a supplementary question. I accept your judgment in the light of what you have stated, Mr President. But I did ask a question and I have not been given an answer. My question was whether or not the

Attorney-General has inquired about the matter I raised and what is the result of that inquiry.

The PRESIDENT—I will consider that matter.

Senator GREENWOOD—My submission is that that is a question I ought to be allowed to ask.

The PRESIDENT—I call Senator O'Byrne.

Senator GREENWOOD—Are you ruling against it, Mr President?

The PRESIDENT—I am taking it under review for the time being. I call Senator O'Byrne on his point of order.

Senator O'Byrne—I raise a point of order. I would like to have your ruling on this matter, Mr President. Since only about half of question time in the Senate is replayed on the radio in the evening and since only two senators have so far asked questions—we have a piqued and frustrated refresher——

The PRESIDENT—Order! Address yourself to the point of order, Senator O'Byrne.

Senator O'Byrne—He is continuing to pose these questions, to which he has received the answer already. I would like to ask you, Mr President, whether questions could not be more evenly distributed so that honourable senators on this side of the chamber are allowed some portion of the remaining quarter of an hour that is now available.

The PRESIDENT—Order! Senator O'Byrne, that is a direct reflection on the impartiality of the Chair's evenhandedness, and I will not allow it. The point is that I give an evenhanded distribution of questions as long as honourable senators stand up to attract my attention. There is an evenhanded movement of questions from my left to my right as long as honourable senators on my right stand up. I will not acknowledge that you have a special privileged position to be allowed double, treble or quadruple the number of questions merely because honourable senators have not been satisfied in relation to their due rights under the relevant Standing Orders to ask questions. Senator Greenwood, I will take your matter into consideration later on. I now call Senator Drake-Brockman.

STATEMENT BY DR CAIRNS ABOUT VIETNAM

Senator DRAKE-BROCKMAN—Do the Minister for Foreign Affairs and the Government contend that the United States of America wants to control territory in South and North Vietnam? If not, will the Minister apologise to the United States for the statement made in Hanoi on Tuesday by the Australian Minister for Overseas Trade, Dr J. F. Cairns? Is not an apology necessary not only in the interests of Australia's foreign relations but also to attempt to repair the damage that Dr Cairns' statement will have done to our trade relations with other than communist countries?

Senator WILLESEE—I do not know of any way in which I could look into a crystal ball and tell the honourable senator what the United States of America or any other country will do in the future. I have seen a Press report that alleges that Dr Cairns said largely what Senator Drake-Brockman has said that he said. I do not think that the question of an apology arises. There is proper communication between the American Ambassador and myself on any matters which he wants to raise. There are also times when I raise matters with him. If there is any concern about this I have no doubt that Mr Green, the American Ambassador, will get in touch with me.

ADVERTISING BY THE GOVERNMENT

Senator McMANUS—I direct a question to the Minister for the Media. Is it the attitude of the Government that other things being equal preference in placing Government advertising should be given to public relations firms which have a majority Australian control? Bearing in mind the large volume of advertising now being placed by the Government with public relations firms which are owned abroad, is the Government taking any action to implement what I have heard stated by a number of Government members to be its attitude in this matter, namely, preference for Australian controlled firms?

Senator DOUGLAS McCLELLAND—I can say in answering the question asked by Senator McManus that Senator Greenwood has had a question on the notice paper along these lines for about a fortnight. It is my intention to provide an answer to Senator Greenwood's question today. I can tell the honourable senator that the Government has directed that Australian Government contracts should be awarded to the company with the greatest extent of Australian ownership in cases where Australian and overseas owned firms submit tenders which meet specifications and are equal in respect of price and availability. At the same time, the honourable senator will appreciate that in an assessment of quality of advertising there must be some appraisal of factors other than the tender price and matters of that nature. I point out that my Department has responsibility only for advertising

that is engaged in by Government departments and not by Commonwealth or statutory boards or corporations. I can tell the honourable senator that since this Government has been in office about 80 per cent of all Government advertising handled through my department has gone to Australian firms or companies with a majority Australian shareholding. If anything else is needed to answer the honourable senator's question, I think that he will find it in the answer that I am to provide to Senator Greenwood.

IDENTITY OF AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION OFFICER

Senator DEVITT—Does the Attorney-General recall that on 14 November last I directed a question to him asking him whether the identity of the officer of the Australian Security Intelligence Organisation who was alleged to have leaked information had been established and what were the consequences of this? Is he in a position to provide an answer to that question?

Senator MURPHY—Yes, I am able to do so. The identity of such a person has been established. The matter is still under consideration.

AUSTRALIA'S FOREIGN POLICY

Senator YOUNG—Has the Minister for Foreign Affairs seen reports that the Prime Minister, Mr Whitlam, on a British television program, supported the use of violence in the overthrow of the South African and Rhodesian governments? Is the Prime Minister's statement Government policy? Is this shocking support of violence one reason why the Minister for Overseas Trade, Dr J. F. Cairns, and the Government are still patting North Vietnam on the back while it continues illegally to wage war on South Vietnam when there has been a peace agreement?

Senator WILLESEE—I have already answered the question once. Does the honourable senator want me to go through it again? The answer is already in Hansard.

Senator Young—The Minister might do better this time.

Senator WILLESEE—I will repeat it all for the honourable senator if he wishes. An identical question was asked earlier in the day. I do not know why Senator Young did not take cognisance of it.

Senator Young—I have asked whether it is Government policy.

Senator WILLESEE—I have already been asked that. The honourable senator asked whether I had seen a report. Yes, I have seen a Press report, but I have not yet seen a transcript of the interview. I underline that it was a Press report. I have noted that, according to the Press report, Mr Whitlam said that he hoped that the problems of southern Africa could be solved without violence. I said that a little earlier. If Senator Young was not present when I said it——

Senator Young—I was present.

Senator WILLESEE—If he was present why has he asked an identical question, Mr President?

Senator Young—The Minister did not answer Senator Withers' question.

Senator WILLESEE—I suggest to the honourable senator that he look at the answer in Hansard tomorrow.

TELEVISION

Senator O'BYRNE—Has the attention of the Minister for the Media been drawn to an advance notice that tomorrow night's edition of 'This Day Tonight' is to be a satire on Australian life over the last 12 months under the Federal Labor Government? Further, has the Minister seen a statement attributed to the Producer-in-Chief of 'This Day Tonight' that, so far as the Australian Broadcasting Commission is, concerned, the days of political interference have been over since the present Government came into office? Will the Minister ensure the continuation of political and programming independence for the Commission?

Senator DOUGLAS McCLELLAND—My attention has been drawn to remarks attributed to Mr Symmons, the Producer of the 'This Day Tonight' program. I must say that I noted the statement with some pride. I must admit that, whilst from time to time I do not see eye to eye with each and every program of the Australian Broadcasting Commission or 'This Day Tonight', generally speaking the Commission and the journalists in the employ of the Commission do an excellent job. I do not doubt that if tomorrow night's program is a satire I will probably receive a large number of letters arising from it. In my opinion there is no reason why a topical subject should not be satirised, provided, of course, it is done in good taste. Under the present Government the Australian Broadcasting Commission has had, and I can assure the honourable senator it will continue to have, political and programming independence.

HOBART AIRPORT

Senator TOWNLEY—I ask a question of the Minister representing the Minister for Transport.

The Minister will no doubt remember that during the year I have attempted to find out when some action will be taken to update Hobart Airport. I now ask: Is the Minister yet able to say when some additions will be made to the buildings so that staff and passengers can be accommodated more satisfactorily and whether the Government has yet considered making the airport an international airport so that direct flights from New Zealand can be handled at Hobart?

Senator CAVANAGH—I thought a question on that subject had been put on notice and had been answered by the Minister for Transport. Yes, an answer was given to a question asked by Senator Rae on that subject. So the information is in the records. Rather than say anything that may contradict it, I refer the honourable senator's attention to the answer previously given.

TARCOOLA TO ALICE SPRINGS RAILWAY LINE

Senator JESSOP—I wish to direct a question to the Minister representing the Minister for Transport. I refer to the construction of a standardised railway line from Tarcoola in South Australia to Alice Springs in the Northern Territory which was approved by the former Liberal-Country Party Government. Can the Minister say whether the survey of that line has been completed? Does the Government intend to proceed with the project? When will construction commence?

Senator CAVANAGH—I suggest that the question be placed on notice. Again, I have some recollection of having answered a question similar to it. However, to get details of the survey and of what has been happening I suggest that the honourable senator place the question on notice.

AUSTRALIAN BROADCASTING COMMISSION: TELEVISION

Senator McAULIFFE—My question is addressed to the Minister for the Media. As a result of the Government's making additional money available to the Australian Broadcasting Commission, has the Commission been able to engage in a greater quantity and a higher quality of live productions thus employing more Australian writers, actors and directors? Is the Minister aware that the program 'Seven Little Australians' produced by the ABC was very well received throughout the Australian community? What endeavours, if any, are being made by the Commission to sell abroad top quality programs of this nature?

Senator DOUGLAS McCLELLAND—The answer to the first part of the honourable senator's question is yes. Most certainly as a result of the Government's making additional funds available to the Commission this financial year, the Commission has engaged in a greater amount of local programming than previously. I certainly agree with the honourable senator that the program 'Seven Little Australians' was very well received by a large section of the Australian community. The Commission has received many congratulatory letters and I have had laudatory comments from a large cross-section of the Australian community about the program. I understand that the ABC has sold 'Seven Little Australians' to Swedish television interests and that Twentieth Century Fox is interested in acquiring the distribution rights for this series of programs in North America and Latin America. On the question of programming I can tell the honourable senator that I hope to be able to make an announcement in the very near future of a very large co-production arrangement by the ABC concerning the dramatisation of a very famous Australian novel.

CITIZENSHIP

Senator DURACK—My question is directed to the Minister representing the Minister for Immigration. I refer to a so-called answer that I received yesterday from the Minister for Immigration to a question I had asked expressing some concern about advertisements in the Australian Press regarding the application of the new citizenship laws. Is it not a fact that the vast majority of British subjects in Australia came to this country from the British Isles and that they are not likely to appreciate having their status referred to as 'quaint' by the Minister for Immigration? Is it not a fact that the vast majority of British subjects in Australia have rights under the Electoral Act to be enrolled—in fact, an obligation to be enrolled—and to vote at elections for this Parliament? As this position has not been changed, would it not be proper for it to be fully explained in the advertisements?

Senator DOUGLAS McCLELLAND—The honourable senator will appreciate that only a certain amount of verbiage can be placed in any advertisement. I am given to understand that these advertisements are limited as to what information can be put in them. The idea of the advertisements is to get people to make inquiries of the Department so that they can be given appropriate answers. A person coming here from the British Isles must be here for a period of 6 months before becoming eligible to vote. I think

it is common knowledge that once a person who is eligible to vote enrols on the electoral roll then in this country it is compulsory for that person to vote. But it is not necessary for these people in the discharge of their electoral responsibilities to take out Australian citizenship. I think it is probably correct to say—although I have not got the figures—that the large majority of British subjects in this country have come from the United Kingdom.

CHILE: POLITICAL REFUGEES

Senator MULVIHILL—I direct a question to the Minister for Foreign Affairs. In the face of reports emanating from West Germany and elsewhere about the number of political refugees from Chile who have been given sanctuary, can the Minister now give the Senate any information on the performance of Australia in that field?

Senator WILLESEE—In Chile we have had about 50 inquiries from persons seeking asylum or wishing to leave the country. The embassy has been referring these requests to other missions which have been in a better position to assist these people. The reason why they are in a better position to assist is that they represent countries which are parties to the Montevideo and Caracas conventions. These are 2 conventions peculiarly South American which deal with the acceptance of asylees. However, we have now given instructions to the embassy that where this cannot be arranged because I understand some of the embassies are starting to pack up and the matter cannot be handled in this way, we ourselves will accept the asylees in our embassy.

LEARN TO SWIM CAMPAIGNS

Senator KANE—My question is directed to the Minister representing the Minister for Education. I preface my question by saying that all honourable senators will be aware of the increasing incidence of drownings in Australia during the summer months and the holiday periods. Honourable senators will also be sadly aware that among the drownings are a lot of children of school age. I ask the Minister to ask the Minister for Education whether he will contact his opposite numbers in the various States and investigate whether the States will agree to make competence in swimming compulsory in all Australian schools. In the meantime will the Government, where it has power such as in the Australian Capital Territory and its other Territories, initiate moves to have learning to swim made compulsory in the schools' education syllabus?

Senator DOUGLAS McCLELLAND—This is probably much more a matter for the State Ministers for Education than it is for the Commonwealth. After all, the States are responsible for administering the curricula. I say to the honourable senator who comes from New South Wales that regrettably, in certain State public schools, swimming was cut out. Certainly in one school of which I know swimming was cut out as a compulsory part of the sporting curriculum. I do not know whether my colleague the Commonwealth Minister for Education can influence the curricula to be engaged in by the various States, but I shall certainly refer this matter to him to see what can be done about it. I think that the more money is made available for educational purposes generally the more will students who have not been able to afford these things in the past be enabled to do so in the future.

Senator KANE—I wish to ask a supplementary question, Mr President.

The PRESIDENT—Senator Kane, do you claim that the matter has not been fully answered?

Senator KANE—Yes, the second part has not been answered.

The PRESIDENT—Without any preliminaries, what is the supplementary part?

Senator KANE—The Minister did not answer the second part of the question. I asked him, whether, in the meantime, the Australian Government in the Territories where it has power, such as the Australian Capital Territory, would initiate moves to make learning to swim a compulsory part of the syllabus.

Senator DOUGLAS McCLELLAND—I thought I told the honourable senator that I would refer his question to my colleague the Minister for Education.

UNITED KINGDOM ECONOMIC CRISIS

Senator CARRICK—I direct my question to the Leader of the Government in the Senate who, I note, appears to be studiedly preoccupied. I refer to the very grave economic crisis confronting Great Britain; a crisis which many observers believe may permanently cripple that nation. In view of the fact that by any test, including humanitarian considerations, the importance of a strong Britain in the western European alliance or because of the great traditions and common origins that bind Britain and Australia, will the Commonwealth Government initiate immediately top level discussions with Great Britain and with countries with common interests and

responsibilities to determine what practical steps can be taken by Australia and other countries to help resolve Britain's problems, particularly her energy crisis? I ask specifically whether Britain has sought increased coal exports from Australia. In view of Australia's proven reserves of steaming coal, estimated at something like 400 years, will the Government give urgent consideration to immediate exports of such coal? Has Australia currently an exportable surplus of refined automotive fuels? Could such export surpluses be increased? If so, will Australia consider making available to Britain that exportable surplus of such fuel?

Senator MURPHY—The honourable senator has raised a very important series of questions. As some deal with the matter of fuel it would be appropriate for them to be answered by the Minister for Minerals and Energy. Some of the others involve considerations relating to foreign affairs. As for the first and main part, the difficulties which the United Kingdom is facing, I would think that it would be hardly appropriate for Australia to initiate discussions about what are obviously the very severe problems which the United Kingdom is encountering. There is every sympathy in Australia, and certainly in the Australian Government, for those problems. I think I can safely say that of course Australia is conscious of the problems and would do whatever it could to assist, but I do not know that it really is a matter for the Australian Government to initiate the kind of discussions that the honourable senator has suggested. I will pass the matter on to the Prime Minister and if he has anything to add to what I have said he will do so.

VIETNAM: RECOGNITION OF PEOPLE'S REVOLUTIONARY GOVERNMENT

Senator SIM—My question, addressed to the Minister of Foreign Affairs, follows on from a question asked by Senator Drake-Brockman. Is Dr Cairns expressing the views of the Australian Government in stating that the United States Government's objective is to maintain as much Vietnamese territory as possible and that the Australian Govenment would probably recognise the People's Revolutionary Government in one form or another? If he is not expressing the view of the Australian Government, or the Government's policy, will the Minister say so?

Senator WILLESEE—In answering a question earlier I said that I did not know how I could be expected to look into the future and state the intentions of the American Government or of any other government. As for the People's Revolutionary Government, as I have said in answers here on several occasions, we recognise the 2 governments in Vietnam, that of North Vietnam and that of South Vietnam, and that is the way the situation is at the moment?

INTEREST RATE ON LOAN MONEYS

Senator WEBSTER—Has the attention of the Leader of the Government in the Senate been drawn to the fact that the Australian Government is offering to the States loan money, for the purpose of building sewerage treatment works, at an interest rate of approximately 8.5 per cent? Does the Minister recognise that the high interest rate charged to such authorities must flow on in increased costs to the Australian public? Can the Minister explain whether it is a peculiar trait of Labor Party policy that while forcing Australians to pay high rates of interest on borrowed money it is offering the communist government in Hanoi money at low rates of interest? I ask: Which brother does Labor love best?

Senator MURPHY—I am given to understand that a Bill concerning this matter will be introduced today. The simple answer to the honourable senator's question about whether my attention has been drawn to the rates of interest is no; or if my attention was drawn to the matter, it was not drawn as sharply as it might have been. The Australian Government is concerned at the high rates of interest which are prevailing. The Government has made clear that its desire is that interest rates be low. I think nobody likes the idea that interest rates of 8 per cent or 9 per cent or so on are being charged. The decision of governments in this area is governed by the desire to curb inflation and engage in some sensible economic management of the community. I would think that everyone would look forward to seeing interest rates reduced as soon as they can be and to as low a level as they can be.

Senator Webster—Mr President, you may have noted the thrust of my question was in a part which the Leader of the Government has not answered. I asked whether he was aware that we are offering loans at an interest rate of 8.5 per cent to Australian authorities but are apparently instructing Dr Cairns——

The PRESIDENT—Order! Do not make a statement. Are you requesting permission to ask a supplementary question?

Senator Webster—The Minister has said that he is unaware——

The PRESIDENT—Senator Webster, do you wish to ask a supplementary question?

Senator Webster—Mr President, it is supplementary only to the point that the Minister

did not say why we are offering communists low rates of interest.

The PRESIDENT—Order! You are debating the matter and that is not allowed.

AUSTRALIAN CITIZENSHIP LAWS

Senator DAVIDSON—I address my question to the Minister representing the Minister for Immigration. My question arises from concern with the nature of the reply given yesterday by the Minister to a question asked by Senator Durack relating to advertisements inviting applications for citizenship. Is it not a fact that the term 'British subject', which term the Minister described as 'completely anachronistic', appears in the Minister's own advertisement? Are Australian citizens described as 'Australian citizens with the status of British subjects'? To whom does the term 'British subject', as written in the advertisement, refer? Can the Minister give me some information on the position relating to the United Kingdom and Commonwealth country migrants as far as Australian citizenship is concerned? Is it a fact that after a transitional period after 1 December, British subjects will be treated the same as aliens as far as applications for citizenship are concerned?

Senator DOUGLAS McCLELLAND—I have already supplied some additional information to Senator Durack in reply to the question that he asked. I am not immediately aware of the answer to the honourable senator's question because I only represent the Minister for Immigration in this chamber. I suggest to the honourable senator that he would probably find most of the answers in the Australian Citizenship Bill 1973 that was introduced and debated at length in this chamber earlier this year and also in the second reading speech of the Minister at that time.

PRIME MINISTER: FOREIGN KNIGHTHOOD

Senator HANNAN—Does the Leader of the Government in the Senate recall that about a month ago I asked him whether Mr Whitlam carried a foreign knighthood, namely that he was a Knight of the Collar of St Agatha of Paterno? Does the Minister recall advising me in writing that the Prime Minister had nothing to add to his answer on this subject which he gave to Senator Gair on 6 March? Does the Minister recall that on 6 March the Prime Minister answered Senator Gair as follows:

> In August 1969 I was appointed a Knight Grand Cross of Grace in the Roll of Merit of the Military Order of the Collar of Saint Agatha of Paterno.

Does the Minister recall that 2 weeks ago I asked him, inter alia, why the Prime Minister accepted a foreign knighthood whilst rejecting recommendations for knighthood from the Queen of Australia? Does the Minister know that the 'Australian' newspaper of 30 November reported:

> A spokesman for Mr Whitlam said the Prime Minister had no knowledge of such an award.

I ask the Minister: Will he clear up this position speedily as the credibility of the Prime Minister, already badly shaken, would appear to be involved?

Senator MURPHY—In view of the importance which the honourable senator attaches to this matter, I ask that he place the question on notice.

BRIEFING OF COUNSEL

Senator WRIGHT—I direct a question to the Attorney-General. Has the Melbourne office of his Department made any inquiry of the Victorian Bar about the political affiliations of its members? If so, for what purpose was the inquiry made?

Senator MURPHY—I have indicated that I have spoken and written to the President of the Victorian Bar Council. In that context, I ask the honourable senator to place the question on notice.

UNITED KINGDOM ECONOMIC CRISIS

Senator LILLICO—My question is directed to the Leader of the Government in the Senate. I do not wish to detract from the sentiments which were expressed by Senator Carrick. Is it not beyond argument that the United Kingdom has been brought to a condition bordering on anarchy and perhaps dislocation as an economic unit, with portents of massive unemployment, by industrial chaos fostered by ultra-militant trade unionism?

Senator Poyser—Where did you get all this information?

Senator LILLICO—I am merely stating the facts. I ask the Leader of the Government in the Senate: Is it not correct that a moderate form of this malaise which could expand into chaos is the prime cause of Australia's inflation and that no amount of fiddling with price tribunals, revaluations and such matters will get down to the root cause of the trouble? Surely these facts——

The PRESIDENT—Order! Senator Lillico, you may make observations only if they are for the purpose of making the question intelligible. You are going beyond that now.

Senator LILLICO—Is the Minister aware that these facts are patent? When will the Government consider appropriate action to see that industrial laws are obeyed?

Senator MURPHY—The answer to the first 3 parts of the question, as I recall them, is no. The honourable senator is in the happy circumstance that he, together with the rest of Australia, can enjoy prosperity in this country under a Labor Government. We are enjoying full employment. Wages are higher. People are able to spend. Social service payments have been increased. One of the main problems which we are running into is some shortage of consumer goods because people are taking advantage of this great era of prosperity. I suppose it is interesting to compare the situation in Australia under a Labor Government with the situation in the United Kingdom which does not have the benefit of a Labor government. As for the prophecies of doom for the United Kingdom, I think that the people of the United Kingdom will, as they have in the past, overcome their troubles. It may require a change of government, but I think that they will overcome their problems. We hope that the Government and the people of the United Kingdom will solve their problems in their own way. I do not think it helps for us to get mixed up in their internal affairs.

AUSTRALIAN PARLIAMENTARY DELEGATION: FILM OF VISIT TO U.S.S.R.

Senator DEVITT—My question is addressed to you, Mr President. Is it a fact that a request has been received for the release for public viewing of the film which was made of the Australian Parliamentary Delegation's recent visit to the Union of Soviet Socialist Republics? Will this request be acceded to?

The PRESIDENT—I have authorised the showing of the film. It has been shown in the presence of the ambassador of the U.S.S.R. It has been presented to the Parliament. I shall make arrangements for the honourable senator to have a private viewing of the film if he cares to see it.

Senator Devitt—I understood there had been requests from television interests.

The PRESIDENT—I have seen none. I will look into the matter and let the honourable senator know by correspondence or verbally during the day.

MEAT EXPORTS

Senator LAUCKE—Has the attention of the Minister for Primary Industry been drawn to dire forecasts in today's 'Australian' of a major slump in export meat prices consequent on world-wide uncertainty about the shortage of fuel for ships? Is any action being taken to ensure the continued regular movement of meat to our major markets?

Senator WRIEDT—The article referred to by Senator Laucke was given to me just before I came into the chamber. I suggest that the accuracy of some of the material in that article is open to very grave doubt. Nevertheless, there is some validity in the points made in it. The honourable senator referred specifically to the question of shipping and the oil problem. I can say that the Government has this matter under close consideration. I think it is a matter of public knowledge that a group of Ministers met last week, and they will be meeting again next week, to consider what steps, if any, may be necessary to safeguard shipping space for Australian exports, both primary and secondary. I am not in a position to say any more than that at this stage, but the honourable senator may be assured that the Government certainly has this matter under consideration.

AGED PERSONS HOMES ACT

Senator GUILFOYLE—I address my question to the Minister representing the Minister for Social Security. I refer to the Aged Persons Homes Act, under which subsidies for buildings are granted. In view of constantly increasing building costs, will the Minister give urgent attention to a review of the acceptable upper cost limits which have applied since 1 January 1972? I am aware of applications which have not been approved but which have been referred to the Department of Works for design modification. The delay of some 6 months in finality will further increase the anticipated cost through rising building costs, and a review of the upper cost limit is urgently needed.

Senator DOUGLAS McCLELLAND—I think that earlier this year—I am speaking from recollection only—an amendment was brought through the House to the Aged Persons Homes Act. However, I stress that I am speaking purely from my recollection, having regard to the large volume of legislation that has been handled by the Parliament this year. Obviously this matter is one for my colleague, the Minister for Social Security in another place, and I will refer the honourable senator's question to him for a reply.

TUGGERANONG DOCTORS

Senator MARRIOTT—My question is addressed to the Minister representing the Minister for Health, and the Minister for the Capital

Territory may also have an interest in it. Will the Minister inform me as soon as possible whether doctors in the new Australian Capital Territory city of Tuggeranong will be allowed to conduct their medical practices in suitable rooms attached to private homes or in leased rooms in commercial buildings, as is common throughout Australia, or whether it will be mandatory that they practice only from health centres?

Senator DOUGLAS McCLELLAND—I will refer the matter to my colleague the Minister for Health. A Health Bill which somewhat relates to the matter is to be debated in the chamber today, and officers of the Health Department will be here later. If I can obtain the information from them at that time I will do so and provide the honourable senator with it.

ANGASTON TELEVISION RECEPTION

Senator LAUCKE—I desire to ask a question of the Minister for the Media. I refer to the very unsatisfactory television reception at Angaston, in the Barossa Valley, and the concern of residents at the lack of action to remedy this situation. I ask the Minister whether he will take up this matter with the appropriate authorities with a view to providing such booster or other facilities as will ensure reasonable reception.

Senator DOUGLAS McCLELLAND—The problem of television reception throughout a large area of Australia has been closely looked at by the Australian Broadcasting Control Board. I can tell the honourable senator that the results of a survey recently taken in the metropolitan area of Sydney, for instance, showed that 30 per cent, I think, of the viewing area was not receiving the highest quality reception that could be obtained. I am speaking from recollection, but I think 70 per cent of the people living within that 30 per cent of the viewing area could well have had their reception improved by renewing their antenna or renewing the wiring from the antenna to the television receiver. The experience of the Broadcasting Control Board generally has been that if people effect such repairs to their antenna and to the wiring connecting the antenna to the television receiver their television reception can be improved immensely. I am not immediately aware of the complaints of poor reception in the Barossa Valley area to which the honourable senator refers. I will discuss this matter with the Chairman of the Broadcasting Control Board to see whether technical officers of the Board can be made available to look at the area.

SUPPLEMENTARY QUESTIONS

The PRESIDENT—Order! Senator Greenwood indicated earlier that he wished to ask an additional question of the Attorney-General. I told him that I would give consideration to the matter he raised. I now inform honourable senators, as well as Senator Greenwood, of the established practice in the Senate, namely, that a Minister is not required to answer a question. It is entirely discretionary on Ministers whether they answer a question or whether they ask that it be put on notice. But a Minister having answered a question, I have taken the attitude that in order to elucidate the answer that is given a supplementary question may be asked. Senator Greenwood indicated to me that he would seek to ask a supplementary question later in the day. I now call Senator Greenwood.

BRIEFING OF COUNSEL

Senator GREENWOOD—My question, which is directed to the Attorney-General, relates to the promise that he gave in this chamber on Tuesday, and I hold him to his promise. Did he inquire whether the Deputy Crown Solicitor in Melbourne had sought the names of the barristers, on the lists kept by barristers' clerks in Melbourne, who were members of the Australian Labor Party or sympathetic to the Australian Labor Party? Has the Attorney-General made that inquiry? Does he still say that the inquiry was not made by the Deputy Crown Solicitor? If not, why was the inquiry made?

Senator MURPHY—Of course I have made inquiries. I tell the Senate as I did before, that I have been in touch with the Victorian Bar Council. The honourable senator can place the remainder of the question on notice.

'LANGUAGE OF LOVE'

Senator JESSOP—Is it a fact that the Attorney-General has flown in the face of the Commonwealth Film Censorship Board recommendation and has approved the showing of a film entitled 'Language of Love'? Is it also a fact that Mr Chipp, the former Minister for Customs and Excise, banned the film on the advice of the Board? Is the Minister also aware of the fact that Mr Chipp, who viewed the film himself, has described it as pornography from start to finish and that it is being promoted in an aura of respectability by the makers as a sex education film? Has the Attorney-General viewed this film himself? Can he inform the Senate why he ignored the Board's advice?

Senator MURPHY—In a minute or two question time will finish, and I was beginning to think

that no one would ask me about this topic, despite the publicity which it has had in the newspapers. It is true that a decision was made by the Commonwealth Film Censorship Board. It is true that I have seen the film. To put the position briefly, the suggestion of the Board that there should be a shortening of certain scenes would not, to my mind, affect the issue at all. The fact that a scene might be reduced from 5 minutes to 3 minutes duration did not seem to me to alter the character of it. If one were to take the view that it was offensive in its original form, it would remain offensive whether it lasted 3 minutes or 5 minutes. I took the view, and this was the advice, that this was a genuine effort by some distinguished Swedish medical practitioners. I think that I had the names of the very distinguished persons who were responsible for the production of this film. As I say, they are persons of the highest integrity.

The film has been shown elsewhere in the world. For the benefit of the honourable senator and others, I have made arrangements for it to be shown in Canberra tonight. If the sittings of the Senate permit I would ask honourable senators to attend at the National Library theatrette to see the film and make their own judgment on the matter. That invitation is extended to members of the other House as well. I believe that whilst it is a film that might offend some persons—undoubtedly it would—it ought to be available to those who wish to see it. It is in the 'R' category of film classification. No one is forced to see it. But if people wish to see the film—there are some very strong views that such films should be made available—it is my belief that the freedom of the citizen requires that he ought to be able to see such a film. The film classification is there. The citizen is put on notice. It is to be shown to persons over 18 years of age. In any event, the opportunity is there for the honourable senator to see the film. Whether or not he agrees with the course that I have taken, I think that it is probably important that members of Parliament see what the area of controversy is in regard to this and other films.

ASSENT TO BILLS

Assent to the following Bills reported:

Industries Assistance Commission Bill 1973.
Customs Tariff Bill (No. 2) 1973.

INTERNATIONAL MONETARY FUND

Senator WILLESEE (Western Australia—Minister for Foreign Affairs)—Pursuant to section 10 of the International Monetary Agreements Act 1947, I present the report on the operations of the Act and of the operations, insofar as they relate to Australia, of the International Monetary Fund and the International Bank for Reconstruction and Development for the year ended 30 June 1973.

NATIONAL FITNESS IN AUSTRALIA

Senator DOUGLAS McCLELLAND (New South Wales—Minister for the Media)—On behalf of my colleague the Minister for Tourism and Recreation (Mr Stewart) and pursuant to section 6 of the National Fitness Act 1941, I present the report entitled 'National Fitness in Australia' upon the work done under that Act during the period January 1972 to June 1973.

COMMONWEALTH CONCILIATION AND ARBITRATION COMMISSION

Senator BISHOP (South Australia—Minister for Repatriation)—For the information of honourable senators I present the seventeenth annual report of the President of the Commonwealth Conciliation and Arbitration Commission for the year ended 13 August 1973.

COMMONWEALTH EMPLOYMENT SERVICE

Senator BISHOP (South Australia—Minister for Repatriation)—For the information of honourable senators I present the report of the Advisory Committee on Commonwealth Employment Service Statistics.

REPORT OF DIRECTOR OF DEFENCE SERVICE HOMES

Senator CAVANAGH (South Australia—Minister for Aboriginal Affairs)—Pursuant to section 50B of the Defence Service Homes Act 1918-1973, I present the annual report of the Director of Defence Services Homes for the year ended 30 June 1973. An interim report was presented to the Senate on 26 September 1973.

REPORT OF DEPARTMENT OF THE ENVIRONMENT AND CONSERVATION

Senator CAVANAGH (South Australia—Minister for Aboriginal Affairs)—For the information of honourable senators I present a report entitled 'Environmental Protection—the First Year'. This is a summary of the Department of the Environment and Conservation's activities within the Labor Government's first year of office.

SYDNEY (KINGSFORD-SMITH) AIRPORT

Senator CAVANAGH (South Australia—Minister for Aboriginal Affairs)—For the information of honourable senators, I present the

interim report on Sydney (Kingsford-Smith) Airport by the Australian and New South Wales Governments Joint Committee Planning Sydney Airports. I bring to the attention of honourable senators that there is a 2 volume report to the Joint Committee on the first stage of the environmental study group's examination of environmental factors at sites under investigation by the Committee, entitled 'Report on the Environmental Impact Study Stage 1 Alternative Airport Sites for Sydney'. As the report consists of a summary report volume and a second volume of opinion statements by specialists containing seventeen separately bound parts, I am arranging for a copy to be placed in the Library for use by honourable senators.

I am also arranging for the placement of 2 other reports in the Parliamentary Library. These are the summary report on off-shore airport concept and inland airport concept for Sydney and the report on the engineering feasibility of an off-shore airport in the Sydney region.

ANGLO-AUSTRALIAN TELESCOPE AGREEMENT ACT

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise)—Pursuant to section 19 of the Anglo-Australian Telescope Agreement Act 1970-71, I present the report on the Anglo-Australian telescope project for the year ended 30 June 1973.

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

That the Senate take note of the report.

There are some aspects of this type of development about which I wish to make some comments. I seek leave to continue my remarks.

Leave granted; debate adjourned.

LEGAL AID

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise)—Mr President, I have indicated previously that I would endeavour to put down a statement today on legal aid. One has been prepared, but I do not seem to have it with me. I will probably seek leave later in the day to make a statement.

SENATE STANDING COMMITTEE ON INDUSTRY AND TRADE

Report on Leather Industry

Senator WILKINSON (Western Australia)—Mr President, I present the report of the Senate Standing Committee on Industry and Trade on the reference relating to the leather industry.

Ordered that the report be printed.

Senator WILKINSON—Mr President, I seek leave to move a motion that the Senate take note of the report.

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

Senator WILKINSON—I move:

That the Senate take note of the report.

This is the fourth full report brought in by the Committee this year and it concludes all matters referred to the Committee during 1972. The Committee was asked to determine the legislative and administrative measures necessary to protect the leather footwear and allied industries and, in particular, their access to Australian raw materials. The debate which preceded the reference of this matter to the Committee made it clear that the Senate was primarily concerned with the Australian tanning and leather footwear industries and the availability of green bovine hides and bovine leather. Accordingly, the Committee defined its broad terms of reference as requiring it to concentrate upon these aspects, and this it has done. Some comment has also been made concerning allied industries and the position of synthetic substitute leathers.

The committee has examined the claims of the tanning and footwear industries and has given due consideration to the interests of other sectors of the industry as well as to the interests of the consumers. The Committee has arrived at certain conclusions based upon this examination. Briefly stated, its main finding is that no case has been made as yet for the Government to take steps which would lead to a control of the export of hides and skins from Australia. In the event that an emergency situation threatened in regard to the availability of supply of green hides in the Australian market, the Committee is confident that the Government could move swiftly to control exports of hides if this was warranted. Within the past week or so, the Government has used its export powers to begin an inventory control over oil supplies which means that an oil company wishing to sell bunker oil to an overseas ship must apply for an export permit for that oil. This is an instance of quick response to a developing potential emergency situation and there is no reason to believe that the Government would react less quickly in regard to green hides or any other Australian raw materials in limited supply which might be threatened with undue export demand as a result of world wide shortages.

The Committee also considers that adequate legislative and administrative measures do exist

for dealing with whatever problems may arise in regard to imports of footwear, while we see the recently established Footwear Industry Advisory Panel as providing a major avenue of additional communication between the industry and the Government. Some attention is also given in the report to the future of the leather industry. The situation is one of change and threatened change to established traditions of production and use of leather and changes in the structure of the industry may need to evolve in order to ensure that the tanning industry in particular remains viable. Capital restructuring is no doubt necessary in some parts of the industry and has in fact been proceeding. In this regard, I note that the large Brisbane-based tanning company of Donald Dixon Industries Ltd is to embark on a $1.4m expansion program to increase plant capacity by 50 per cent. This is an evidence of the confidence which the Committee noted within the industry generally and it augurs well for the future of the Australian tanning industry. I seek leave to continue my remarks.

Leave granted; debate adjourned.

STANDING COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

Report on Death Duties

Senator GIETZELT (New South Wales)—I present the report and transcript of evidence from the Standing Committee on Finance and Government Operations relating to its inquiry into the imposition of death duties in Australia

Ordered that the report be printed.

Senator GIETZELT—I seek leave to move a motion that the Senate take note of the report.

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

Sentor GIETZELT—I move:

That the Senate take note of the report.

The inquiry into death duties, the Committee's first reference, was referred in October 1971. At that time death duties were being strongly criticised by the community at large and there was much public sentiment against them. It was understandable, therefore, that this inquiry, coming when it did, would bring forth many witnesses who gave evidence which tended to be based on emotional premises rather than objectivity. This was particularly evident in the presentation of case histories where, in the Committee's opinion, ignorance of the nature of the tax and poor estate administration were as much to blame for hardship as the tax itself. No tax is ever regarded as a good tax and this sort of attitude to death taxes was understandable, particularly at a time when Australian and State Government death tax legislation had not been revised for some considerable time and inflating estate asset values were causing increasing hardship by bringing more and more of the smaller estates into the ambit of the tax. Obviously these smaller estates were never intended to be taxed in the first place.

The rural recession which was in evidence before the inquiry began also gave rise to a spate of persuasive arguments for greater tax concessions for the rural producer and it was, not unnaturally, from this quarter that most arguments came for the abolition of death duties. This sort of community attitude was thoroughly understood by the Committee and my remarks are not in any way intended to reflect on the integrity of the many witnesses who came along to the Committee's public meetings and gave evidence to the best of their beliefs. However, in this report we have attempted to treat the evidence as objectively as possible but at the same time take account of major changes which occurred recently. Since the inquiry opened, the Australian Government and the majority of the State governments have significantly revised their tax laws so that the burden of death duties, particularly on the smaller estates is not as severe as it was. The economy of the rural sector has recovered dramatically and this has caused the Committee to question the need to continue special tax relief for primary producers.

The Committee also had to make a decision on how far it should go in a consideration of whether death duties should be retained in the Australian tax system or replaced with some alternate form of tax on capital. We deliberately avoided becoming involved in this area of argument for 2 reasons. Firstly, we interpreted the terms of reference of the inquiry as meaning that our investigations were meant to be confined to an examination of the socio-economic effect of death duties in Australia. Secondly, and more importantly, it is our opinion that no worthwhile consideration could be given to the abolition of death duties or its replacement by some other form of capital taxation without considering the ramifications of such reform in the broader context of a review of the whole Australian tax system. Such an inquiry, as honourable senators will be aware, is at present being undertaken by the Taxation Review Committee under the chairmanship of Mr Justice Asprey. We have therefore confined our investigations in this report to identifying what we believe are major defects in

the Australian death duties system and to recommending guidelines for reform which if implemented will, in our opinion, make for improved efficiency and greater tax justice for all Australians.

At this stage I would like to outline the major proposals in our report. We have recommended that the system of death tax duality whereby the Australian and State governments levy death and gift taxes be abolished. We also contend that the Australian Government should withdraw from death and gift taxation except in respect of persons domiciled in the Australian Capital Territory, including Jervis Bay, and the Northern Territory; furthermore we recommend that the Australian and State governments work together to draft death and gift tax legislation uniform in structure and rates and that this legislation be implemented by each of the States and the Australian governments. We have also concluded that there are strong moral grounds for totally exempting the matrimonial estate from death duties and have recommended accordingly.

In putting forward these particular measures for reform, we believe that if they are implemented much of the argument against the burden of death duties would disappear. We are also proposing that rural estates be taxed on the same basis as those for the rest of the community. Evidence seemed to indicate that the special death tax concessions were given to rural producers as a form of aid during times of recession. We do not believe death tax concessions, which give aid only at the time of death of the property owner, are an effective means of providing relief. However, we did agree that land, which, according to the evidence, was the single largest asset component in a rural estate, was very often unrealistically valued for death duty purposes. It is our contention that rurual land should be valued more in keeping with its productive value, and we have recommended that it be valued at market value and 60 per cent only of that value be included in the estate for estate duty liability.

It was also evident from the inquiry in general, and in particular from the presentation of case histories, that the community at large was abysmally ignorant of the nature and provisions of death taxation and that this in itself was a major underlying cause of much of the hardship presented to the Committee. So, we have recommended that both the State and Australian governments collaborate with the legal and accounting professions to publish educational material on death and gift taxation and that educational programs through schools and the media also be introduced. In recommending these far reaching proposals for death tax reform which we contend will lead to improved efficiency and greater tax justice for all Australians, the Committee is mindful of the fact that if these recommendations are accepted, their implementation will involve considerable practical difficulties that can only be resolved by the closest co-operation between the Australian and State governments.

Finally, Mr President, I express my sincere appreciation to my fellow Committee members for the support they have given. I would like also on behalf of the Committee to recognise the diligence and effort devoted to the inquiry by those senators who were associated with the Committee in the previous Parliament. Senator Lawrie served as Chairman throughout the period during which most of the formal evidence was taken, and the Committee has benefited from the valuable work done by him during that time. Similarly, the Committee is appreciative of the contributions made by Senators Little and Rae in their period of service on the Committee. I commend the report to the Senate. I express my appreciation also to the staff. I seek leave to continue my remarks.

Leave granted; debate adjourned.

ADJUSTMENT ASSISTANCE FOR DAIRYING INDUSTRY

Ministerial Statement

Senator WRIEDT (Tasmania—Minister for Primary Industry)—On 27 November I told Senator Durack that I would make a statement about progress with development of adjustment assistance for the dairying industry. Since August there has been almost continuous consultation with dairying industry interests. Representatives from some 40 groups in all States, including farmer organisations, State Government officials, banks and dairy factories, have been consulted by departmental officers. From this, and from written submissions, upwards of 100 suggestions have been put forward for the Government's consideration. They include suggestions for change in existing reconstruction schemes and proposals of a much wider character. The latter include, for example, finance to help cream suppliers change over to whole milk, to assist diversifying dairy land into other forms of production, to finance factory rationalisation, to help specific problems in particular regions, to provide re-location assistance for farmers or factory personnel leaving the industry and to provide various forms of technical services.

Because of the mass of material already received, the knowledge that further industry submissions are in the pipeline and the importance of this matter to the industry, the task of analysing this material is substantial. It is going ahead with all possible speed against the general criterion that the Government is seeking a program of purposeful expenditure to help the industry become stable and viable. There will be a detailed announcement of the Goverment's intentions as soon as is reasonably possible.

SCHOOLS COMMISSION BILL 1973

Message received from the House of Representatives intimating that it had agreed to the amendments made by the Senate to this Bill.

STATES GRANTS (SCHOOLS) BILL 1973

Message received from the House of Representatives intimating that it had agreed to the amendment requested by the Senate with modifications and a consequential amendment.

Senator DOUGLAS McCLELLAND (New South Wales—Minister for the Media) (11.39)—I move:

That the message be taken into consideration in the Committee of the Whole forthwith.

Senator Rae—So that the matter may be considered, I seek the Minister's concurrence in deferring this Bill until a later hour in the day, perhaps immediately after we deal with the health matters.

The PRESIDENT—The motion has been moved.

Senator DOUGLAS McCLELLAND—I am given to understand that the proposed amendments I intend to move in the Committee stage have been circulated.

The PRESIDENT—That is right. I have them on my desk.

Senator Rae—I have not seen any.

Senator Webster—I have not seen any either.

Senator DOUGLAS McCLELLAND—Are honourable senators assuring me that they have not received copies of the amendment? It was arranged that copies would be circulated earlier today. I am informed that they have been circulated. That being so, I cannot see why we should not proceed forthwith.

Senator Rae—They have been circulated. They were placed in the folders on our tables but they were not drawn to our attention in any way. I had not seen them and the situation——

The PRESIDENT—It is not the responsibility of anyone except an honourable senator to look at the folder on his desk.

Question resolved in the affirmative.

In Committee

Consideration of House of Representatives message.

Senator DOUGLAS McCLELLAND (New South Wales—Minister for the Media) (11.41)—I move:

That the Committee agrees to the modifications made by the House of Representatives to the requested amendment made by the Senate and agrees to the consequential amendment made by the House.

As I have said, the requested amendment has been circulated and I formally seek leave to have it incorporated in Hansard.

The TEMPORARY CHAIRMAN (Senator Wilkinson)—Is leave granted? There being no objection, leave is granted.

(The document read as follows)—

Requested amendment——

Page 15, clause 15, sub-clause (5), leave out the sub-clause, insert the following sub-clause:

"(5) There is payable to a State under this section, in respect of each year to which this Act applies, by way of financial assistance to the State in respect of recurrent expenditure of each non-systemic school in the State——

(a) in the case of the year commencing on 1 January 1974——

(i) if the school is a non-government primary school—an amount equal to the product of the amount specified in column 2 of Table 3 in Schedule 2 opposite to the category specified in column 1 in which the school is included and the number of pupils receiving primary education at the school on the date in that year that is the schools census date for that State for that year; and

(ii) if the school is a non-government secondary school—an amount equal to the product of the amount specified in column 3 of Table 3 in Schedule 2 opposite to the category specified in column 1 in which the school is included and the number of pupils receiving secondary education at the school on the date in that year that is the schools census date for that State for that year;

(b) in the case of the year commencing on 1 January 1975——

(i) if the school is a non-government primary school—an amount equal to the product of the amount specified in column 4 of Table 3 in Schedule 2 opposite to the category specified in column 1 in which the school is included and the number of pupils receiving primary education at the school on the date in that year that is the schools census date for that State for that year; and

(ii) if the school is a non-government secondary school—an amount equal to the product of the amount specified in column 5 of Table 3 in Schedule 2 opposite to the category specified in column 1 in which the school in included and the number of pupils receiving secondary education at the school on the date in that year that is the schools census date for that State for that year; and

(c) such further amounts as will ensure that, notwithstanding the foregoing or any other provisions of this Act—

(i) a sum of $62 in respect of every pupil receiving primary education at a non-government primary school on the date in that year that is the schools census date for that State for that year; and

(ii) a sum of $104 in respect of every pupil receiving secondary education at a non-government secondary school on the date in that year that is the schools census date for that State for that year,

is payable to the school authority of the school.".

Modifications—

(a) The words "Table 3 in Schedule 2" be omitted from the proposed sub-clause (5), wherever occurring, and the words "the table set out at the foot of this sub-section" be substituted;

(b) The word "and" be inserted at the end of paragraph (a) of the proposed sub-clause (5);

(c) The word "and" be omitted from the end of paragraph (b) of the proposed sub-clause (5);

(d) Paragraph (c) of the proposed sub-clause (5) be omitted, and the following table substituted:

Column 1	Column 2	Column 3	Column 4	Column 5
Category of school	Primary schools-year commencing 1 January 1974	Secondary schools-year commencing 1 January 1974	Primary schools-year commencing 1 January 1975	Secondary schools-year commencing 1 January 1975
	$	$	$	$
Category A	55	85	50	78
Category B	60	90	60	90
Category C	65	95	65	95
Category D	70	102	75	115
Category E	75	110	90	140
Category F	80	120	105	165
Category G	85	130	120	190
Category H	90	140	135	215

Consequential amendment:

Schedule 2, page 48, omit Table 3.

Senator DOUGLAS McCLELLAND—The Government's basic objective during the debates on the Schools Commission Bill and the States Grants (Schools) Bill has been to secure parliamentary endorsement of the needs concept in the determination of grants from the Australian Government to both government and non-government schools together with approval of the program of expenditure in the States in 1974 and 1975 of $694m recommended by the Interim Schools Committee, otherwise referred to and commonly known as the 'Karmel Committee'. The Government also has sought to have the Schools Commission established as an independent statutory advisory body which will recommend measures for raising the standards of education in schools and for eliminating inequalities in opportunity among Australian school children.

When the Labor movement was in opposition in this Parliament last year we made our position quite clear both when the then Government's State Grants (Schools) Bill 1972 was debated in the Senate on 19 October of last year and again in Mr Whitlam's election policy speech. In the Senate debate that took place at that time we moved specifically that grants should not be made on the basis provided in the Bill in respect of any year after 1973. The Prime Minister (Mr Whitlam) in his policy speech said that a Labor government would provide additional expenditure for both government and non-government schools on the basis of inquiries by an expert schools commission which would have regard to relative need. He included in his remarks the following statement:

> We reject the argument that well-endowed schools should get as much help from the Commonwealth as the poorest state or parish school, just because it is easier to count heads than to measure needs.

The Parliament has now approved the Schools Commission Bill in a form which is acceptable to the Government, and the Government is prepared to initiate and support modifications to the amendments that the Senate has requested. The effect will be to vary the schedule of grants for recurrent expenditure in non-systemic non-government schools under the State Grants (Schools) Bill. In doing so, the Government will not depart from its policy of assistance on the basis of relative need. It will continue to insist on the scaling down of grants to those non-government schools which the Interim Schools Committee has found to have recurrent resources greatly in excess of those of the average government school.

During 1972, under the previous Government's legislation, all non-government schools in the States received per capita grants towards recurrent expenditure of $50 for primary school students and $68 for secondary school students. During 1973, still operating under the previous Government's legislation, those schools received per capita grants of $62 for primary school pupils and $104 for secondary school pupils. The amendments which the Government is now proposing will give category A schools per capita grants of $55 for primary school students and $85 for secondary school students in 1974. In 1975 these rates will be reduced to $50 and $78 respectively. In addition, in 1974 and 1975 both

primary and secondary schools in categories B and C will receive higher rates than those contemplated by the Interim Committee. Secondary schools in category D will receive a marginally higher rate in 1974. In all other respects the rates for categories will be on the basis recommended by the Interim Committee. Schools in the category of greatest need will receive grants at a much higher rate than the grants which would have been available to them under the previous Government's legislation.

The cost of these amendments is estimated at $6.5m for the 2 years 1974 and 1975, in addition to the $694m program of grants for both government and non-government schools in the States. For the reasons which I have outlined, on behalf of the Government I have moved:

That the Committee agrees to the modifications made by the House of Representatives to the requested amendment made by the Senate and agrees to the consequential amendment made by the House.

Senator RAE (Tasmania) (11.47)—The Liberal Party of Australia believes that a matter of principle is an important matter. In the whole of the debate which has taken place in this chamber there has been a marked distinction between the attitude of the government, which is not related to principle but to expediency, and the attitude of the Liberal Party, which is totally related to the establishment and retention of matters of principle. I shall give the history of the Bill. The Government has, by a series of rather shabby actions, marred an otherwise outstanding development in education in Australia. I think it is worthwhile at this stage to recapitulate the history for a moment. We had the promise that no school would be worse off and that no student would be worse off under a Labor Government. Did it honour that promise? No. At the first opportunity, it was thrown out the door. Why? For political expediency and for compromise within a party. The Government is not prepared to honour the clear promises which were given repeatedly throughout last year.

The Karmel Committee was set up. It was desirable. We did not in any way attack it. But its terms of reference were secretly varied by a government whose Minister, as recently as 8 February of this year, was still saying what he said the previous year, which was that no one would be worse off. He said that in a letter dated 8 February to the Secretary of the Victorian Parents and Friends Federation. By 13 April he was, in effect, directing the Karmel Committee to break that promise of the Government. One can only speculate as to what may have caused that change of heart. A reasonable speculation becomes quite clear when one looks at the next step, because the next step was the Karmel Committee's recommendations at the end of May this year. At the end of May it came out with a recommendation to the effect that there was a need to continue a form of per capita grants, albeit reduced for a significant percentage of the students involved, throughout 1974 and 1975. The Government, dealing obviously in haste, without an appreciation of what was involved and on a vindictive basis, decided to exclude some students from eligibility to receive anything. This was another shabby breach of promise by the Government.

A continuation of the shabby actions of this Government is seen in the misrepresentation which has taken place and the continual misstatements, which were repeated again today by the Minister for the Media (Senator Douglas McClelland)—no doubt unwittingly because I accept that the Minister was reading what had been prepared for him by the Minister whom he represents. The claim that all schools except those which under this proposal will get some increased amount in comparison with the amount which they would have received under the original Bill were better off than they would have been under the previous legislation is demonstrably untrue. Fifty-three per cent of pupils attending non-systemic non-government schools will be worse off than they would have been under the 1972 legislation because the 1972 legislation provided an automatic escalation which is not now provided for until one gets to category F. So it is only the students who come within the top or the bottom categories, depending upon which way one looks at them—categories G and H—who will clearly get a greater amount than they would have got under the previous scheme.

It is irresponsible to claim that the Government is endeavouring to establish a needs principle. It has never defined the needs principle. Even the Karmel Committee found it difficult to know what the Government meant by a needs principle, and it set out to use its own definition. The Government has never defined a needs principle, but it uses that principle to colour, on an emotional basis, the debate which takes place in relation to this issue. The Government claims that is has been trying to establish a needs principle. Actually it has been trying to embrace the old outmoded philosophies of our new socialist Government, based upon class hatreds, prejudices, class warfare and all that is obnoxious and outmoded in this country. In a democracy there

is no room for that principle. However, there is room for the principle for which the Liberal Party stands, and that is that there should be freedom of choice in education and that it is a fundamental concept in a free society that children should not be forced into one form of education which is controlled by the Government of the day. But that is what the socialist Government would wish to see. It has set out to divide effectively those who are involved in the provision of an alternative education scheme and an alternative opportunity so that the people of this country, particularly the children, have a choice.

There has been misrepresentation suggesting that we were opposing the Karmel funds. It is quite clear that at no stage did the Liberal Party oppose the provision of the Karmel funds. At all times we have voted for them, and at all times we have totally supported them. That was made clear as early as 22 August this year and has been repeated by me on numerous occasions. No action which we have taken has opposed the provision of those funds. We were misrepresented when we were accused of seeking an extra $114m. Never did we say that we were seeking an extra $114m. At all stages we made it clear that our proposals would not cost more than an extra $5m a year. The proposals, as costed by the Department of Education, would cost about $4m extra a year. I think its estimate was a little low, but that is not of any great moment at this stage. We have the repeated claim by the Acting Minister for Education (Mr Lionel Bowen) and other Government spokesmen that this is a move by the Liberal Party to look to the interests of the wealthy schools. It has been pointed out repeatedly in debates in this chamber that many poor schools suffer as a result of an absurd formula which virtually has regard only to pupil-teacher ratios. Therefore, the small school, the struggling school and the school with small and diminishing numbers is likely to be hard hit by this form of categorisation. Throughout Australia are many schools, such as the Adass Israel school, Marbury College, Portland Loreto Convent, the Australian International Independent School (Sydney) and many others that one could name which are small, which have clear needs, and which are being positively discriminated against by this Government which wishes to ensure the perpetuation of a discrimination against a section of the community.

This Government does not recognise the basic principle which it is prepared to apply in relation to other legislation, to child endowment and tertiary eduction—the principle that everyone is entitled to equal treatment to a base degree and that extra provision can be made if it is considered necessary. That principle is not applied in this instance. And why not? Because of the shabby attitudes of a section of the Australian Labor Party which is not prepared to honour the promises that were made or to recognise that this country has grown up and that no longer should we perpetuate the sort of principles which were advocated by its socialist predecessors in the early days of the Labor Party. It is unfortunate that in a country such as Australia we should still have people endeavouring to impose principles which have become outmoded and which are the very antithesis of a free society and of the development of a nation which can be proud of having available and retaining free choice to every citizen.

This Government, for the sake of $1.5m, has refused to agree to the proposition put by the combined Opposition Parties and has agreed to something which is a bit less, apparently on some face saving basis. The Government has caved in on this. It was weak-kneed enough to say: 'We are not prepared to admit that we are wrong. We are not prepared to admit that we made the promises, although we cannot deny them. We are not prepared to admit that there is a principle which we promised to uphold and which we are now breaching, but we will come to a compromise agreement which will get us off the hook.' That is the situation before the Senate today. We have a government which is not prepared to honour its promises, a government which is not prepared to stand by even the principle which it was enunciating a few weeks ago, and a government which is prepared to enter into deals just for the sake of getting itself out of the difficult situation of being found out in its breaches of promise.

Little else need be said other than that the Liberal Party stands by the principle which it holds; that is, that a base per capita grant should be available to every child in Australia who wishes to avail himself of it. There should be a base per capita grant which all non-government schools can know will be available as a base level in respect of every pupil.

The Government's mishandling of this matter during the whole of the past 12 months, its breaches of promise and its leading of people into a false expectation and then refusing to live up to the expectations it had induced have created havoc in the administration of the non-government school area. Many of them do not know what is to happen. Even under this proposal they will not know what is to happen because, here again, we find the implied principle

that there will be a phasing out. The Liberal Party, will at every opportunity, oppose any attempt to phase out the basic per capita grant. When we are elected to government as soon as the present Government is prepared to hold an election, which it is showing a marked reluctance to do—it is making big noises but taking little action—we will immediately re-introduce the base per capita grant. That promise will be kept, unlike the shabby actions of the present Government which is not prepared to honour the promises it has made so repeatedly. The Liberal Party will oppose this motion.

Senator DRAKE-BROCKMAN (Western Australia—Leader of the Australian Country Party in the Senate) (12.1)—The Australian Country Party welcomes and supports the Government's amendments to this Bill. The Bill, as amended, does not ensure justice for all children but it does guarantee that every Australian school child in 1974 and 1975 will share in the per capita finance made available by the Commonwealth. The public wrangle over this issue is regrettable. It would never have occurred had the Government in the first place honoured its clear undertaking to continue the level of aid given by the Liberal-Country Party coalition administration. If it had done so, this legislation would already have been passed, and passed without any fuss. My Party's standpoint on the per capita grant is quite simple. It is that every pupil should receive a basic grant from public funds regardless of which school he or she attends. No child should be penalised because some political party or some advisory board believes the wealth or poverty of a school should be the deciding factor.

I make the Australian Country Party's position on the compromise quite clear. By supporting these amendments we have not agreed that grants to independent schools in category A should be phased out. However, no schools in that category would have received a grant or even one cent if our Party had not negotiated with the Government. These schools will now receive grants in 1974 and 1975, and it is those years, and those years alone, with which this legislation deals. I hope there is no further misunderstanding of the position. Despite its promises, the Australian Labor Party had adopted a rigid stance which would have disadvantaged thousands of pupils. The compromise arrangement, though it does involve a small phasing down for category A schools, was the best result possible in the circumstances. I confidently expect that we will be back in government at the end of the period with which we are dealing, and if we are we will implement our policies. If we are not, we will certainly continue to press the Government to adopt our policy of justice for all children. For the reasons I have given, the Country Party supports these amendments.

Senator McMANUS (Victoria—Leader of the Australian Democratic Labor Party) (12.4)—The Australian Democratic Labor Party will not oppose the amendments, which we all know are part of a package. We accept the situation but I repeat what I said yesterday—this does not determine the fight for educational equality, it is only an armistice and the fight will continue in the years to come. I think it was a pity that the Government did not follow the wishes of the Minister for Education (Mr Beazley) who, as we all know, wanted to continue basic grants for category A schools but was overruled. We have had all this trouble which obviously had an effect upon his health. I think he could have been saved that trouble and saved the strain upon his health if the Government had been prepared at that time to do what it now says it is prepared to do. I hope that Mr Beazley will speedily be restored to health, and I hope that the Government will take more notice of his recommendations in future. If it does so it will not get itself into the problems which it got into in the last month or two on the education question.

I have noticed in the Press varied reactions. Some newspapers say that the Government won and some say that we won—like the poem on the battle of Killiecrankie. I do not think anybody will win until the day comes when we have full educational justice. I deplore all the talk about aid for schools. We are not giving aid to schools; we are giving aid to Australian children. They are the people we are helping. When people say that Scotch College in Melbourne or St Joseph's College in Sydney should not be given any money because they are wealthy schools, they are saying that every one of the children attending those schools is a wealthy child. Anybody who has had any association with those schools knows perfectly well, firstly, that very large numbers of scholarships are given to children who are in need and who attend those schools and, secondly, that many of the children who attend them do so because their parents make sacrifices and in many cases both the father and the mother work. When it is said that assistance is being taken away from these schools, actually the assistance is being taken away from the child and his father and mother who are making sacrifices in order to maintain him at one of those schools.

So I say once again that as far as the Democratic Labor Party is concerned this is only an episode in the fight. We regard this as merely a stepping stone to another campaign to get justice for schools and to establish the principle that we are not aiding schools which are the property of religious denominations; we are aiding Australian children who are attending these schools. That is the principle on which we stand. However, as I have said, we have declared an armistice and we will go along with it for the time being.

Senator WOOD (Queensland) (12.8)—I would like to say a few words on this Bill. I spoke on it yesterday. As I mentioned in my speech yesterday, there has been much talk about wealthy schools. I said at the time that the matter is not one of schools but of Australian school children. I also pointed out how the Government discriminates against certain people. Yet the Government speaks about the abolition of the means test so that everybody will have an equal right to receive a pension. One of the interesting things about this question of education is that apparently when the Government took up this attitude its judgment was based not on the wealth of the individual but on the supposed wealth of certain schools. It is rather interesting to note that if a wealthy man sends his child to a state school his wealth does not matter because the Government provides all the schooling. But if he decides to send his child to what might be termed a better-off school he is discriminated against. Why is there this difference? As I said, I am not a State aider at all, but if we are to have this aid it should apply to everybody. It does not apply to everybody when, of 2 wealthy men, one receives aid and the other does not. It seems to me to be a rather peculiar discrimination.

The Liberal Party, of which I am a member, jointly with the other Opposition Parties, took a certain stand, and we held steadfast to that stand right throughout because we believed that the stand we took was the right one. I do not hold with the view that the compromise brought about the success. I have been in public life sufficiently long to know that there are always certain signs that one must interpret. Despite the bluster and fluster that might have been put out, I know that no government would have gone into the new year without giving the aid that it said it would give. If it had done so there would have been a reaction against the Government. Would anyone tell me that the granting of $600m-odd would be stopped because of an argument over a paltry amount of $5m? Who would have come off second best if this money had not been allocated? It would have been the Government. Though certain people in this Parliament might have felt that they would get nothing if they continued with their stand, I am of the opinion that the Government would have had to come to its senses. In those circumstances I think that we might even have got a better deal for the people concerned than that proposed at the present time. I wanted to make those points because I believe that the Government is discriminating against certain people although it says it is trying to eliminate discrimination in matters such as pensions. Those are the sentiments I wished to express.

Senator WRIGHT (Tasmania) (12.11)—I do not feel there is any need for me to add anything to what I said on the general principles involved in this matter when the Bill was before us. But there are matters which are pertinent to the Committee debate on which I would like the Minister for the Media (Senator Douglas McClelland) to give me some information. I look to the Schedule that has been attached to the amendments that we are being asked to accept at the moment. I hope the Minister will be good enough to follow what I am saying in relation to secondary schools. First of all, I wish to compare column 3 of the Schedule with column 5. In relation to category A it will be noted that $85 for 1974 becomes $78 for 1975, which is less. Yet in relation to category D the amount for 1974 is $102 and the amount for 1975 is greater. My question is this: On what basis, on what principle, do we increase the payment for category D from 1974 to 1975 and reduce the payment between those years in category A?

The other question I wish to ask does not concern a comparison of the figures for those 2 years; it concerns a comparison of categories. Let me take, for instance, column 3 of the Schedule. I do not refer to category A because it comes new into this Schedule. But if one looks to the Schedule that was attached to the Bill one will see that in relation to secondary schools the figure for category B for the year commencing January 1974 was $65; for category C it was $90; and for category D it was $100. A comparison of the Schedule in the Bill with that attached to the amendments shows that the figure relating to category B has been increased by $25; category C by $5; and category D by $2. Why is there a difference in the increment in the case of those categories when it is for the same year?

Those 2 statistical inquiries will serve to indicate my concern. I shall not pursue the matter further in the Committee of the Whole, hoping that the Minister will give me an assurance

that if I address correspondence to him later for the purpose of clarification of these matters I will be able to get a more detailed explanation. But I have put the 2 propositions to the Minister by way of question. One involves a comparison of the figures for 2 years and the other involves a comparison of categories in the same year. I make these inquiries for the purpose of being informed of the sort of basis on which the new Schedule has been constructed.

Senator DOUGLAS McCLELLAND (New South Wales—Minister for the Media) (12.15)—I am delighted to know that the arrangements now requested by the Government are not opposed by the Australian Country Party or the Australian Democratic Labor Party. Certainly, the arrangements as they are now proposed which seek the approval of the Senate will enable the Government effectively to launch its education campaign and its education policies to bring equality of opportunity to all Australian children. It is not my intention to speak at any length. However, Senator Rae cast disparaging remarks upon my colleagues in the Ministry and upon the Government. He said that there had been a breach of promise on the part of the Government. I do not know whether he was directing his remarks at the Government in the hope that they would ricochet off towards the Country Party. However, that is another matter. All I need to say is that it has been claimed by the Liberal Party that 53 per cent of independent schools or 53 per cent of non-systemic schools will be worse off under the proposals of the Interim Schools Committee in regard to recurrent grants compared with what they would have received under the 1972 Act. But it should be noted that enrolments at Catholic systemic schools account for approximately 50 per cent of pupils in all non-government schools and that their average grants for 1974 will be at the level of primary schools in category H. That is, they will receive $90 a pupil rising to $135 a pupil in 1975.

Senator Rae—Even that is not correct.

Senator DOUGLAS McCLELLAND—I am just looking at category H. Where does the honourable senator say that it is incorrect?

Senator Rae—If the Minister does his arithmetic on the figures supplied by Mr Lionel Bowen and incorporated in Hansard of 15 November, he will find that it just does not work out that way.

Senator DOUGLAS McCLELLAND—I am talking about Schedule H now.

Senator Rae—I see. However, I said that the conclusion you were drawing that the same amount would be obtained is not correct. It just does not work out.

Senator DOUGLAS McCLELLAND—I am going on the schedule that is in front of me. It is shown in column 2 of the schedule that in 1974 primary schools in category H will receive $90 a pupil. In column 4 it is shown that in 1975 such schools will receive $135 a pupil. As I said, this is a rate of assistance significantly higher than that which the previous government contemplated. If we add on the non-systemic schools, both Catholic and non-Catholic, which will receive higher grants under our arrangements, we suggest that it will be found that two-thirds of all non-government schools will be better off. The percentage of 53 per cent which was mentioned may have relevance only to the non-systemic, non-government schools the enrolments at which account for about 27 per cent of all pupils in non-government schools. Within that group the Liberal Party's proposed amendment would provide higher grants for about one-third of the total number of schools. However, that group would represent—I mentioned this during the course of the earlier debate—about 16 per cent of pupils in non-government schools and about 4 per cent of pupils in all schools.

In this connection it needs to be remembered that these schools have been shown by the Interim Schools Committee to have resource figures ranging up to 270—this is using the figure of 100 as an index base—against an average resource figure of 100 for the combined 6 state school systems in 1972. The resource figure target for all schools is 135 to140 in 1979. Senator Rae talks about escalation under the old method of per capita grants. This would have been based on the cost of running government schools. A factor in the increase in those costs, of course, is the grants under this legislation.

Senator Wright had some inquiries. He drew attention to the schedule proposed in the new arrangement and that contained in the old arrangement. He referred to what was proposed in categories A, B and C for secondary schools in 1974 as compared with 1975. I am advised that the reason for those figures is that those schools in greatest need would get more, bearing in mind the figures that I cited in relation to categories D, E, F, G and H compared with categories A, B and C. Those schools which have had more in the past will receive less in the future. In regard

to the other figures that were referred to by Senator Wright, I understand that these were the subject of discussion between my colleague, the Acting Minister for Education (Mr Lionel Bowen) and the Leader of the Australian Country Party (Mr Anthony). I am not in a position to give an answer immediately to the honourable senator. If he directs a letter to me or to my colleague, the Acting Minister for Education, I will see that a reply is obtained for him.

Senator WRIGHT (Tasmania) (12.21)—Mr Temporary Chairman, may I speak for half a minute? I realise that the Minister for the Media (Senator Douglas McClelland) is in difficulty regarding the figures. The point I made had reference to the amendment before the Committee. It will be seen that secondary schools in category A will receive $85 a pupil in 1974, as shown in column 3, and $78 a pupil in 1975, as shown in column 5. It will be seen that the amount of assistance reduces between 1974 and 1975. However, in the case of schools in category D, they will receive $102 a pupil in 1974, this figure increasing to $115 a pupil in 1975.

Senator Douglas McClelland—I ask the honourable senator to look at the position for schools in category H, for instance.

Senator WRIGHT—The assistance provided to schools in category H is increased also. But that assistance is not altered as between the old schedule and the one that the Government is asking us to accept now. I ask the Minister to tell me in the name of reason, assuming that the schools have been categorised properly on a basis of priorities of need, why if category A schools receive $85 a pupil in 1974 that amount will not be increased in 1975? I point out that category D schools will receive $102 a pupil in 1974 and that this amount will increase to $115 a pupil in 1975. I suggest that this only exposes the insanity of the categories and the insanity of the complex figures that have been worked out in relation to them. Before this debate is over I shall persevere with a most penetrating inquiry to see where the insanity originated.

Senator DOUGLAS McCLELLAND (New South Wales—Minister for the Media) (12.23)—All I need to say in reply to Senator Wright is that action was taken based on the areas of need. The figures set out in categories D, E, F, G and H are the figures originally contemplated by the Government as a result of advice from the Karmel Committee based on the question of need. In regard to category A, the honourable senator will appreciate that that is the wealthiest category of schools. I see Senator Rae shaking his head. I know that he disagrees and he knows that as a result of the way the Liberal Party has acted it has completely missed the bus. But let us face the position. Originally the Government determined that category A schools would have their aid cut off. Now we have a phasing out operation. We have agreed that there will be an allowance of $85 a pupil in the first year to be phased down to $78 in the second year. In category H we have agreed that there will be an allowance of $140 a pupil in 1974 to be phased up to $215 a pupil in 1975. Our genuine endeavour is to implement a policy of equality of opportunity in our educational system. As I said earlier, it is obvious from those figures that those in greater need will get more than those who have not so much need.

Senator RAE (Tasmania) (12.25)—I seek to pursue this matter a little further. What is involved in the principle which has just been enunciated by the Minister for the Media (Senator Douglas McClelland) as to the objective behind the categorisation in respect of category A and, presumably, category B? I ask that because they do not enjoy the same sort of increase as the others? What is involved in this phasing down over a period of 2 years? Does it mean that after 2 years they will be phased down further? Is that the Government's policy? Does it mean that they will be phased out after 2 years? What is the Government's policy in relation to this aspect?

Senator DOUGLAS McCLELLAND (New South Wales—Minister for the Media) (12.26)—After a period of 2 years their basis will be reassessed by the Schools Commission on the basis of relative need. To answer Senator Rae's point further, paragraph 6.50 at page 71 of the Karmel Committee's report stated that category A schools already use a volume of resources that well exceeds the 1979 target and the Committee believed that Government assistance to these schools cannot be justified. Again there is a phasing out basis involved in the whole of this arrangement.

Senator RAE (Tasmania) (12.27)—I again ask the Minister for the Media (Senator McClelland) to answer the question I asked as to what is involved in the phasing out. Does it mean that it is to be taken literally by those schools, that they can expect not to receive anything after this 2-year period has elapsed unless they go broke in the meantime or, by some other reduction of standards, manage to qualify for the Government's idea of educational justice and

equity? Does it mean that they must look forward to that situation or that they must look forward in total confusion as to what will happen in 2 years time?

Senator DOUGLAS McCLELLAND (New South Wales—Minister for the Media) (12.28)—I do not seem to be able to penetrate Senator Rae's head. I have said that the situation will be reviewed by the Schools Commission at the end of the 2-year period. They can then make representations to the Commission and Senator Rae can then make representations to the Commission. But at this stage, in order to get the system working, they have been guaranteed that for 2 years they will receive the amount set out in the legislation.

Senator RAE (Tasmania) (12.29)—I simply wish to point out that the Karmel Committee did refer in paragraph 1.19 of its report to the fact that abrupt termination of aid would be likely to cause difficulties to the schools which were so affected. It seems quite extraordinary that the Minister for the Media (Senator McClelland) should still maintain the attitude which he maintains. I simply say that it appears, in summary, that the schools which are being categorised have no basis upon which to plan with any certainty as to what is likely to happen to them after the end of 1975, which is a tragedy as far as the development of education in Australia is concerned.

The TEMPORARY CHAIRMAN (Senator Wilkinson)—Order! The question is: That the Committee agrees to the modification made by the House of Representatives to the requested amendment made by the Senate and agrees to the consequential amendment made by the House of Representatives. Those of that opinion say 'aye'; to the contrary 'no'. I think the 'ayes' have it.

Senator Rae—The 'noes' have it. Divide.

The TEMPORARY CHAIRMAN—Only one honourable senator has called for a division.

Resolution reported.

The PRESIDENT—Order! The report of the Temporary Chairman of Committees is a complicated one. Because it involves a number of matters which are of intimate concern to the Senate, I think I should repeat the report of the Temporary Chairman of Committees. It was as follows: 'That the Committee has considered message No. 272 from the House of Representatives with respect to the States Grants (Schools) Bill and has agreed to the modification made by the House of Representatives to the requested amendment made by the Senate and has agreed to the consequential amendment made by the House of Representatives.

Adoption of Report

Motion (by **Senator Douglas McClelland**) proposed:

That the report of the Committee be adopted.

Senator RAE (Tasmania) (12.31)—It appears that the Temporary Chairman of Committees was very anxious not to hear some calls for a division. I am told that there was a second voice calling for a division, but perhaps it was not loud enough for him to hear. The situation is that the Liberal Party of Australia does wish a division. So that there will be a clear division, I will oppose the motion which has been moved by the Minister for the Media (Senator Douglas McClelland) and will call for a division in relation to it.

The PRESIDENT—I am quite prepared to order a division, but I do not know whether the observations Senator Rae has made about the Temporary Chairman of Committees have any merit.

Senator WILKINSON (Western Australia) (12.32)—As the Temporary Chairman of Committees referred to by Senator Rae, I wish to point out that I did read the terms of the motion to which I wished the Committee to give attention, that I called for those in favour of it to signify their approval by saying 'aye' and for those against it to say 'no' and that I gave as my opinion that the 'ayes' had it. At that stage one honourable senator—Senator Rae—called for a division. I looked at Senator Rae and waited but there was no other call for a division. I therefore said: 'The "ayes" have it'. I based my decision on those circumstances. I considered that a division was not required.

Question put:

That the report of the Committee be adopted.

The Senate divided.

(The President—Senator Sir Magnus Cormack)

Ayes	33
Noes	19
Majority	14

AYES	NOES
Bishop, R.	Anderson, Sir Kenneth
Byrne, C. B.	Bonner, N. T.
Cameron, D. N.	Buttfield, Dame Nancy
Cant, H. G. J.	Cotton, R. C.
Cavanagh, J. L.	Davidson, G. S.
Devitt, D. M.	Durack, P. D.
Drake-Brockman, T. C.	Greenwood, I. J.
Drury, A. J.	Guilfoyle, M. G. C.

AYES	NOES
Gair, V. C.	Hannan, G. C.
Georges, G.	Jessop, D. S.
Gietzelt, A. T.	Laucke, C. L.
Kane, J. T.	Lillico, A. E. D.
Keeffe, J. B.	Marriott, J. E.
Lawrie, A. G. E.	Rae, P. E.
Little, J. A.	Sim, J. P.
McAuliffe, R. E.	Withers, R. G.
McClelland, Douglas	Wood, I. A. C.
McLaren, G. T.	Wright, R. C.
McManus, F. P.	
Maunsell, C. R.	Teller:
Milliner, B. R.	Young, H. W.
Mulvihill, J. A.	
Murphy, L. K.	
Poke, A. G.	
Poyser, A. G.	
Primmer, C. G.	
Townley, M.	
Webster, J. J.	
Wheeldon, J. M.	
Wilkinson, L. D.	
Willesee, D. R.	
Wriedt, K. S.	

Teller:
O'Byrne, J.

Question so resolved in the affirmative.

Bill read a third time.

LEGAL AID

Ministerial Statement

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (12.36)—I seek leave to have incorporated in Hansard a statement on legal aid.

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

(The document read as follows)—

I undertook to provide honourable senators with a comprehensive statement upon the subject of legal aid. This is a highly important subject and I shall deal with the progress already made and the Government's plans. On 25 July 1973 I announced a major step in the provision of legal aid services to persons in need, particularly disadvantaged persons. This was the establishment of a salaried legal service called the Australian Legal Aid Office that will have offices throughout Australia. It will provide legal advice and assistance on all matters of Federal law, including the Matrimonial Causes Act, to everyone in need; and on matters of both Federal and State law, to persons for whom the Australian Government has a special responsibility for example, pensioners, aborigines, exservicemen and newcomers to Australia. The offices will provide a referral service in other cases.

Another step that I announced at the same time was the appointment of a widely representative committee to examine all aspects of legal aid in Australia. Honourable senators will recall that earlier in the year—on 30 April 1973—I announced Government approval of a grant of $2m to the States on a per capita basis to supplement their existing legal aid schemes. This was an interim grant for this financial year, designed to effect a quick improvement in the availability of legal aid. This would not, of itself, ensure the provision of aid in all areas that might be desired. Apart from this, the Minister for Aboriginal Affairs (Senator Cavanagh) had introduced an Aboriginal legal aid scheme designed to make special provision for aid for Aboriginals through non-government aboriginal legal services in the States and Territories. There will be co-operation between the Australian Legal Aid Office and the Aboriginal Legal Services. A special scheme for the provision of legal aid in cases raising environmental or conservation issues is being developed in conjunction with the Minister for Environment and Conservation (Dr Cass). A grant of aid has been made to the Tasmanian Conservation Trust in the Precipitous Bluff case in Tasmania.

The Government has taken action because it believes that one of the basic causes of the inequality of citizens before the law is the absence of adequate and comprehensive legal aid arrangements throughout Australia. This is a problem that will be within the knowledge of every honourable senator who will on many occasions have had to inform citizens seeking assistance with their legal problems that there is nothing that he can do for them; that they will need to go and see a private solicitor. With some exception, we in Australia have been slow to respond to the need of the ordinary citizen for ready and equal assistance when confronted with a legal problem or court proceedings. The ultimate object of the Government is that legal aid be readily and equally available to citizens everywhere in Australia and that aid be extended for advice and assistance of litigation as well as for litigation in all legal categories and in all courts.

There are four major problems that, I believe, need urgent attention. First, the need to provide on an equal basis throughout Australia legal advice and assistance that will fill the gap left by the Law Society or Legal Aid Committee schemes for aid in litigation and to see that advice and assistance reaches disadvantaged people; second, the need to provide legal aid in divorce cases and in proceedings ancillary to divorce; third, the need to provide legal aid for representation in magistrates courts; and fourth, the need to avoid the 'bottomless pit' of ever increasing costs of providing legal aid.

Even a cursory examination of the position in relation to legal aid in each of the Australian States discloses significant gaps in the provision of aid and a good deal of uneveness from State to State in the kind and comprehensiveness of existing legal aid arrangements. The arrangements in some States approach much nearer to the ideal of making comprehensive provision for legal aid for all kinds of litigation and for all courts; in others there are deficiencies either in relation to the nature of the proceedings for which legal aid is provided or in relation to the courts in which aid is provided or both. There have been moves by the Law Societies to set up night referral services but, apart from a quite recent initiative in one State, there is no general availability of legal advice and assistance short of litigation. In some States there is a Public Solicitor with a strict means test and quite limited functions. In all States and in the Australian Capital Territory there are schemes administered by the Law Societies or Legal Aid Committees under which private practitioners act in certain court proceedings and are paid a percentage of their normal fees from funds partly provided by Governments and partly by statutory interest on practitioners' trust accounts. In the Northern Territory there is an interim scheme pending the introduction of a Legal Aid Committee scheme. Up to the present, the Law Society schemes have failed to provide adequate legal aid for divorce proceedings. Where legal aid has been provided, substantial contributions towards the cost of the proceedings have been levied upon the applicant. There has been a good deal of criticism by divorce law reform associations and others about the absence of suitable arrangements for aid. This is a social problem that must be remedied. The grant of $2m this year should effect a major improvement in most States.

There has been much criticism of the failure of most legal aid schemes to provide representation in magistrates' courts. In some States there are Public Defenders who appear for defendants in trials for indictable offences and in other criminal proceedings in courts other than magistrates' courts. It is usually the socially disadvantaged person who is unrepresented in magistrates' courts and persons who are unrepresented are prejudiced. This has properly become an issue on the part of organisations concerned with the protection of civil liberties. Many people are ignorant of their legal rights and what legal aid facilities are available. Indeed, because of their circumstances or educational background, many simply do not know how to go about getting help to identify the problem and to seek a solution. In endeavouring to provide proper arrangements for legal aid, it is worth noting the warning of the Lord Chief Justice of England, Lord Widgery, who spoke in Perth this year of the twin ogres of cost and delay. He referred to the legal aid system operating in England and went on to warn of the bottomless pit that it was feared the English legal aid system might become.

On the problem of the provision of legal advice and assistance on an equal basis throughout Australia, I believe that the Australian Legal Aid Office will make an important contribution towards filling the gap between referral services and Law Society or Legal Aid Comittee schemes for aid in specified litigation. It is the view of the Government that legal assistance to socially disadvantaged persons can most effectively be provided through a salaried legal service. For this reason the Australian Legal Aid Office has been established. The Office will be staffed by salaried lawyers who will work in close co-operation with community welfare organisations, established legal aid schemes, referral centres and the private legal profession. I hope that the young lawyer with a social conscience will be attracted to join the Office and, in particular, the woman lawyer who has a talent for this kind of work. I have already received letters both from woman lawyers and women law students expressing their interests. To get the Office operating quickly in the capital cities, the existing Legal Service Bureaux that provided advice and assistance to servicemen, ex-servicemen and their dependents have been utilised. I should add a word of caution—to say that the office will not be able to provide a full service until additional staff have been recruited. Advertisements have been placed nationally seeking talented lawyers to join the office. The results of this recruiting campaign will be known soon.

The service that the Office will provide, broadly stated, will be: first, a general problem solving service of advice and assistance short of litigation to persons with an element of financial need—this will, in my view, take care of some 90 per cent of all problems that worry the ordinary citizen; and secondly, the conduct of litigation, particularly family law, environmental and other litigation in areas of special concern to the Australian Government, on behalf of persons who cannot afford the cost of representation in court.

But I do not see the new Office operating merely in buildings in capital cities. I have been impressed by overseas developments, with which many honourable senators will be familiar, that have discarded the traditional conservative approach to legal aid and have set up 'storefront'

offices in cities and country areas where lawyers are few and problems are great. I see the role of the Australian Legal Aid Office as taking the law to the people who most need it. I want to see small unpretentious 'storefront' offices opened in the suburbs of the cities and in country centres. I want them to be the kind of offices to which the ordinary man or woman faced with a legal problem will go as readily as he or she would go to the garage with an ailing motor car. My intention is that the Australian Legal Aid Office would work alongside and in co-operation with bodies of all kinds that are concerned with solving the problems of the citizen and especially, of course, with the private legal practitioner. I believe that there is not only scope but a clear need for legal aid offices that are spread throughout Australia where need is greatest; offices that are staffed by salaried lawyers and that serve as a centre of legal aid activity. They would work with law students who wish to come in and help with the legal advice and assistance or with the Law Societies and Legal Aid Committees through which the private legal profession would continue to handle the greater part of litigation in the courts. The role of the Office will be complementary to the role of the private practitioner and, indeed, be an advantage to him in providing continuity and proper preparation of legal aid matters referred. Area or regional offices of this kind appear to have worked successfully overseas, notably in the Province of Ontario in Canada.

There have already been encouraging discussions with student referral services and community legal referral services and it is intended to enter into discussions with Law Societies and other interested bodies as soon as possible. I should add that the Government has made an interim grant of financial assistance to the Fitzroy Legal Service in the suburbs of Melbourne as a pilot scheme of the 'store-front' law office type. I envisage that the decentralised 'store-front' offices of the Australian Legal Aid Office could provide administrative support bases for community services of this kind. It is more difficult to provide a satisfactory answer to the problem of representation in magistrates' courts. This applies particularly in criminal cases where the defendants have been arrested or attend on summons and questions of bail, pleas of guilty and adjournments, need to be dealt with. In the Australian Capital Territory and the Northern Territory I would propose to have an officer of the Australian Legal Aid Office attend at the Magistrates' Courts to advise persons in custody on bail, and on pleas of guilty. If proceedings are to be defended, the defendant would, in appropriate circumstances, be provided with representation under the legal aid schemes operating in the Territories or by the Public Defenders' Offices that I intend to establish in the Territories. Similarly, I would propose to have an officer attend the magistrates' court in Sydney known as the Special Federal Court. But these arrangements would leave substantially untouched the problem of providing legal representation before a very great number of magistrates' courts in the States that handle some 90 per cent of the total volume of litigation.

I think that this is a problem that I should specifically refer to the Committee that I have appointed. One approach that attracts me—and I hope the Committee will look closely at it—is the scheme of 'Duty Counsel' or 'Duty Solicitor' that operates in Scotland and Ontario. This scheme involves attendance by private practitioners at magistrates' courts on a roster basis. They attend to bail, pleas and adjournments. They give advice to persons in custody and are paid a daily or hourly fee from legal aid funds. Cases would be referred by the Australian Legal Aid Office, Legal Aid Committees or referral services. An alternative would be to employ salaried lawyers but this could be costly where there are many widely scattered courts. I have said that I see private legal practitioners, through their Law Societies or Legal Aid Committees, performing the major work in the legal aid field, that of litigation in the various courts. I hold firms views about the necessity for a strong and independent private legal profession that can stand between the Government and the citizens, not least in the fields of human rights, civil liberties and criminal matters generally.

Having said that, I return to Lord Widgery's warning about the bottomless pit that legal aid could become. It can very well become such a pit in Australia unless action is taken to deal with the problem of divorce costs that have come close to wrecking the legal aid schemes of more than one State. Honourable senators are familiar with my views about the sum that ought to be charged by solicitors in an undefended divorce case. I shall be introducing legislation to change the basis of divorce from an adversary system to a single ground of permanent breakdown of marriage for more than 12 months and to simplify procedures. This will in itself reduce costs. I am determined to see that legal aid is made available in divorce matters for everyone in need and without requiring them to pay excessive contributions towards the costs. I am also determined to see that

divorce does not become the bottomless pit of legal aid in Australia. My own view is that the Australian Government will need to provide continuing funds for legal aid but that the funds should not necessarily be made available in the same way as this year. What future provision will have to be made can only be assessed after a full examination of the problem. I am looking to the Committee I have appointed for assistance in this matter.

I have previously announced the constitution and terms of reference of the Committee but I should record them for the information of honourable senators. I appointed the following persons to be members of the Committee: Mr Roy F. Turner, a member of the Council of the Law Society of New South Wales and a Vice President of the Law Council of Australia, the Chairman of the Committee; Mr Justice J. H. Wootten of the Supreme Court of New South Wales, past President of the Aboriginal Legal Service; Mr J. A. Heffernan, Secretary of the Victorian Legal Aid Committee; Mr E. P. Mullighan, a member of the Executive Committee and Honourary Treasurer of the Law Society of South Australia; Mr W. A. Lalor, the Public Solicitor of the Territory of Papua and New Guinea; Miss Eilish Cooke, a barrister and solicitor of Melbourne and a member of the Fitzroy Legal Service; and Mr J. P. Harkins, a senior officer of the Attorney-General's Department.

The Committee has been asked to examine the areas of need for the provision of legal assistance and advice and, in particular, the areas of need not covered by existing schemes; the means by which legal assistance and advice should be provided and in what areas should they be provided by a salaried legal service; and the means by which finance for schemes of legal assistance and advice should be provided. The Chairman of the Committee has told me that the Committee expects to provide me with an interim report soon.

I shall keep honourable senators informed of progress in the provision of better legal aid. The Government's aim is that eventually no person anywhere in Australia should suffer injustice because of the unavailability of legal advice or inability to afford the cost of representation in court proceedings.

PERSONAL EXPLANATIONS

Senator RAE (Tasmania) (12.38)—Mr Acting Deputy President, Senator Wilkinson, I should like to take the opportunity to withdraw and apologise for any reflection which earlier today I cast on your chairmanship of the Committee. I do that without any reservation whatsoever. My remarks were not intended to be taken as a reflection.

The ACTING DEPUTY PRESIDENT (Senator Wilkinson)—Thank you, Senator Rae.

Senator LAUCKE (South Australia) (12.40)—My Acting Deputy President, with respect to the matter to which Senator Rae has just referred, I should like to say that the fault lay with me to a large degree. I was speaking at the time and I did not do what I had intended to do. Senator Rae had a misunderstanding at that moment, as did I. I also apologise for what did occur at that time.

The ACTING DEPUTY PRESIDENT—Thank you, Senator Laucke.

PETROLEUM AND MINERALS AUTHORITY BILL 1973

Bill received from the House of Representatives.

Standing Orders suspended.

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

Second Reading

Senator WRIEDT (Tasmania—Minister for Primary Industry) (12.41)—I move:

That the Bill be now read a second time.

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

The ACTING DEPUTY PRESIDENT (Senator Wilkinson)—Is leave granted? There being no objection, leave is granted.

(The speech read as follows)—

By this Bill, Parliament is being asked to authorise Government entry into petroleum and minerals search and production, through the creation of the Petroleum and Minerals Authority. The decision is based on the policy of the Government as enunciated first by the 1971 Launceston Conference of the Australian Labor Party, namely the comprehensive development under Government control of Australia's mineral resources, with emphasis on the need for discovery of new deposits, and direct Commonwealth and State participation in oil and mineral search and exploitation throughout Australia's land and offshore territories. The Minister for Minerals and Energy (Mr Connor) spoke of this Authority in the House of Representatives on 12 April this year in his statement on federal petroleum search policy.

The functions of the Petroleum and Minerals Authority will be to explore for and develop our petroleum and mineral resources, and to assist in implementing the Government's policy of promoting Australian ownership and control of our natural resources and resource industries. The world energy crisis highlights major world reliance on oil and natural gas for its energy needs. On current economic growth rates, there will probably be a doubling in world demand for energy by 1985. Mr G. A. Wagner, Senior Managing Director of the Royal Dutch/Shell Group of Companies says 70 per cent of this should come from oil and natural gas.

Oil and natural gas currently provide about 50 per cent of Australia's energy needs and there is every indication that this figure will increase. Our recoverable reserves of natural gas are 38 trillion cubic feet. Assuming its ready availability throughout the country, this would be sufficient to meet the demands for natural gas for about 30 years. But, of course, the demands for gas as a source of energy will vary depending upon a variety of factors. In oil, the situation is not so encouraging. Our own oil fields meet approximately 67 per cent of our needs. We are importing the remainder, particularly those heavy ends which are absent from the light crude oils produced in this country. But we cannot maintain that degree of self-sufficiency on a rising market, furthermore the recoveries from existing fields will reduce markedly from about 1980 on.

The recent Middle Eastern conflict has at least served the purpose of awakening us all to the difficult energy situations which lie in the future for all major industrial nations. With complacent reliance on unlimited oil supplies, nations have ignored research and development of alternative energy sources, such as natural gas, coal and ultimately, uranium and solar energy. Oil and natural gas will, however, remain major energy sources. There is no greater testimonial to the significance of oil in a nation's business than the number of nations which now participate directly in the oil business.

The British Government, of course, has for long been a major shareholder in the British Petroleum Company Ltd. It was for many years the majority shareholder and today, I understand, holds a little short of 50 per cent of the shares of that company. There is direct participation by the Governments also in France, Italy, Norway, Canada, Argentine, Brazil, Mexico, South Africa, Iran, Iraq, India, Japan, Indonesia and New Zealand to name only some of the Governments which have interests in oil. Recently, the Philippines Government created a Government agency to promote exploration and development of oil resources, and to ensure stable supplies. Indeed, it is questionable, with the degree of Government participation throughout the world in the business of oil, whether the interests of our nation can be properly represented other than through an agency of the Government.

There is, of course, as the Senate will know, nothing new about Government participation in commercial enterprise. The Commonwealth Banking Corporation, the Australian National Airlines Commission, which operates Trans Australia Airlines, and Qantas Airways Ltd, are three outstanding examples. And there are many others. There is indeed nothing novel about the Australian Government engaging in the oil business. In 1920, the Hughes Government and the presently named British Petroleum Company, agreed to form, with a Government holding of one share more than 50 per cent, the Commonwealth Oil Refineries, for the purposes of constructing a refinery and arranging a suitable supply of crude oil. Interestingly enough, under the agreement, the crude oil to be supplied was reducible by any Australian discoveries. The Commonwealth share of that company was sold over the objections of the Opposition 32 years later in 1952, by the Menzies Government. The Bureau of Mineral Resources too was at one stage, in the late forties, authorised to drill for oil and purchased a large rig for this purpose. That rig was subsequently sold to Wapet in 1954 by a decision of the Menzies Government of that day.

It was the policy of our predecessors to make their contribution to the search for and development of our petroleum resources by a variety of indirect means including payment of subsidies and special tax arrangements, and to accept the abuses necessarily associated with such a system. Our policy is direct contribution by a Petroleum and Minerals Authority, the subject of this Bill. The Government has already announced the termination of the Petroleum Search Subsidy Scheme, as from the end of June 1974 and the withdrawal with effect from early in May, of the Income Tax Concessions provided by Sections 77C, 77D and 78 of the Income Tax Assessment Act. Matching finance will flow through the activities of the new Authority.

Energy is, of course, derived from other minerals than oil and natural gas. The Minister for Minerals and Energy has spoken in the House of Representatives at length on occasions about the hydrogenation of coal and about future developments in uranium. These are but two of the minerals in which our nation is rich. There are many

others. We are, for example, amongst the world's 5 main producers of bauxite, iron ore, tin, silver, lead, zinc and manganese, and we have significant deposits of other minerals.

The Bill vests in the Petroleum and Minerals Authority the same functions and powers in relation to these other minerals as it does in relation to petroleum. There are other provisions in the Bill designed specifically to promote Australian ownership and control of our natural resources by requiring the Authority to assist mining undertakings to get off the ground and thereby help them to remain Australian and save them from falling into foreign hands. In his policy speech last November, the Prime Minister (Mr Whitlam) said that the Australian Labor Party was determined that the Australian people should be restored to their rightful place in their own country, as the owners and keepers of the national estate, and the nation's resources, and as fair and equal sharers in the national wealth.

The Government believes that Australian ownership and control of the nation's assets is no longer a matter of debate, but an objective shared by the great mass of the Australian public of all political persuasions. But this is not an objective to be achieved by usurping the rights of those overseas organisations which have a majority control today of our resources. It is an objective to be achieved by other means, not the least of which is by direct Government contribution to exploration and development. In this respect, the creation of the Petroleum and Minerals Authority has great significance.

Australians have played a tremendous part in the discovery of our mineral resources, but as a nation we have not been conscious of our obligation to undertake ourselves the development of those resources. Our predecessors in office certainly sought development of our resources. The great difference between them and us, was their policies, which exposed Australian initiatives to overseas acquisition and control. We believe this policy resulted from a misunderstanding of the national interest, ignorance of the effects of internationalisation, neglect of the real needs of the Australian community, under-confidence in the capacity of their fellow Australians, and fear of the consequences of failure. Their reaction to reality in late 1972 was too little and too late.

The Australian Government accepts its responsibilities. We are not unmindful of the contributions by overseas companies to our development, in particular cases, by the provision of capital, technology and commercial opportunity, but Australia will be the primary partner in such enterprises henceforth. The Government's aims and objectives in these matters reflect the view of the great mass of the Australian electorate. They will be well understood and even sympathised with overseas, by both government and commerce. Indeed, we believe our attitude will engender a new respect for our Australian nation. Whilst we shall be the primary partner we will, under the appropriate conditions, welcome the continued participation and assistance of overseas companies, who will find us not unappreciative of their problems and needs. I want to make it clear, as the Prime Minister has said, that our policies are not 'anti' anyone. Instead, they are 'for' Australia.

I must emphasize too, that these measures concern only the question of ownership and control of our mineral resources and resource industries. They do not affect supplies under existing contracts, which will be honoured to the full; nor do they have implications for the future supply of minerals from this country. The products of our resources will be as readily available to our trading partners as they have been in the past. We shall be aiming at greater processing of our mineral exports, and so move from being primarily an exporter of raw materials to becoming a substantial exporter of semi-processed and processed materials.

In the field of energy resources particularly, we are naturally bound to look to our own needs first, but we shall export what we reasonably can. We shall, of course, insist upon fair and reasonable returns based upon world market prices for our exports, and we will need to ensure that neither the buyer nor the seller will suffer wind-fall losses or enjoy wind-fall gains as a result of movements in currency exchange rates. And, we will not favour fixed prices for deliveries in the long-term.

On 7 November 1973, after the Prime Minister's return from his recent visit to Japan and China, he spoke in the House of Representatives about those visits and tabled certain documents relating to them. One of those documents was titled 'Foreign Investment in Australia'. Whilst this statement was prepared for the discussions with Japanese Ministers, it contains the latest statement of the Government's policy in relation to foreign investment. They will be the policies which will guide the Petroleum and Minerals Authority in the execution of those responsibilities relating to foreign investment vested in it by the Bill before the Senate. I quote the relevant parts of that statement omitting the specific references to Japanese investment.

My Government has the firm policy objective of promoting Australian control of Australian resources and industries. We also want to achieve the highest possible level of Australian ownership of our resources and industries. By the phrase 'the highest possible level of Australian ownership' we mean the highest Australian equity that can be achieved in negotiations, project by project, that are fair and reasonable to both parties and are within the capacity of our own savings to support. However, in some special energy cases, which I shall mention shortly, we do have a particular objective of 100 per cent Australian ownership.

This policy is being applied in a pragmatic way and all cases will be considered on their merits. This already applies in our examination of proposals under the Companies (Foreign Takeovers) Act. We aim to make our judgements taking into account the full circumstances of each new project or proposal, including such factors as the size and location of the proposed project, the use made of advanced technology, marketing arrangements, environmental aspects, labour relations and Aboriginal interests.

There are certain industries where we regard Australian ownership and control of particular importance. These relate especially to sources of energy where growing world shortages and other factors make this essential. Uranium is one of these energy sources and we have an objective of full Australian ownership in development projects involving uranium. We also regard this as a desirable objective in oil, natural gas and black coal.

We recognise however that Australia's resources of capital and technology are relatively limited, that the size of the projects to be undertaken is often very great and that we shall need to call upon overseas expertise, technology and capital to contribute to the proper development of these vital energy resources. Thus, while we seek to require equity in new projects involving these four minerals to be in Australian hands, we do look for overseas participation in some ways: through access to technology, loans and especially long term contracts.

The Australian Industry Development Corporation—AIDC—is a basic means by which the Government will seek to ensure Australian equity and control and there are important areas in which AIDC will be able to work, both with overseas companies and Australian investors. Proposed increases in the percentage of foreign equity in existing projects which already have high overseas equity may well be subject to particularly close scrutiny. Our general object is to moderate such holdings is these projects.

For other minerals our approach is more flexible. We desire partnership between Australian and foreign equity capital. I want to make it quite clear that there is no proscription of foreign equity participation in mining.

The nature of the partnership between Australian and foreign equity capital that is appropriate in each case will need to be assessed on its merits. In some circumstances it may be acceptable for foreign investors to participate significantly in decision-making in a project. The size of the project, the amounts involved, and the type of mineral are all factors to be taken into account. In pursuing our objectives we shall be flexible and guided by the practical needs of particular cases.

It is not our aim to have a different set of criteria for overseas participation in mineral exploration from those for participation in the development of proven mineral deposits.

In the uranium field in particular, and desirably also in oil, we aim to adopt the same sort of approach in exploration as I have already outlined for development of these minerals. However, in order to maintain a desirable level of exploration activity, we would, if necessary, accept a lower level of Australian ownership in exploration.

Given the limited Australian capital resources available and the higher risks usually involved in exploration, there is, however, much to be said for concentrating Australian equity at the production stage.

As I have said, the creation of the Petroleum and Minerals Authority, and the other measures the Government has taken, will all assist the Government in the pursuit of this important policy objective. But the States too, at the moment, have an important part to play in this area in exercising their internal licensing powers. The Government will be seeking the co-operation of the States in the promotion of its policy on Australian ownership and control of the nation's resources and resource industries, while it is giving consideration to the additional measures which will be necessary. The exercise of State internal licensing powers without due regard to the Australian Government's export control powers could place the licensee companies in a wholly unreasonable and unfair position, when the national Government is impelled, by policy, to act in the national interest. The Government would feel itself under no obligations in these circumstances. One last matter—I must emphasise that the measures of which I have been speaking in relation to Australian ownership and control concern that question and that question alone.

Turning specifically to the Petroleum and Minerals Authority Bill, there are a number of provisions to which I wish to draw the attention of the Senate. First, in Part I, Clause 3, the Senate will see a reference to the 'Australian Continental Land Mass'. The 1958 Convention on the Continental Shelf defines the continental shelf as the sea bed and sub-soil of the submarine areas extending to a depth of 200 metres and beyond to the limit of exploitability. In 1969, in a case involving boundaries in the North Sea, the International Court of Justice emphasised what is known as the morphological concept. This concept is that the continental shelf is the natural prolongation under the sea of the land mass of the coastal state, out to the lower edge of the margin, where it slopes down to and merges in the deep ocean floor or abyssal plain.

The Government has adopted this concept as the area over which it exercises jurisdiction, and expounds that policy in this Bill. Part II of the Bill deals with the establishment, functions and powers of the Authority. Clauses 6, 7 and 8 of Part II of the Bill describe the functions of the Authority. Firstly, clauses 6 and 7 will authorise the Authority to undertake activities appropriate to a petroleum and mining business and, in association with the powers conferred upon the Authority by clauses 11 and 12, to undertake these functions in the same way as companies engaged in these fields of activities do.

In his statement in the House of Representatives on 12 April 1973, the Minister for Minerals and Energy gave examples of the methods by which the Authority would work when he said, referring specifically at that time to petroleum, that the Authority would act by employing its own personnel and equipment in search, letting out contracts for search, acting in partnership with companies—I stress acting in partnership with companies—in appropriate cases taking up shares in companies, accepting 'farm-ins' to attractive areas, and granting 'farm-outs' to areas held in its own right. As he also said at that time, the Petroleum and Minerals Authority will be one of those authorities which will be making a contribution to the formulation of an annual energy budget to be administered by a national fuel and energy body.

Clause 8 (a) of the Bill is primarily directed at those Australian mining ventures which, having discovered a mineral resource that appears to have potential, are unable to finance the further exploration and development necessary to demonstrate the viability of its discovery. These companies would normally look to a larger operating company for the necessary help, but local Australian companies have a limited capacity to take on new ventures of this type, and therefore, they find themselves turning to overseas companies which thereby secure an interest in our natural resources. To replace them the Government has decided that the Petroleum and Minerals Authority will be authorised to assist these ventures. The decisions of the Authority will be based upon the merits of the proposal which is brought before it.

Clause 10 of the Bill refers to the duties of the Authority. It will be required to conduct its operations in a proper and workmanlike manner and in accordance with good industrial practices, to look after the safety, health and welfare of persons engaged in its operation, to interfere as little as possible with navigation, to have regard to conservation of the reserves of the sea and the sea bed, to have regard to operations being carried on by other persons engaged in similar activities and to consider in the exercise of its functions, factors connected with the ecology and the environment. It will be required also in exercising its functions to have regard to the possibility of short-falls of petroleum and minerals from time to time caused by the action of exporting countries.

Part III of the Bill deals with the constitution and meetings of the Petroleum and Minerals Authority. It follows generally the provisions of the Pipeline Authority Act, which was before the Parliament in its last session. The Authority will consist of 5 members. The Chairman and the Executive Member will be full-time members, the Secretary, Department of Minerals and Energy will be a part-time member and there will be two other part-time members including a representative of the trade unions. Part IV of the Bill provides independence for the Authority in the employment of its staff and in the determination of conditions of service, in accordance with the usual practice of the Government in relation to Authorities which are primarily engaged in business.

Similarly, Part V of the Bill, relating to finance, is based upon similar provisions in Acts governing other statutory corporations primarily engaged in business. The only other provision to which I wish to draw the attention of the Senate at this stage is clause 43 in Part VI of the Bill which provides for a declaration by the Authority, published in the Gazette, of an area in which it intends to explore for or carry on operations for the recovery of petroleum or minerals.

The Government believes that the creation of the Petroleum and Minerals Authority for the purposes I have outlined reflects the will of the Australian people and will be applauded by them. The Government believes, furthermore, that it is a move which will be welcomed by the more responsible and enlightened members of the Australian business community. The Government has been accused of holding-up and delaying the search for petroleum and minerals and the development of these resources whilst it refined its attitude on these questions. If there be any substance in these claims the passage of this Bill should be swift. I commend the Bill to the Senate.

Debate (on motion by **Senator Durack**) adjourned.

SEWERAGE AGREEMENTS BILL 1973

Bill received from the House of Representatives.

Standing Orders suspended.

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

Second Reading

Senator CAVANAGH (South Australia—Minister for Aboriginal Affairs) (12.43)—I move:

That the Bill be now read a second time.

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

The ACTING DEPUTY PRESIDENT (Senator Wilkinson)—Is leave granted? There being no objection, leave is granted.

(The speech read as follows)—

The purpose of this Bill is to provide for an agreement between the Australian Government and the States for a programme to eliminate the backlog of sewerage. The Bill will appropriate funds for loans to the States for carrying out this program during 1973-74. The details of the program are set out in the agreement which is contained in the schedule attached to this Bill. On 16 December last year, the Prime Minister (Mr Whitlam) wrote to each Premier seeking information from each State sewerage authority.

Replies from the States showed that 17 per cent or one in six of the population of Australia's major cities are without adequate sewerage services. In addition, every city has deficiencies in sewerage treatment facilities. As honourable senators would realise, the number of people without adequate services and the standard of treatment varies considerably from region to region. There are different starting times for sewerage construction, different rates of growth, different priorities within State programs, and different geological conditions. All these complex factors need to be taken into account in formulating an agreement. Following these replies, officers of the Department of Urban and Regional Development held discussions with State authorities. The various State submissions, together with these discussions, clearly indicate that the formulation of a long-term agreement was not possible in the time officers had available to them. And so, the agreement which is attached to this Bill provides for the year 1973-74 only.

In the recent Budget, the Government allocated $30m for a beginning to the sewerage backlog program. I would like to stress that this allocation is only the first step in our program to overcome the sewerage backlog in our major cities. In setting the level of assistance, the Government was fully aware of the pressures on resouces, both men and materials, this year. There are 10 cities which will receive monies this year under the program. They are: Sydney, Wollongong, Newcastle, Melbourne, Brisbane, the Gold Coast, Perth, Adelaide, Hobart and Launceston. The amount of financial assistance for each State is as follows:

	$m
New South Wales	11.2
Victoria	9.3
Queensland	3.1
South Australia	1.6
Western Australia	3.8
Tasmania	1.0

Monies will be made available by way of repayable loans for a period up to 40 years. The rate of interest to be charged is the long-term bond rate at the time payments and advances are made. Under the agreement, a State can repay equal 6-monthly repayments of capital together with interest on the reducing balance. Alternatively, the State can elect to pay under credit foncier terms which provide for equal 6-monthly instalments. Under this alternative, payments would be lower in earlier years. Part III of the Agreement details the conditions of financial assistance. Honourable senators will be aware that in the past sewerage authorities have normally paid the local government interest rates which are generally one-half per cent higher than the long-term bond rate. Also, the repayment period has normally been much shorter than 40 years. For example, in New South Wales the authority there has borrowed at one-half per cent above the long-term bond rate and repaid over 20 years. I have been aware of the criticism from some quarters concerning the Government's decision to make this year's allocation on an interest bearing loan basis. Sewerage authorities are considered as business undertakings which should generally rely on loan funds. However, no-one is more aware than I of the difficult position many sewerage authorities find themselves in today. Sydney, Newcastle and Perth are generally paying 50c in every dollar to service their debts. The Melbourne Board of Works is paying 58c in every dollar. I would point out that this situation was not created by the present Australian Government. It was created in the main by the previous Australian Government and conservative State governments. It would be irresponsible of this Government to start giving away money this year without full awareness of the complex matters I have already mentioned. The present Australian Government does not intend to bail out these authorities without conducting a proper analysis of their indebtednesss and future programs and the way these programs relate to each other.

The Department of Urban and Regional Development is ultimately responsible for formulating the national sewerage program. It has enlisted the assistance of the Cities Commission. In addition, a steering committee has been established to help formulate the program. This committee consists of experts from the Sydney Metropolitan Water, Sewerage and Drainage Board, the Melbourne and Metropolitan Board

of Works, the Australian Department of Housing and Construction and the Cities Commission. Members of this committee sit on it because of their expertise and not because of their various State origins. A long-term program will be worked out in close co-operation with the States. No one should under-estimate the magnitude of the task that the various officers face in formulating this long-term program. In the first instance, there is the question of the inter-connected nature of this Government's policies in urban and regional development.

Provision of funds for sewerage works is only one part of the Government's overall program for improvement of the environment and living conditions in cities throughout Australia. The sewerage program must be integrated with policies and programs in land commissions, housing, urban public transport, area improvement programs and growth centres. I predict that it will be increasingly recognised that one of the great strengths of this Government's policies for the cities is its willingness and ability to see the various investments which the Australian Government has made in the past, coupled with the initiatives we are now taking, as being interconnected. These investments must increasingly be seen as an inter-connected parcel of policies, not as isolated programs. Secondly, neither the Australian Government nor the various State Governments will be able to fulfil their duties to relate these investments unless we are served with better data. The paucity of data is a major problem. It is through co-operation in this sewerage program that more data can be made available to all governments about the basic conditions underlying this problem.

This initial allocation represents the historic step in the continuing involvement by a national government in one of the major problems of our cities. It was the present Prime Minister who had to endure the misplaced mockery and disregard of some honourable senators and the disdain of some editorial writers when he sought to involve the previous Government in assisting the States to overcome this problem. This present Bill is a tribute to his persistence.

With the co-operation and assistance of the States, I am confident that we can now formulate a long-term agreement. Such an agreement will both overcome the backlog in sewerage services and provide treatment facilities at modern environmental standards. Together with allied programs for other urban services, this Government will overcome the results of 23 years of under-investment in our cities which has produced so many inefficiencies and inequalities. I commend this Bill to the Senate.

Debate (on motion by **Senator Laucke**) adjourned.

REMUNERATION TRIBUNAL BILL 1973

Bill received from the House of Representatives.

Standing Orders suspended.

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

Second Reading

Senator WILLESEE (Western Australia—Minister for Foreign Affairs) (12.44)—I move:

That the Bill be now read a second time.

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

The ACTING DEPUTY PRESIDENT (Senator Wilkinson)—Is leave granted? There being no objection, leave is granted.

(The speech read as follows)—

I present a Bill to be known as the Remuneration Tribunal Bill 1973. The Bill provides for review by a Tribunal of a number of salary groups, namely, judges, First Division officers of the Public Service, statutory full-time and part-time officials, and members of Parliament. The Bill flows from the 1971 Kerr Report. The Government is of the view that a single Tribunal would facilitate co-ordination of higher salaries in the Australian Government arena and the development of a unified approach to common issues. The legislation provides therefore that the Tribunal will operate as a single tribunal.

I turn now to the detail of the Bill. Clause 4, of the Bill provides that the Tribunal will comprise 3 persons appointed by the Governor-General. The Chairman shall be a judge or a retired judge of a State supreme court or a person with qualifications entitling him to appointment as a judge of a State supreme court. Provision is made to preclude the appointment to the Tribunal of persons who might be expected to have an interest in the findings of the Tribunal. The Bill provides for the Tribunal to be appointed on a part-time basis for a fixed term of 5 years.

There are constitutional barriers which would prevent the Tribunal from making determinations relating to remuneration of judges and salaries of Ministers. For these reasons, Clause 6 of the Bill provides that the functions of the Tribunal will be advisory in respect of these matters.

The Parliament itself will need to pass the necessary legislation in those cases where the Tribunal has an advisory role before the findings of the Tribunal can be given effect.

Clause 7 endows the Tribunal with the power to determine salary and/or annual allowance in respect of First Division officers, full-time and part-time statutory officials, members of Parliament and office-holders of Parliament and allowances—but not salaries—for Ministers of State. The Bill provides that the Minister shall arrange for a copy of each determination to be laid before each House within 15 sitting days of receipt by him. Either House of Parliament will be able to disallow any determination of the Tribunal within 15 sitting days after a copy has been laid before that House. The Tribunal will conduct reviews on its own initiative whenever it is satisfied that there is prima facie a case for review but at least annually. Provision is also made for the Tribunal to report at the one time for all salary groups. The Bill provides for the Tribunal to inform its mind in whatever manner it thinks fit and for the Government to provide assistance as appropriate. Reports of the Tribunal will be made public. I commend the Bill to the Senate.

Debate (on motion by **Senator Laucke**) adjourned.

HEALTH INSURANCE COMMISSION BILL 1973

Second Reading

Consideration resumed from 11 December (vide page 2684), on motion by **Senator Douglas McClelland:**

That the Bill be now read a second time.

Question put. The Senate divided.

(The President—Senator Sir Magnus Cormack)

Ayes	23
Noes	30
Majority	7

AYES	NOES
Bishop, R.	*Anderson, Sir Kenneth*
Cameron, D. N.	Bonner, N. T.
Cant, H. G. J.	Buttfield, Dame Nancy
Cavanagh, J. L.	Byrne, C. B.
Devitt, D. M.	Carrick, J. L.
Drury, A. J.	Cormack, Sir Magnus
Georges, G.	Cotton, R. C.
Gietzelt, A. T.	Davidson, G. S.
Keeffe, J. B.	Drake-Brockman, T. C.
McAuliffe, R. E.	Durack, P. D.
McClelland, Douglas	Gair, V. C.
McLaren, G. T.	Greenwood, I. J.
Milliner, B. R.	Guilfoyle, M. G. C.
Mulvihill, J. A.	Hannan, G. C.
Murphy, L. K.	Jessop, D. S.
Poke, A. G.	Kane, J. T.
Poyser, A. G.	Laucke, C. L.
Primmer, C. G.	Lawrie, A. G. E.
Wheeldon, J. M.	Lillico, A. E. D.
Wilkinson, L. D.	Little, J. A.
Willesee, D. R.	McManus, F. P.
Wriedt, K. S.	Marriott, J. E.
Teller:	Maunsell, C. R.
O'Byrne, J.	Rae, P. E.
	Sim, J. P.
	Townley, M.
	Webster, J. J.
	Withers, R. G.
	Wright, R. C.
	Teller:
	Young, H. W.

Question so resolved in the negative.

LEGISLATIVE DRAFTING INSTITUTE BILL 1973

Second Reading

Debate resumed from 12 December (vide page 2705), on motion by **Senator Murphy:**

That the Bill be now read a second time.

Senator GREENWOOD (Victoria) (12.51)—At the moment we are receiving a spate of legislation, some of it introduced into this chamber and some of it coming to us by message from the House of Representatives. It is regrettable that parliamentary procedures must appear to be inadequate to give to these measures the attention which they warrant. I do not pass comment about the very many matters of major import to which inadequate time and attention have been given. I do not believe the measure which is now before us, the Legislative Drafting Institute Bill, is a measure to which we should simply give prefunctory approval. I want to say something critical and I want to say something complimentary. This Bill represents a significant advance. But it was introduced yesterday and it is being debated today. Presumably the House of Representatives is expected to pass it later today. It is in all respects hurried legislation, though that is not to say that the concept behind the measure is at all hurried. There is not adequate time to probe, to ask questions, to search for information and really to consider whether the concept is best given expression by vesting all authority for this Institute in one man and by giving to that one man wide powers to create his staff, to employ consultants and to devise as he goes along the objectives which are set out.

Of course this standard of bringing the legislation in and hurrying it through in this way was not acceptable to the present Government when it was in Opposition. I remind Government senators of the many statements of this character which were made by them in other years. I think

that in fairness it may be said that it was not the standard of the present Opposition when it was in government. The difference between the amount of legislation passed by the present Opposition when it was in government and by the present Government has been constantly emphasised throughout the year. I mention that to make my point. But the fact that this matter is being rushed through in this way I think prevents that measure of accord and support to the concept which should be given, being developed in the way in which I think it could be developed. I said I wanted to say something complimentary, and I do. I think the Attorney-General (Senator Murphy) is to be complimented because of the very real advances which have been made in the area of legislative drafting in the course of this year. I think that the advances which he personally has been able to develop with the assistance of his Department and, doubtless, with the assistance of the Parliamentary Counsel himself, represent long overdue changes. I think it would be churlish and not acknowledging real contributions if that were not said.

What has happened? We have had the separation from the Office of Parliamentary Counsel of those counsel who are to prepare the regulations and ordinances, of which there are a great number. That has meant—obviously the number of Bills introduced into the Parliament would not have been as great as it is if it had not occurred—complete devotion to the work of the drafting of Bills in the statutory office of Parliamentary Counsel. The second thing which has occurred has been the setting up of a Legislative and Drafting Division within the Attorney-General's Department. Whilst I think that that must await a longer time before a full assessment of its worth can be made, it does appear, in the short term, to have been able to achieve the desired results of maintaining an output of legislation through the Parliamentary Counsel and through this division in the case of regulations and ordinances.

This proposal to set up a drafting Institute is an attempt to meet the long term solution. I say these things because I appreciate that over many years successive Attorneys-General have attempted to grasp the vexing problem of the drafting of legislation, be it legislation in the Parliament or subordinate legislation. It is not a problem which is peculiar to Australia. It is a problem which is experienced in all the States. It has long been felt in the Commonwealth arena and it has been experienced in most overseas countries which have parliaments through which Bills are drafted. It has not been a problem easy of solution. I think, from reading the Attorney-General's second reading speech, that he recognised at the Commonwealth Law Ministers Conference the problem which other countries have experienced in this same area. It is a problem which is not easily or lightly overcome. Whilst one wishes the proposals which the Attorney-General has in mind through this Institute every success, one must await the development of the Institute, the creation of the staff and the series of tuitions and training which will be undertaken before one can really assess whether it is the complete answer to the problem.

We welcome the Institute particularly because it will provide assistance not only for the Commonwealth but also for the States and for other countries. This is one of the necessities of any such Institute. For the Commonwealth alone I imagine that it would be an exercise and an expense which would be scarcely warranted because you may get 10 or 20 draftsmen trained who might well serve the Commonwealth for a period of 10 or 20 years, and then the work of the Institute would be done. But in the way in which it has been devised it is to be an Institute which can provide a continuing service not only for Australia but also for other countries, and to that extent we wish it well. It is an ambitious project but one worthy of support and encouragement. As I said, the framework is established by the Bill but we have yet to see how it works out in practice.

I notice, for example, that the core of the Bill is the appointment of a director, the creation of an Institute which the Director shall manage, and giving to the institute functions estimable in their expression but really only to be assessed when we see those functions work out in practice. What must be maintained and what is tremendously important in the work of the Institute is appropriate standards. Drafting work is meticulous work. In the Commonwealth arena, indeed in any area of legislative drafting, the demands made upon the lawyers who undertake the drafting work are immense and they will not grow lighter as the volume of legislation increases and as the volume of decisions by the courts on the meaning of words in legislation increases. It becomes a vastly more complex task year by year. Therefore the task of training becomes infinitely greater, and so the standards expected of draftsmen become greater. If we lessen the standards there undoubtedly will be a lessening in the quality of drafting.

Sitting suspended from 1 to 2 p.m.

Senator GREENWOOD—It is of vital importance that the standard of the draftsmen should not be lessened. There is always a temptation, when there is a shortage of draftsmen and when the attractions of other fields of legal endeavour are so great, to believe that the work of drafting can be performed by the second best. I do not believe that it can. I believe that a constant endeavour must be made to ensure the maintenance of the highest standards. Implicit in this Bill is the attempt to sustain that and at the same time to attract into the drafting service, by means of the training facilities which the Institute can provide, persons who might otherwise not appreciate the attractions of the office.

Parliamentary counsel and draftsmen of parliamentary statutes have a remarkable opportunity to be right at the centre of the law making processes. It ought to be an attraction for those law graduates who have aspirations which I think they derive from a concentrated study during their undergraduate years. I believe the Institute, as proposed by the Bill, will do much to provide an incentive which is otherwise lacking. Yet, I have always held the view—and I think the Attorney-General would recall it being expressed in this chamber—that if we desire the highest standards, if we look to recruit the best graduates from legal years or those who have been in practice and have acquired an aptitude for drafting they must be remunerated on a basis which enables them to sustain their position and to justify what will become their lifetime's vocation against what they can otherwise earn in the very remunerative fields of legal work.

The creation of the Office of Parliamentary Counsel outside the Public Service Board, but not so outside it as to be immune from its influence, was an attempt to create this role for parliamentary counsel in which the remuneration would be at least adequate for the role which they fulfil. Yet, as I know and I suspect as the Attorney-General knows, the work of the parliamentary counsel is not to be regarded as of such a superior quality that the work of the ordinary lawyers in the Attorney-General's Department servicing the Government should be so denigrated by a relativity difference which puts their position in too low a strata. These are matters which I imagine the Institute will work out as it develops.

I notice from the functions which are given to the Institute that it is to conduct courses of instruction and training and they are matters of course which the Director will have to devise. He is to undertake research into methods and techniques of legislative drafting. One would imagine that in that area there will be a greater consultation and greater assistance to be derived from parliamentary counsel than might be achieved in the ordinary work to which he, as the Director, will devote himself. He is obliged to foster interest in and encourage suitably qualified persons to enter the profession of legislative drafting. That appears to me to be the kernel of this whole proposal. What steps is the Director to take? What are the areas in which he can operate? To what extent will he have some independence in what he can offer by way of training and emoluments during training to persons who would be prepared to undertake the courses which he is offering?

I think it is fair for these matters to be devised by the man who ultimately is selected to be the Director, rather than to wait, work out a program and hope that the man who is appointed will find that he agrees with what has been prepared. I sense therefore that we are seeing a formative program which offers much and I trust it will achieve the objective which we all have for it. As I have said earlier, the Attorney-General is to be complimented on the initiatives which he has taken in this area in the course of the year and for the progress which has been made in the work of this Institute. In its development he has the support and the encouragement of the Opposition.

Senator WRIGHT (Tasmania) (2.6)—I rise on the debate that the Bill be now read a second time only to invite the Attorney-General (Senator Murphy) in his reply to inform the Senate whether he has given any consideration to the possibility of this expertise or applied experience being better provided in colleges of advanced education or at one of them in particular. I point out that these colleges have afforded the legal profession a great facility in the practical education of the profession in the last couple of years in workshop skills of which parliamentary drafting is one.

I do not understand this Institute to be the donor of any degree or diploma. Naturally in the time that has been available since the matter was introduced into the Senate—it was introduced within the last 24 hours—I would not purport to be putting forward any view that is based on study. But I am concerned that we are building up a number of single individual institutes. Whereas the Institute for Criminology has a philosophical and in depth study purpose, parliamentary drafting has not. It is simply the application of knowledge to the skill of expression. A good latin training would be the first thing to

precede the whole business and a college of advanced educations specialising in the subject might be an advantage. I ask the Attorney-General to advert to this in his reply with specific relation to the cost that will be involved, the centralisation that will be involved in having one institute and how the cost will be defrayed by those who seek tuition in the Institute.

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (2.8)—I note the criticism of the Deputy Leader of the Opposition (Senator Greenwood) and I accept with pleasure the compliments that he has paid to myself, the Parliamentary Council and others for what has happened during this year. A great deal of consideration was given to the question raised by Senator Wright of whether this training should be attempted at some tertiary institution. I think that in the nature of the studies and the training, it would not be suitable to be undertaken at colleges of advanced education. It would be more suitably carried out at universities because one would expect that persons would be graduates in any event before embarking upon this course.

Senator Wright—That would not preclude a post-graduate course at colleges of advanced education.

Senator MURPHY—It is not a case of centralising the activities in this field because broadly there are no activities. This is an endeavour to bring about an institute of world wide significance. It was thought appropriate to have a separate Institute to which people from all over the world might come. It was in no way to be regarded as an addition, an appendage, to some college or to some course conducted by some college. At this stage I am not able to say how much finance will be involved because it will depend a lot upon how the Institute progresses and how many people in Australia and from overseas take advantage of it. It is largely experimental. The Government is anxious to see it succeed. As honourable senators would know, it is very difficult to get draftsmen and people who want to train as draftsmen. I regret that I cannot offer any firm suggestion about the financial considerations. I thank the Senate for the way in which it has dealt with the Bill, and I commend the Bill to the Senate.

Question resolved in the affirmative.

Bill read a second time.

In Committee

The Bill.

Senator GREENWOOD (Victoria) (2.11)—I seek information. I notice that there is to be a Director of the Legislative Drafting Institute. What is the intention of the Attorney-General (Senator Murphy) with regard to the appointment of the Director? Is it intended to advertise the position? Does he have a person in mind? What is the proposal for the filling of the position of Director? What procedures does he propose to follow?

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (2.12)—Dr Driedger, from Canada, is in Canberra, as I indicated yesterday. I have had some discussions with him and with officials of the Attorney-General's Department. No decision has been made as to who should be the Director. It was thought helpful to have some discussions with Dr Driedger about the kind of qualities which would be necessary to carry out this function. If Senator Greenwood has any suggestions to make, either about a person or about the necessary qualities, they will be welcome. He has taken an interest in this subject, as have all honourable senators. I think that we may need to advertise the post, unless there is some especially appropriate person who comes to mind. There is no pea for the post of Director of the Legislative Drafting Institute.

Senator WRIGHT (Tasmania) (2.13)—In my contribution to the second reading debate I referred to finance. As I read clause 21 of the Bill, there is no present or continuing appropriation for the implementation of this legislation. The appropriations which the Legislative Drafting Institute will be entitled to use, as I understand the position, will be annual appropriations which are made from time to time by Parliament, but I should like the confirmation of the Attorney-General (Senator Murphy) on that point.

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (2.14)—I think that the position is as the honourable senator states it. That is in the long run. I understand that a body such as the Legislative Drafting Institute is initiated when we find a director who can operate the body. I take it that he would be appointed and that funds would be made available from the Treasury for the payment of his salary and for the salary of other persons appointed. Those payments would no doubt be mentioned in the Supplementary Estimates. There are funds which are available at the initiation of such bodies. Those funds are within the control of the Treasurer. There is a well accepted practice for dealing with such matters. For example, I do not think that we will have to

wait until next August or next November, when an Appropriation Bill has been passed, before we can spend $1 on anything for the Institute. Broadly, it is supposed to operate, when it gets under way, within the limits of the appropriations made by Parliament.

Senator GREENWOOD (Victoria) (2.15)—I wish to raise one or two other matters seeking information. One of the curious features, as I see it, of this Bill is that the functioning of the Legislative Drafting Institute is entirely in the hands of a Director. There is no council or commission, as seems to be the pattern in other Bills which the Attorney-General (Senator Murphy) has introduced into the chamber in recent weeks. It seems to me that there could be an overlapping of function between the Institute and the Law Reform Commission and between the Institute and the Office of Parliamentary Counsel. I notice that the general power of consultation is really a consultation with persons who will in some way become employees of the Institute on a full time or a part time basis. What is the intention with regard to the proposed working of the Institute, with regard to some of the functions of the Director and with regard to collaboration between the Director and the Law Reform Commission, for example, which seems to have identical functions in one or two respects, as does the Office of Parliamentary Counsel? That is one aspect. The other matter bears on Senator Wright's question. What is the basic estimate upon which the Attorney-General and, presumably, the Government have been proceeding with regard to how much the Institute is likely to cost?

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (2.16)—I cannot really answer the second question because the amount depends upon how the Legislative Drafting Institute progresses. It may be a great success, and people may swarm to the Institute. Drafting may become a fashionable career. It has been an unfashionable one previously. On the other hand, it may be difficult to get people to attend and to be caught up with it. It is experimental. I cannot really offer any suggestions as to how much will be involved. I know that if the Government were to get large numbers of people interested it would be anxious to spend money to encourage the development of drafting. Everyone knows the problem which has existed in Australia and elsewhere. The amounts involved can be only minimal compared with the problem which the absence of draftsmen has caused to parliaments in Australia and elsewhere.

Senator Greenwood asked about the relationship between various bodies. Largely, the Director is to be left to run the Institute, to get it off the ground and to operate it in a sensible way. Again, this is experimental. Provision is made for the office of Parliamentary Counsel to assist, to give lectures and so on. I have no doubt that there will be a great deal of co-operation between the Director and the Office of Parliamentary Counsel and, I should think, between the Director and the Law Reform Commission. The view we took was that as the Institute was in the nature of an educational as well as a training body it was better to leave the Director largely to run the Institute. I know that it is difficult.

When we introduce a Bill which sets up a body which is subject to the directions of the Minister, everybody complains and says that we should leave it alone. When we introduce a Bill in which a body is not subject to the directions of the Minister, they say: 'Why is this body or this person not under more supervision?' In this instance it was thought proper that the management of the Institute be left largely to the Director. I think that this arrangement will work out properly. If it does not, an amendment can be made. Taking into account that, apart from Dr Driedger's activities in Ottowa, there is no real precedent to turn to, it was thought by us sensible to leave it in this way.

Bill agreed to.

Bill reported without a amendment; report adopted.

Third Reading

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

LANDS ACQUISITION BILL 1973

Second Reading

Debate resumed from 6 December (vide page 2551), on motion by **Senator Murphy:**

That the Bill be now read a second time.

Senator WITHERS (Western Australia—Leader of the Opposition) (2.22)—The Opposition does not oppose the passage of this Bill. In his second reading speech the Attorney-General and Minister for Customs and Excise (Senator Murphy) set out quite clearly the intention of the Government. The Bill deals with land voluntarily acquired by the Commonwealth from people within Australia. There has been a procedure whereby these matters had to be approved by the Governor-General in Council. They are now to be approved by the Minister. When this matter was debated in another place, I think it was

the honourable member for Gippsland, Mr Nixon, of the Australian Country Party who put forward a suggestion which the Opposition parties had agreed on, namely, that voluntary acquisitions, if I can call them that, ought to be tabled in the Parliament. The Minister for Services and Property, Mr Daly, said that he would consider it. I understand that the Minister for Foreign Affairs (Senator Willesee) here will, in the Committee stage, be moving the amendment. With those few words, I indicate that we wish the Bill a speedy passage.

Senator LAWRIE (Queensland) (2.24)—The Australian Country Party does not oppose the passage of the Bill. It is mentioned that about 90 per cent of the land is acquired on a negotiating basis without having to go through the whole scheme of resumption. It is pointed out, too, that the limitations of the negotiators in a voluntary negotiation from the Government's point of view are a long way out of date. This Bill is to bring the matter more up to date. For that reason, we do not oppose it.

Senator BYRNE (Queensland) (2.25)—The Australian Democratic Labor Party, together with the other parties in Opposition, supports the Bill. It is a facilitating measure to streamline the present procedures. Obviously it was a tortuous procedure that all acquisition even by agreement had to go to the Governor-General. The provisions of this Bill will enable the Minister to ratify the agreements so concluded. This seems to be an eminently reasonable proposition. It will facilitate resumptions, and this is particularly desirable where people are having their land resumed and compensation is to be paid, particularly by agreement. The Bill contains a provision regarding the rate of interest which is to be paid in relation to resumptions where the negotiations have taken some time. This rate is to be increased, and I think this is prudent and just. In all the circumstances, the DLP supports the passage of the Bill.

Question resolved in the affirmative.

Bill read a second time.

In Committee

The Bill.

Senator WILLESEE (Western Australia—Minister for Foreign Affairs) (2.27)—I have an amendment to clause 4, which reads, in part:

(1) Section 7 of the Principal Act is amended—

(a) by omitting from sub-section (1) the words 'The Governor-General' and substituting the words 'The Minister'; and

(b) by omitting sub-sections (2) and (3).

I move:

Leave out paragraph (b), substitute the following paragraph:

" (b) by omitting sub-sections (2), (3) and (4) and substituting the following sub-sections:

'(2) The land acquired under this section may be an easement, right, power, privilege or other interest that did not previously exist as such, in, over or in connexion with land.

'(3) Where the acquisition of land is authorised by the Minister under sub-section (1), the Minister shall cause to be laid before each House of the Parliament, within 30 sitting days of that House after the giving of the authorisation, a statement describing the land and stating that the acquisition of the land has been authorized under that sub-section for the public purpose specified in the statement.'.".

Briefly, I say thanks to the honourable senators who on behalf of their parties are facilitating the passage of this Bill. As mentioned by Senator Withers, during the debate on this Bill in another place the Opposition drew attention to the possibility that there may be dangers in the powers conferred upon the Minister in acquiring by agreement land and interests in land on behalf of the Australian Government unless this is accompanied by a public statement concerning the exercise of these powers. The suggestion was made that the Minister might agree to an amendment being moved in this House that all approvals for the acquisition by agreement of land and interests in land should be tabled in both Houses of Parliament within 30 sitting days from the date of approval of each acquisition, subject to non-disclosure of those aspects of any transaction which the vendor may wish to withhold, for example.

The Government welcomes this suggestion although there is no procedure incorporated in the principal Act for this nor have acquisitions by agreement been gazetted in the past. The proposed amendment, which I have circulated, provides for a statement of all acquisitions by agreement of land or interests in land authorised by the Minister to be tabled in both Houses of Parliament within 30 sitting days from date of approval of each acquisition. The location of the property, property description and the public purpose for which the land is being acquired will be shown together with the date of authorisation.

Amendments agreed to.

Bill, as amended, agreed to.

Bill reported with an amendment; report adopted.

Third Reading

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

BILLS RETURNED FROM THE HOUSE OF REPRESENTATIVES

The following Bills were returned from the House of Representatives without amendment:

Fisheries Bill 1973.

Continental Shelf (Living Natural Resources) Bill 1973.

National Library Bill 1973.

Northern Territory Supreme Court Bill 1973.

Law Reform Commission Bill 1973.

AUSTRALIAN APPLE AND PEAR CORPORATION BILL 1973
APPLE AND PEAR STABILISATION BILL 1973
APPLE AND PEAR EXPORT CHARGES BILL 1973
APPLE AND PEAR STABILISATION EXPORT DUTY COLLECTION BILL 1973

Second Readings

Debate resumed from 6 December (vide page 2560), on motion by **Senator Wriedt:**

That the Bills be now read a second time.

Senator LAUCKE (South Australia) (2.30)—Does the Senate propose to deal with these Bills in a cognate debate?

The ACTING DEPUTY PRESIDENT (Senator Marriott)—Order! I am advised that the Senate has already agreed to deal with the Bills in a cognate debate.

Senator LAUCKE—Thank you, Mr Acting Deputy President. The main purpose of the principal Bill, the Apple and Pear Corporation Bill 1973, is the establishment of an Apple and Pear Corporation to replace the former Apple and Pear Board. The other Bills with which we are dealing are related to this central Bill, and the variations which they propose are concerned directly with the change of title. The Bills do not embrace changes either to the stabilisation scheme or to export charges, but they do dovetail in with the central Bill.

The Liberal Party Opposition is not opposed to these Bills, or to the establishment of the Corporation. In general terms the setting up of the Corporation as provided for in the legislation is in line with the reorganisational proposals which were well advanced in the tenure of office of the former Minister for Primary Industry, Mr Ian Sinclair. It is now high time—indeed, it is past high time—in view of the serious problems and disabilities facing the apple and pear industries, that firm action is taken to provide better bases for the wellbeing of the industries. The problems of these industries have been accentuated by the entry of the United Kingdom into the European Economic Community and by the uncertainties they face in relation to the European markets generally. Further, there has been greatly increased competition in these markets, both from locally produced and exported fruit. In the past this market was our main market. We are confronted with increased freight charges, and in fact with difficulty in obtaining ships. Further—I believe this is paramount—these industries have had to face up to the adverse effects of currency revaluations. So these industries are facing real problems.

The proposed Corporation, which is given very wide powers, has ahead of it a major work better to facilitate the distribution of the apple crop and the pear crop both in Australia and overseas by means of promotional activity. Powers are being given to the Corporation to charter its own ships, where necessary, for the export of the fruit. Overall we find that a very businesslike approach is being adopted in relation to this Corporation. Before the last election the Australian Labor Party had spoken of the proposed Corporation having its grower representation elected by the growers. It is found that this is now not to be the case; this will be a matter of ministerial appointment. I regret this. There are to be 4 grower representatives on a Corporation of nine. Whereas in the past the Apple and Pear Board did have direct representation by growers from each of the States, this will now not apply in relation to the Corporation. This proposal has caused some discontent, naturally, in my own State. I am sure the same situation applies to other States in which direct representation has not been given to the growers. This means that they are not in the position of strength that they would like to occupy.

Although we say we do not oppose the legislation, we do criticise it as regards the composition of the Corporation. I propose to move an amendment to the motion 'That these Bills be now read a second time'. The amendment further emphasises and reiterates the concern that we feel in relation to the condition of the industry and in relation to the tardiness with which revaluation compensation has been made available to the industry. The amendment I propose to move is in these terms:

At end of motion add—

', but the Senate deplores the failure of the Government to provide—

(a) immediate financial assistance by way of proper compensation for loss inflicted on exports in the 1973 season by revaluations of the Australian currency;

(b) adjustment of the stabilisation scheme to provide for increased costs and freight rates;

(c) a guarantee to growers for cost of export for the current season, and

(d) elected representation of growers to the Corporation as promised by its spokesmen prior to the last election.'

In regard to the currency revaluation aspect, it would be churlish on my part not to refer to the $5m which has been made available following the expression of deep concern from this side of the chamber in regard to the adverse effects on the fruit-growing industries, particularly the apple, citrus and pear growing industries, caused by the removal of the sales tax exemption from aerated waters which contain at least 5 per cent pure Australian fruit juice. We emphasise again the urgent need for payments to be made to the growers who, through no action of their own, have been caught in the grip, as it were, of financial situations whereby their income has been cut by the amount of the revaluations made. This has gone on since 1971 and it has been the major cause of the financial difficulties that have beset fruitgrowers.

The ACTING DEPUTY PRESIDENT (Senator Marriott)—Order! Senator Laucke, will you circulate a copy of your amendment? Are you proposing to move it now or have you already moved it?

Senator LAUCKE—I formally move it now. I move:

At end of motion add—

', but the Senate deplores the failure of the Government to provide—

(a) immediate financial assistance by way of proper compensation for loss inflicted on exports in the 1973 season by revaluations of the Australian currency;

(b) adjustment of the stabilisation scheme to provide for increased costs and freight rates;

(c) a guarantee to growers for cost of export for the current season, and

(d) elected representation of growers to the Corporation as promised by its spokesmen prior to the last election.'

The ACTING DEPUTY PRESIDENT—Is the amendment seconded?

Senator Wright—I second the amendment.

Senator LAUCKE—I refer now to that part of the amendment which deplores the failure of the Government to provide adjustment of the stabilisation scheme to provide for increased costs and freight rates. On the one hand there is the unavoidable effect of revaluation; on the other hand, in a very competitive world fruit market which allows very fine margins of profit, there are increased costs incidental to fruitgrowers. These are caused again from factors quite apart and quite separate from anything that the industry could do about them. In relation to freight rate increases, I believe that there will soon be an increase of another 17 per cent in freight rates. All of these increases are biting into what is, as I have already said, the extraordinarily fine margins on which fruitgrowers operate. If there is a sector of the rural industries which requires sympathy and urgent consideration, it must surely be the fruitgrowing sector. It has suffered much more severely than any other part of rural industry. Increased costs and freight rates and the effect of revaluation have all had a very severe impact on the ability of growers to remain viable. Surely in the world at large, which requires more food from year to year, there should be promotion and salesmanship which will enable markets to be found; but in the process assistance should be forthcoming in areas where it is required to meet the inevitable costs in those areas.

There is no guarantee for the costs of export for the current season. No amount has been allocated to assist in this. Representatives of growers on the Australian Apple and Pear Corporation are to be appointed by the Minister from names provided to him by the Australian Apple and Pear Growers Association. We object to that, and we express the objection in this amendment. The powers of the Corporation, as I said before, are very wide. They will cover the processing and marketing of apple and pear products. The Corporation will have power to charter shipping. The Corporation will also be able to undertake a research program to promote the industry through researches into new products to see where greater efficiency can be achieved. All these aspects are good, but I am concerned that while the Government may guarantee to the Corporation moneys borrowed by it, there is not an undertaking that the Government will guarantee such borrowings made by the Corporation. So the onus falls right back on to the growers themselves who have 4 representatives on the Corporation. Their fruit is handled completely by the Corporation and financial obligations are entered into on their behalf, but the Government does not say that it will guarantee loans which are obtained by the Corporation. It seems to me that this is the liability of the growers themselves. I feel that this aspect of the matter ought to be looked at more closely by the Government to ensure that the onus is placed on the Government, via its Corporation which is directly controlled by the Government. The growers ought to be released from this obligation over which they initially would have no control. I support the legislation with the amendment that

I have added to the motion that the Bills be now read a second time.

Senator WEBSTER (Victoria) (2.44)—The Senate is debating 4 Bills. I direct my remarks to the Australian Apple and Pear Corporation Bill. The purpose of this Bill is to implement the establishment of the Australian Apple and Pear Corporation which will replace the present Australian Apple and Pear Board. The establishment of an Apple and Pear Corporation was one of the many proposals designed to assist the fruit growing industry. The Minister for Primary Industry in the previous Government, Mr Sinclair, had completed much work on this when the Government changed. The Australian Country Party supports the setting up of a Corporation, although I am certain that there would have been significant and important differences had this legislation been brought forward by the previous Government. We believe this legislation should help the industry considerably. We note with approval that the Corporation will have the power to control exports, to charter and arrange shipping, to organise sales within Australia and to engage in research and promotion. All these are very welcome provisions.

However, my Party is disappointed that the Government has failed in this legislation to provide for proper compensation for the loss suffered by exporters as a result of the revaluation of the Australian dollar. Clearly, this should have been done. We also deplore the Government's failure to adjust the apple and pear stabilisation scheme to provide for increased costs and freight rates or to give a guarantee to growers for the cost of export for the current season. My Party also would have wished that the members of the Corporation be elected and not appointed. We have voiced the same complaint about some other bodies set up by this Government. For the sake of the troubled apple and pear industry, I wish it could be anticipated that the Corporation would cure all ills. Unfortunately, I am able to entertain no such anticipation. This Bill does nothing to enable the Australian industry to establish its marketing arrangements on a more competitive basis. It does nothing to establish the position of the growers on a more secure foundation. Long term solutions to the malaise affecting this industry must necessarily come from governments, not from boards or corporations. The plan serves as a breathing space in which major reforms may be introduced. This legislation is not made to reform. The faults in the legislation which I have outlined were sought to be corrected when this legislation was debated in another place. Unfortunately, the Government did not agree to those changes. I have an amendment to move during the Committee stage of the consideration of the Bills. Other than that, I indicate that the Bills have the support of my Party.

Senator WRIGHT (Tasmania) (2.48)—We are addressing ourselves at this late stage of the session to very important legislation so far as Tasmania is concerned. It is in respect of the special interest of Tasmania in this industry that I rise to speak. I will be as brief as possible but I am bound to put forward those considerations affecting the industry that I think are important. I think the responsibility for these Bills in their final form, together with the timing of their introduction must be accepted by the Minister for Primary Industry (Senator Wriedt). At this time, late in December and late in the parliamentary session, with the fruit half formed on the trees, the growers have had to make their decisions in regard to the next season, either to uproot or to go on with the industry. These proposals were discussed as long ago as February, of this year. If I remember aright, it may have been June at least, it was many months ago. This legislation should have taken final form long before this time so as to give growers a basis upon which they could plan. It will not be news to the Senate for me to say that this industry is in a very depressed state. I have advanced its claims several times to the Senate before this session. But the Minister said that we would be having a debate on the Australian Apple and Pear Corporation Bill and that would be the occasion for a final analysis of the position. In the last few years the industry has dwarfed by at least 50 per cent in respect of export quantities. The degree of the difficulty confronting the industry can be appreciated from a reading of the annual report of the Australian Apple and Pear Board for the year ending 30 June 1973, wherein it is stated:

> With a normal export availability in 1973 there was little optimism amongst growers whose cost price position had been further undermined by the progressive decline in the sterling-dollar exchange rate since mid June 1972 and an increase of some 12 per cent in shipping freight rates.

The report went on to refer to crop failures in the Argentine and reduced crops in other European countries and stated that the Australian exporters suddenly found themselves in the position of having a product which was keenly sought after and, therefore, apple prices were better than expected that season. Having particular regard to Great Britain, which had been the most important part of our European market, the report went on to say that for the first time we met with the phasing in conditions of the European Economic Community regulations.

The levy was at its highest during 1973—approximately $1.50 a carton—but fortunately it did not apply during the period between 1 April and 31 July, which was when most of the southern hemisphere fruit arrived. So the industry survived last year by a combination of those two very favourable circumstances.

The industry is undergoing a terrific transformation due to the neglect of the present Government. The Minister for Primary Industry has chosen to refer to the reconstruction program the Government is financing in this industry as being something of benefit to it. Compensation is to be given to growers who have their orchards assessed for grubbing out. Compensation of as much as $350 an acre is being paid for some orchards and $100 an acre for others. The net result, as anybody who visits the Tamar Valley or the Huon Valley can see at a glance, has been the substantial destruction of years and years of productive effort. I think that will redound to the utter discredit of any government which supported a proposal to reduce productive assets so as to bring a marketable commodity within restricted limits. The remedy, of course, is to attack the problem of depression coming from the difficulties of the European market, increased freights, exchange rates and the EEC. The thing to do is to go out and get other markets. That is what the Opposition did in its time in Government. It expanded the markets of the Pacific to such an extent that they are now absorbing more than one million bushells each season.

As I have pointed out before, I am pleased that the Minister for Primary Industry has taken up the advocacy—it is not for the first time this year that such a case has been presented, of course, but it now needs to be presented with a great deal of urgency—for an examination of the Japanese market. We should see whether we cannot negotiate our way into the Japanese market. It is only because of that potential that I give muted support to this Bill. I will support it in the hope that the Corporation will have sufficient abilities within its command to gain access to the Japanese market and so open up for us a market which will be, I think, comparable with if not better than Europe within the foreseeable three or five years. But we cannot rely upon that this year, next year or probably the year after that. I am pleased to say that my colleagues in the Tasmanian Parliament have taken up the complementary part of that proposal and are urging the State Government to bring in rigid provisions to suppress the codling moth and completely eradicate it from the crop of the island State. The Minister has stated that he has opened up one niche for negotiations, namely, that Japan may be willing to negotiate for the acceptance of apples from codling moth free regions. Tasmania therefore could specially qualify for that market.

The first thing I want to say about the Government is that it is deplorable that it is placing so much reliance upon what is euphemistically called reconstruction but what is, in actual fact, destruction of the industry rather than a preserving and promoting of our market potential. I remind the Senate that in all the years of the war this country felt able to pay millions of pounds to let drop onto the ground apples that could not be used to preserve an industry of continuing growth and potential. The second thing I have noted is that the Government hit the industry by the withdrawal of the sales tax benefit which enabled the fruit juice industry to absorb about one million cases of non-exportable apples. We discussed that the other day. I will not refer to it at length today, except to acknowledge that the Minister for Primary Industry advised us then that the Government would make $5m available for the processing and growing side of the fruit industry. Of course, that would not be confined to apples and it would not be confined to Tasmania. He said that the money would be available if the industry put forward applications in that respect. I am taking the matter up with the industry to ensure that its claims in that respect are immediately and positively presented to the Government for attention.

The next matter that I suggest is insufficiently appreciated by the Minister and all too insufficiently appreciated by Canberra—that is to say, the Department of Primary Industry as distinct from the Apple and Pear Board—is the degree to which the exchange rate has effected a crucial reduction in the price returned for this export fruit. It will be recalled that after the Labor Government announced the revaluation in December 1972 the Minister for Primary Industry said that some assistance would be given to the apple and pear industry and he fixed on an amount of 30c a case but limited the assistance to 1,500 cases per grower. To show how inadequate that is I point out to the Senate that between 19 June 1972 and 6 December 1973 the actual adverse operation of the exchange rate, the Australian revaluation and the British devaluation meant a reduction in the market price of $1.53c a case on an assumed value of pound sterling 3 a case. If we take it from the time of the Government's first revaluation, namely 6 December 1972, the reduction is $1.20 a case of a value of 3 pound sterling. So not only is the 30c insufficient but the limitation to $1,500

a grower is completely without reason. A consequence is that, whereas the distribution of revaluation compensation has been made to Tasmanian apple growers to the extent of about $800,000, the entitlement of that industry on that read alone is more of the order of $1.8m. That is to say, it has been short changed to the extent of $1m on that one operation by the combined effect of sterling devaluation and the upward trust of the 2 Australian revaluations.

That is a serious blunder for the Government to make in a year when the industry is suffering from adverse conditions. The Government might have been expected during that time to strain every effort to give the spare ounce to the industry in this critical year. But far from giving sufficient exchange value, it put an artificial limit on each grower. The absurdity of this is illustrated by the fact that if a grower's income is derived from 20,000 cases of apples he gets no exchange revaluation compensation for 15,000 cases. The compensation cuts out at 5,000 cases. If he grows only 5,000 cases but has a rich beef farm which gives him far more than would that 5,000 cases of apples, he still gets the $1,500 compensation for 5,000 cases of apples. So too if his income is derived from milking or from shares. He can have unlimited income from sources other than apples; he can have unlimited capital of any description. But the one factor that denies him full compensation for revaluation and exchange reduction is that he has grown export apples in excess of 5,000 cases; and so he is limited to $1,500. It ignores completely the fact that the sole proprietor may employ as many as 20 permanent hands and, in one case 60 casual hands, during the season. Although his large crop is adversely affected by revaluation he is limited to $1,500 compensation—and the wages that he must pay are in no way compensated from this source.

Seeing the farcical nature of that result, the Department put out an edict saying that in the case of partners, if there were 3 male partners, it would give $1,500 to each. Then some idea crept into the oddity of mind that conceived this scheme to say that if a partnership were composed of a husband and wife, it would get only one payment of $1,500; and that single women sharing in a partnership or a company were to qualify for assistance only if actively participating in orchard activity. That artificial limitation has had the effect, as I say, of depriving the industry of what it could well show to be an additional loss—an actual loss—in the reduction of the price to which it would otherwise have been entitled. I do submit to the Minister for Primary Industry my hope that the Government does not adopt obstinate attitudes on this matter which are devoid of all reason. I do hope that the Minister will give objective consideration to that and show himself to be big enough to reconsider it, and, if he is convinced by the figures, to pay the additional amount immediately since these growers are in great difficulty in providing a new crop, the export of which will have to begin in mid-February.

The other point about the industry to which I wish to pay attention is the marketing stabilisation scheme which was brought in by the Government of which I was a member for the support of the export section of this industry. It will be remembered that the scheme was quantified by 2 upper limits. One was that it was to apply to a crop of only 4.4 million cases and the total payout in any one season was limited to 80c a case. As the annual report of the Apple and Pear Board says, in the past two or three years the average amount paid to the industry has been of the order of $2.6m although this year, by reason of higher prices, it is expected that the payout will not be of that amount. I hope it will not be significantly less.

The figures for that stabilisation payment should be ready at the end of this week, I understand. It was hoped, I think, that the payout could be made before Christmas. But there is a very important consideration regarding it. That is that the Premier of Tasmania has been to Canberra to impress upon the Prime Minister (Mr Whitlam) and Senator Wriedt the need for some additional assistance for those who have to meet the additional costs of exports as I say, beginning actual shipping in the middle of February. I had hoped that the Minister would have been able to make the statement that the Prime Minister was going to make in response to that request, and which Senator Wriedt said he was expected to make this week. I hope that the Minister will make some such statement during this debate. I hope that it will be a statement that the stabilisation scheme will enable the maximum payout per case to be increased beyond the 80c so as to be more relevant to the freight rates and price changes, resulting from the reduction in exchange with which we have to deal today.

If the growers could get justice on revaluation, and if some form of adjustment to the present level of costs, having regard to the price reduction caused by exchange changes, could be brought about by an adjustment of the stabilisation scheme, it would be of terrific help to this industry in this critical year. If not, I hope that

this Government will enable the Premier of Tasmania to do something of the sort which he did last year although, at this date, it will not be nearly as beneficial as at the time Mr Reece took action last year. He was able to give the exporters a guarantee of $2.60 a case f.o.b. for all cases exported. He pledged himself to that in August. If all other appeals fail I hope that the Federal Government will underwrite the State's undertaking to give some such guarantee to enable this industry to keep viable through the next few months. Otherwise, the cost of cases, packaging, transport, picking, some spraying and then the terrific cost of exporting will daunt many growers and induce them not to market their crop.

I come to the terms of the Bill. Briefly, it is an attempt to reconstruct the organisation which is central to this industry. The organisation began away back in 1938. The cardinal point about it, as it was continued right up to the present time, is that it dealt with the export section of the industry. It regarded the interstate and intrastate Australian trade in fresh fruit as not a matter of its real concern. Tasmania has no less than 70 per cent of the export potential of this industry. For many years it has actually exported 70 per cent of Australia's apples and pears. It has pioneered that trade on a unique basis so that it obtained the benefit of the English market in the 3 months in which fruit is off the markets. This was done at a distance of 12,000 miles. It is not surprising that the organisation up to this time has recognised Tasmania's predominant interest and risk in this industry. Therefore, whereas the other States each had one grower representative on the Apple and Pear Board for the last 5 years Tasmania has had three and, before that had more. All those grower representatives were elected. It is my regret that the Minister has seen fit not to give Tasmania some special acknowledgement because of her interest and risk in the export part of the market. It is in that part of the market that the huge costs of freight and, of course, exchange, have to be borne.

Out of the 4 appointed members of the Australian Apple and Pear Corporation I hoped that Tasmania would have at least two. But there is nothing in the Bill to achieve that and there is nothing I can do to achieve it. It was put in the Bill in this form. Nevertheless I hope that when the time comes for appointment Tasmania's special interest and risk will be recognised. The other point which I regret in relation to this subject is that the grower representatives are to come from a panel nominated by the Apple and Pear Growers Association. This is a body which scarcely exists in some States and it has to be revived in order to be recognised. The effect of this provision is to ignore the elected industry body of Tasmania which is the State Fruit Board and which, up to this time, has had the direct and acknowledged right to nominate the 3 Tasmanian members of the Apple and Pear Board. I notice that the chief change between the functions of the new Corporation and the Board—I hope I shall be corrected if I am wrong—is to give the Corporation power to buy and sell and otherwise to engage in trade in apples and pears. Up to this date the Board has had complete control of quotas, of licensed exporters and of contracts for insurance. But it is in relation to the Corporation's power to buy and sell that this Bill makes a significant addition to the old powers. I notice that clause 7 (2) of the Bill provides:

> The Corporation shall not engage in trade in competition with natural persons resident in, or corporations incorporated in, Australia—
>
> (a) without the approval of the Minister; or
>
> (b) otherwise than in a manner that accords with commercial practice.

There are only 2 other provisions of the Bill to which I shall specifically refer at this stage of the debate, the first of which is in sub-clause 3 of clause 7 to which Senator Webster has addressed attention. He has said that he proposes to move an amendment. That sub-clause states:

> The Corporation shall comply with any directions given to it by the Minister with respect to the performance of its functions and the exercise of its powers.

I should like to hear what the Minister has to say in justification for the claim that he should direct the Corporation. The other provision to which I refer is in clause 8 (4) which states:

> The Corporation shall not exercise its powers under this section in a manner that gives preference to one State or any part of one State over another State or any part of another State.

I have no doubt that I shall be referred to section 98 of the Constitution which, in relation to any law with regard to trade or revenue, prevents this Parliament giving preference to one State over another. But that does not mean and it has not stopped the old Board from recognising the difference in value of the industry in any one State. I shall be obliged to the Minister if he will explain to me the origin of this clause and what operation it is supposed to have. For instance, there are all sorts of trade advantages which mainland States enjoy in regard to mainland markets. Western Australia and Tasmania chiefly constitute the export section of this industry. If it is said that they are to have a quota on the same basis as other States might achieve, I am sure that this legislation will have to be reviewed at an early date. I do not support the legislation but we are in the situation where the

only prudent thing to do is to let the Minister have this organisation which he proposes to set up but to which he is not entitled unless the Corporation which he creates is guaranteed sufficient finance to work this industry on a viable basis. I hope that we can have a reasoned response as to the various channels of finance which I have sought.

The ACTING DEPUTY PRESIDENT (Senator Wilkinson)—Order! I want to refer to a matter of procedure. Senator Laucke has moved an amendment and the amendment as circulated has a heading relating to the Australian Apple and Pear Corporation Bill 1973. By order of the Senate we are dealing with the 4 apple and pear Bills together and the question is 'that the Bills be now read a second time'. With the concurrence of Senator Laucke and the Senate I shall therefore propose the amendment as an amendment to the question.

Senator Laucke—I concur with that suggestion.

The ACTING DEPUTY PRESIDENT—Is the Senate agreeable to that course being followed? There being no objection, that course will be followed.

Senator WRIEDT (Tasmania—Minister for Primary Industry) (3.21)—The Senate is debating legislation pertaining to the Australian apple and pear industry. Essentially it provides for the replacement of the Australian Apple and Pear Board with the Australian Apple and Pear Corporation. Senator Wright, in his closing remarks, commented that this is the Minister's corporation. Let me assure the honourable senator that it is not my corporation. In fact the framework of this corporation, as Senator Laucke correctly pointed out, was initiated by his own Government some years back with the Australian Wool Corporation. I have said on many occasions that I doubt that there is a wool grower in Australia who would deny that the formation of that Corporation has been of benefit to the Wool Industry in replacing the old Wool Board and the Wool Commission. It is the intention of this Government to do the same thing with an industry which is sick, admittedly, and which is gradually losing its markets and gradually losing the people who are in it. It is not designed for the purpose of taking away from growers their right to determine the course of their industry but to bring about a structure which will represent, right across the whole marketing chain of the fruit industry, all those elements which go to make up a viable industry.

Reference was made during the debate to the fact that the Government allegedly has taken away from the growers the majority rights which applied under the old Apple and Pear Board. That is quite true. Initially the proposal put to the industry was that there be 3 grower respresentatives on the Corporation of 9. Subsequently we agreed to increase that number to 4. I think it has been well shown in other cases that majority representation by growers is not the answer. The fundamentally important point is to have the most effective marketing operation that you can get in any primary industry. This is one of the principal features of this Corporation. It also is a marked change from the old Apple and Pear Board inasmuch as it will have the right to trade as an independent trading body. The powers of direction which are written into the Bill are not designed for the purpose of interfering with the business discretion of the people who will operate the Corporation. It is there as a normal safeguard which any Government would be entitled to exercise, particularly in view of the stabilisation arrangements which apply in the industry, and also the fruit growers' reconstruction scheme.

I think that Senator Laucke conceded the very important point that the promotion of apples and pears throughout the various world markets by this Corporation in fact will be the essential factor which will bring about a revival of this industry. We would be pulling the wool over our eyes, as Senator Wright has done, if we were to say that it is futile to pull out orchards. We have been through all this before, as he and I well know. He takes one view and I take the other. He referred to the destruction of orchards and the shame or disgrace that is brought upon any government which exercises such a policy, but we know, of course, that that policy was designed and introduced by the Government of which he was a Minister. As I have said on many occasions—I think most people in the industry would agree with me—this has been of benefit to the fruit growing industry. It is the simplest thing in the world to stand up and say the sorts of things that fruit growers want you to say. But it is much worse to delude them, to build up false hopes and tell them that simply because they can grow so much fruit we can sell it anywhere in the world, that we can get a price for it, or alternatively we will guarantee their price and give them the cost of production plus profit and so on. That is not the responsible way to go about it. I am surprised that even in these latter days Senator Wright should still hang on to that worn-out theory. When he was in the ministry his

colleagues must surely have made some effort to convince him of the correctness of what they were trying to do, something which we accept today was in fact the proper course.

I could make a lot more comments about this but seeing that this is the last day of sitting I feel that there are certain constrictions on our time. I will just make this comment: Maybe in the past there were those who might have fought a little harder for the fruit industry and who today have a lot to say about it. The problems of the industry will not be solved by making a lot of fine speeches in this place. They will be solved by getting the correct structure for the apple and pear industry and getting involved in it the people who know and understand the market forces and can get our fruit into profitable outlets. I do not want to re-open the whole question of revaluation, as Senator Wright appeared to wish to do, but I think that for the sake of the record I ought to say something. He deplores the fact that there was not 'full compensation'—I think that was the term he used—for fruit growers. Yes, he used the term 'full compensation'. He knows full well that in 1967, when he was a Minister in the Liberal-Country Party Government, the principle of full compensation in fact was adopted, but he also knows that in 1971 that principle was thrown overboard by his Prime Minister of the day, Mr McMahon. That was spelt out quite clearly in a statement that Mr McMahon made in the House of Representatives in December 1971. Any exporter of either primary or secondary products in this country today who imagines that if there is a change of government back to the Liberal-Country Party there will be the old program of full compensation in the sense of revaluation is deluding himself. Those days are gone and gone for good, irrespective of what party is in power in this country. It is quite futile to talk about the fact that there was not full compensation. The principle adopted by this Government of adjustment payments was initiated by the previous Government but never put into effect, of course, because it takes political courage to revalue your own currency.

I am quite happy to deal during the Committee stage with the more specific points one by one. I have not taken note of them one by one. I undertood that we were going to deal with the Bills in the Committee stage. I wind up my reply to the second reading debate by saying that this legislation was designed as a positive move to help the apple and pear industry. So far as the forthcoming season is concerned, I indicated to the Senate earlier this week that a statement would be made in respect of guarantees for the 1974 Tasmanian crop. That statement will be made later this afternoon. I am not in a position to make it just now.

Question put:

That the words proposed to be added (**Senator Laucke's** amendment) be added.

The Senate divided.

(The President—Senator Sir Magnus Cormack)

Ayes	29
Noes	23
Majority	6

AYES	NOES
Anderson, Sir Kenneth	Bishop, R.
Buttfield, Dame Nancy	Cameron, Donald
Byrne, C. B.	Cant, H. G. J.
Carrick, J. L.	Cavanagh, J. L.
Cormack, Sir Magnus	Devitt, D. M.
Cotton, R. C.	Drury, A. J.
Davidson, G. S.	Georges, G.
Drake-Brockman, T. C.	Gietzelt, A. T.
Durack, P. D.	Keeffe, J. B.
Greenwood, I. J.	McAuliffe, R. E.
Guilfoyle, M. G. C.	McClelland, Douglas
Hannan, G. C.	McLaren, G. T.
Jessop, D. S.	Milliner, B. R.
Kane, J. T.	Mulvihill, J. A.
Laucke, C. L.	Murphy, L. K.
Lawrie, A. G. E.	Poke, A. G.
Lillico, A. E. D.	Poyser, A. G.
Little, J. A.	Primmer, C. G.
McManus, F. P.	Wheeldon, J. M.
Marriott, J. E.	Wilkinson, L. D.
Maunsell, C. R.	Willesee, D. R.
Rae, P. E.	Wriedt, K. S.
Sim, J. P.	
Townley, M.	Teller:
Webster, J. J.	O'Byrne, J.
Withers, R. G.	
Wood, I. A. C.	
Wright, R. C.	
Teller:	
Young, H. W.	

Question so resolved in the affirmative.

Original question, as amended, resolved in the affirmative.

Bills read a second time.

In Committee

The Bills.

Senator WEBSTER (Victoria) (3.35)—I have an amendment to move to clause 7 of the Australian Apple and Pear Corporation Bill 1973. I move:

Leave out sub-clause (3) of clause 7.

Perhaps we could take clauses one to six.

The TEMPORARY CHAIRMAN (Senator Marriott)—The question is:

That the motion be agreed to.

Those of that opinion say aye, to the contrary no. I think the noes have it.

Senator Wriedt—I understand now that Senator Webster is moving for the deletion in the Committee stage of clause 3. Is that correct?

Senator Douglas McClelland—He lost the vote.

Senator Wriedt—A vote has been taken?

The TEMPORARY CHAIRMAN—Yes.

Senator Wriedt—Then that is all right.

The TEMPORARY CHAIRMAN—The question now is:

That the Bills stand as printed.

Senator Wright—I wish to have some clarification. I understood Senator Webster to move for the omission of sub-clause (3) of clause 7. Is the direction of the Chair that we are to consider that amendment? I thought the Minister intervened——

The TEMPORARY CHAIRMAN—Order! My understanding is that Senator Webster moved an amendment. He gave the appearance of sitting down so I put the question that the amendment be agreed to and in my opinion it was clearly lost. It was then indicated to me that the Minister wanted to speak. I understand the Minister has comprehended that the amendment was put and lost. So I then put the question—which I do again:

That the Bills stand as printed.

Senator WEBSTER (Victoria) (3.37)—Mr Temporary Chairman, you may have heard me suggest that we take clauses 1 to 6. You did not hear me say that?

The TEMPORARY CHAIRMAN—No.

Senator WEBSTER—I think anyone else other than members of the Labor Party would have heard me.

Motion (by **Senator Wriedt**) proposed:

That the question be now put.

Senator Webster—What is the motion before the Chair?

The TEMPORARY CHAIRMAN—Order! The question that I have put on each occasion is that the Bills stand as printed. The motion has now been moved that the question be now put on which I cannot allow debate. Therefore the question is:

That the motion be agreed to.

Senator WRIGHT—Mr Temporary Chairman, I rise to order. I suggest to you that before the motion was moved that the question be now put, Senator Webster moved the omission of sub-clause (3) of clause 7. I heard what you said before, Mr Temporary Chairman, and there is no need to take your time by repeating it. Then I understood you to say: 'I will put the question again'. I understood you to be putting, because of the confusion, the question concerning Senator Webster's amendment. Then Senator Wriedt moved that the question be put. I respectfully suggest that, properly understood, the question to which the gag moved by Senator Wriedt applies is that sub-clause (3) of clause 7 be omitted.

Senator Webster—I wish to speak to the point of order. I am anxious to assist the passage of the Bills.

Senator O'Byrne—That is a lot of guff.

Senator Webster—I can understand the Government wishing to delay the passage of the Bills. It will do so if it persists with its clowning actions. My point is that when I rose and said that I wished to move an amendment—Mr Temporary Chairman, you may not have heard me because the Government at that stage was making a great deal of noise—I suggested that the Committee take clauses 1 to 6 together. I sat down at that point. I would wish, whichever way you handle the matter, to have the opportunity to move my amendment and to give my reasons for moving it.

The TEMPORARY CHAIRMAN (Senator Marriott)—There was no occasion for the Committee to consider clauses 1 to 6, as the Senate had ordered that the Bills be taken as a whole. The question which I put to the Committee was that the Bills stand as printed. Therefore, I must put the Minister's motion.

Question put:

That the question be now put.

The Committee divided.

(The Temporary Chairman—Senator Marriott)

Ayes	27
Noes	25
Majority	2

AYES	NOES
Bishop, R.	Anderson, Sir Kenneth
Byrne, C. B.	Bonner, N. T.
Cameron, Donald	Buttfield, Dame Nancy
Cant, H. G. J.	Carrick, J. L.
Cavanagh, J. L.	Cotton, R. C.
Devitt, D. M.	Davidson, G. S.
Drury, A. J.	Drake-Brockman, T. C.
Georges, G.	Durack, P. D.
Gietzelt, A. T.	Greenwood, I. J.
Kane, J. T.	Guilfoyle, M. G. C.
Keeffe, J. B.	Hannan, G. C.
Little, J. A.	Jessop, D. S.
McAuliffe, R. E.	Laucke, C. L.
McClelland, Douglas	Lawrie, A. G. E.
McLaren, G. T.	Lillico, A. E. D.
McManus, F. P.	Marriott, J. E.
Milliner, B. R.	Maunsell, C. R.
Mulvihill, J. A.	Rae, P. E.
Murphy, L. K.	Sim, J. P.

AYES	NOES
Poke, A. G.	Townley, M.
Poyser, A. G.	Webster, J. J.
Primmer, C. G.	Withers, R. G.
Wheeldon, J. M.	Wood, I. A. C.
Wilkinson, L. D.	Wright, R. C.
Willesee, D. R.	
Wriedt, K. S.	Teller:
	Young, H. W.
Teller:	
O'Byrne, J.	

Question so resolved in the affirmative.

Original question resolved in the affirmative.

Bills agreed to.

Bills reported without amendment.

Adoption of Report

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

That the report of the Committee be adopted and that the question be now put.

Report adopted.

Third Readings

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

That the Bills be now read a third time and that the question be now put.

Bills read a third time.

HOSPITALS AND HEALTH SERVICES COMMISSION BILL 1973

Second Reading

Debate resumed from 12 December (vide page 2707), on motion by **Senator Douglas McClelland**:

That the Bill be now read a second time.

Senator RAE (Tasmania) (3.50)—I express on behalf of the Opposition support for the philosophy behind the legislation. We support the passage of the Bill, although we have some reservations that I wish to express. However, I do not wish to take time this afternoon in going through what the Bill is all about, which has appeared in other parts of Hansard, nor do I wish to go through the general attitude of the Opposition on this matter, as this is set out in a speech given by Mr Chipp in the House of Representatives. I simply adopt what he said and ask people to refer to the House of Representatives Hansard at page 4538. A number of requests have been made by State Ministers that they should have a further opportunity to consider this legislation before it comes into effect. Claims have been made that they have not been able to consider it adequately, and we believe that in the interests of federalism there is some merit in giving consideration to their requests.

As opposed to that, though, we believe it important that the functions which are to be carried out under this legislation be able to be undertaken and, if it was to be delayed for several months by our deferring it, this would be unfortunate. Accordingly, we ask the Minister to ensure that his colleague will be as co-operative as possible with the State Ministers who wish to have further discussions in relation to this matter. Next year, after discussions have taken place and if the Sates have representations to make, we may wish to move some amendments to the legislation. At this stage I shall be moving only one amendment at the Committee stage, and I understand that it will be accepted by the Minister. It was stated in the lower House that it would be accepted. I therefore do not elaborate on it at this stage.

I simply make 2 comments. The first is that the Opposition does not like the idea of a Bill which gives, in effect, a blank cheque to the Minister and the Commission. We see it as desirable that the Government give some thought to seeing that there is a proper parliamentary supervision of the operations of and expenditure by the Commission, and if by no other way this Parliament will be able to do that through the Estimates Committees. We also see it as fundamental that there should be in the operation of the Commission co-operation with the States, and it is in relation to that that in Committee I will move an amendment. There is the further question of reporting to Parliament. This was raised in the House of Representatives and I understand that the Minister will be moving an amendment which, although not exactly what we sought, is acceptable for the purpose of ensuring that there is communication between the Commission and the Parliament.

Senator WEBSTER (Victoria) (3.53—The philosophy behind this Bill has the general support of the Australian Country Party. Mr Lloyd of the House of Representatives, as reported at page 4550 of Hansard for the House of Representatives, put the view of our Party on this matter. One question which I have in mind and to which I direct the Minister's attention is that in my view this Bill will commence an erosion of State rights, and in relation to health this may be a particularly important matter. I plead with the Australian Government that it seek to co-operate and deal with the States in this matter. I wish to read to the Senate 2 urgent telegrams which I have received, one from the Minister for Health in Victoria, which was sent yesterday and which states:

Victoria supports New South Wales and Queensland Governments' opposition to the hospitals and health services commission Bill. Request that the Bill be deferred by the Senate to enable State Health Ministers to examine the legislation. Victoria particularly objects to clause 5 (1) (a), (b) and (c). There

have been no discussions with either the Minister or the Department on this Bill.

I have another urgent telegram from Mr Tooth, who is the Health Minister in Queensland. That telegram reads:

Queensland joins New South Wales and Victoria in expressing grave reservations regarding the Hospitals and Health Services Commission Bill 1973 presently before Federal Parliament insofar as many clauses appear to authorise invasion of States' rights and responsibilities.

This is a matter that should concern the Senate considerably. As an interim committee has been working for most of 1973, my Party feels that the work it has done and the work that will be done by this Commission should be of advantage to health services in Australia. We ask the Minister to take the various State Departments affected by this Bill into closer consultation.

Senator HANNAN (Victoria) (3.55)—I will not detain the Senate for long, but I, too, have received a communication from my own State along the lines of the telegrams that Senator Webster has read. I, too, make an appeal along the lines set out by Senator Webster. After all, this is a States House. Many clauses in this Bill seem to intrude into the exclusive sphere of the States, and I join with Senator Webster in appealing to the Minister to take these matters into account in administering the legislation.

Senator DOUGLAS McCLELLAND (New South Wales—Minister for the Media) (3.56)—in reply—The Government appreciates the speedy passage that is apparently to be given by the Opposition to this legislation. I appreciate that Senator Rae on behalf of the Opposition will be moving an amendment, to which the Government will offer no objection. The Government, acting in a spirit of compromise, likewise will be moving an amendment, to which I understand no objection will be forthcoming from the Liberal Party. The aspect of collaboration and co-operation has been referred to. I, as Minister representing the Minister for Health in this chamber, have received a telegram from Mr Tooth, the Queensland Minister for Health, on this aspect. My colleague, Dr Everingham, issued a Press statement on 11 December in the last paragraph of which he emphasised that he and the Australian Government were seeking collaboration with and the co-operation of State governments wherever possible in the formulation of a broad health program, including collaboration on any proposals put forward by voluntary organisations or local government bodies. Dr Everingham as Minister for Health and the Australian Government wish to continue this close collaboration. I suggest that the legislation be given a speedy passage.

Question resolved in the affirmative.

Bill read a second time.

In Committee.

The Bill.

Senator RAE (Tasmania) (3.58)—I move:

In Clause 5, at the end of the clause add the following new sub-clause: '(5) The Minister before giving his approval to the Commission to make grants under paragraph (1) (c) to a State organisation or to an organisation or persons in a State, other than an Authority or instrumentality of Australia, shall request the appropriate Minister of that State to consult with him concerning the matter and, if that Minister does not consult with him, have regard to the view expressed by that Minister'.

The reasons for this amendment have been given previously.

Senator DOUGLAS McCLELLAND (New South Wales—Minister for the Media) (3.59)—In a spirit of co-operation and of seeking collaboration, as emphasised by me in my reply in the second reading debate, I have had discussions with my colleague the Minister for Health about the matter, and the Government is prepared to accept the amendment.

Amendment agreed to.

Senator DOUGLAS McCLELLAND (New South Wales—Minister for the Media) (4.0)—On behalf of the Government I now move the following amendment:

After clause 6, insert the following new clause—

'6A. Notwithstanding any directions given by the Minister, the Commission may recommend to the Minister that a report furnished by it to him should be drawn to the attention of the Parliament and, where the Commission so recommends, the Minister shall, as soon as practicable, cause that report to be laid before each House of the Parliament'.

I think the terms of the amendment are self-explanatory, and I therefore propose it on behalf of the Government.

Senator RAE (Tasmania) (4.1)—I am grateful to the Minister for the Media (Senator Douglas McClelland) for moving the amendment on behalf of the Government. Although it is not quite in the terms that we asked for, we accept it in the spirit in which it is given, namely, as an attempt to reach a compromise which will achieve the general purpose, and we shall support the amendment.

Amendment agreed to.

Bill, as amended, agreed to.

Bill reported with amendments; report adopted.

Third Reading

Bill (on motion by **Senator Douglas McClelland**) read a third time.

NATIONAL HEALTH BILL (No. 2) 1973

Second Reading

Debate resumed from 6 December (vide page 2555), on motion by **Senator Douglas McClelland:**

That the Bill be now read a second time.

Senator RAE (Tasmania) (4.2)—The Opposition supports the National Health Bill (No. 2) 1973 which provides some amendments to the National Health Act. The Opposition congratulates the Minister for Health (Dr Everingham) on making some desirable amendments to the Act. I wish to draw attention to only one point, and that is related to hearing aids which, under the provisions of the Bill, will cost pensioners nothing. There is an omission which we hope will be rectified. A small number of people are required to wear hearing aids which go inside the ear and they cannot use the type which at the moment is provided under the scheme. This results in a number of pensioners having to pay approximately $300 for a hearing aid so that they can hear. I understand that the Commonwealth Acoustics Laboratory is working on this problem, but I hope that the Minister for Health will ensure that everything possible is done to make this further amendment to the Act so that this small group of people can be catered for. With those comments, I indicate that we will support the legislation.

Senator DOUGLAS McCLELLAND (New South Wales—Minister for the Media) (4.3)—The Government appreciates the speedy passage that the Opposition is giving to this legislation. The matter raised by Senator Rae on behalf of the Opposition will be drawn to the attention of my colleague, the Minister for Health (Dr Everingham). Being the great humanitarian that he is, I am certain that he will give the matter his close and sympathetic consideration.

Question resolved in the affirmative.

Bill read a second time, and reported from Committee without amendments; report adopted.

Third Reading

Motion (by **Senator Douglas McClelland**) proposed:

That the Bill be now read a third time.

Senator JESSOP (South Australia) (4.5)—I want to mention very briefly this matter of internal hearing aids being too expensive for those people who are required to wear them. I want to ask the Minister for the Media (Senator Douglas McClelland) whether he has had any discussions with private practitioners on this matter and whether there is any possibility of providing some help to those pensioners in this category who wish to consult private practitioners with respect to hearing aids.

Senator DOUGLAS McCLELLAND (New South Wales—Minister for the Media) (4.6)—If the honourable senator asks the question of me personally, the answer is no, I have not had any personal contact with private medical practitioners, although I understand that my colleague, the Minister for Health (Dr Everingham), has. The departmental officers who are advising me assure me that the matter is a highly complex one, but the Minister for Health has had discussions with medical practitioners, and the matter is being investigated.

Question resolved in the affirmative.

Bill read a third time.

FAMILY LAW BILL 1973

Bill presented by Senator Murphy, and read a first time.

Standing Orders suspended.

Second Reading

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (4.7)—I move:

That the Bill be now read a second time.

The purpose of this Bill is to repeal the Matrimonial Causes Act 1959-1966 and to replace it with an up-to-date, comprehensive set of provisions dealing not only with divorce but also other areas of family law. Honourable senators will recall that in November 1971 I moved a motion, which was carried by this Senate, that there be referred to the Standing Committee on Constitutional and Legal Affairs for inquiry the matter of 'the law and administration of divorce, custody and family matters, with particular regard to oppressive costs, delays, indignities and other injustices'. The fact that the reference was made by the Senate was an indication of its awareness of a need for reform in this field.

During my time as a member of that Standing Committee I heard and saw a great deal of oral and written evidence put before the Committee which persuaded me that very substantial alterations to the family law of this country were

necessary. The evidence showed that the present grounds of dissolution and the bars to matrimonial relief, both based mainly on the principle of matrimonial fault, are not in accord with current social standards, that the rules are unnecessarily prolix and cumbersome and that the result is high costs, delays and indignities to the parties. I made a strenuous effort early this year to remove some of the worst features of the present rules but my efforts were largely frustrated by the Opposition in this Senate—not completely frustrated, however, because despite their disallowance the rules were effective to do away with the general requirement for discretion statements and also to abolish filing fees, and a good number of divorces were granted by the simple, inexpensive and dignified procedures before the disallowance.

It is apparent that the public attitude to divorce has changed dramatically in the comparatively short time since the 1959 Act was passed. Even amongst conservative thinkers, not a single voice has been heard in favour of retaining the grounds as they are. A few persons, who might fairly be described as traditionalists, have expressed the view that the only change should be to reduce the period of the ground of separation to two or three years, whilst retaining adultery, cruelty, desertion, etc. as grounds. But by far the majority of persons—laymen and lawyers alike—who have expressed views are undoubtedly in favour of ridding the law entirely of the concept of matrimonial fault or matrimonial offence, as it is sometimes called.

In considering what kind of grounds should take the place of the present fault grounds I sounded out various persons, including judges, legal practitioners and academics expert in this field, and other persons and bodies such as the Social Welfare Commission. I thought it also desirable to look at recent overseas divorce law trends, as comprehensive new legislation has been introduced in the last few years in Canada, California and England, in that order. Each Act was passed following a lengthy, formal enquiry and therefore deserved careful consideration as a precedent.

The Canadian Divorce Act, 1968, which gave Canada its first national divorce law, contains a combination of philosophies, a mixture of fault grounds and breakdown of marriage, like our own present Act. The Californian Family Act, 1969 contains only 2 grounds. Irreconcilable differences which have caused the irremediable breakdown of marriage, and incurable insanity. No period of breakdown is prescribed. Final judgment may be entered 6 months after service of the petition. This is obviously an attractive precedent. The English Divorce Reform Act of 1969 has only one ground, that the marriage has broken down irretrievably. But, to establish the breakdown, one of five stipulated sets of facts must be proved. Of these, three are matrimonial offences—adultery, unreasonable behaviour and desertion—and two are based on separation—5 years, or 2 years with consent of the other spouse. This legislation has been much criticised as not having achieved its object of removing the element of fault from the divorce jurisdiction.

Whilst none of these laws was an entirely suitable precedent to be followed here, I am in agreement with the 2 criteria adopted by the English Law Commission for a good divorce law; that it should buttress, rather than undermine, the stability of marriage and, when a marriage has irretrievably broken down, it should enable the empty legal shell to be destroyed with the maximum fairness and the minimum bitterness, distress and humiliation. To have a divorce law that will meet these tests is of even greater importance where there are young children who will be in contact with both parents after the divorce. It seems essential to me that a good divorce law should be understandable and respected by the public. This is what this Bill seeks to achieve. My proposal is that there should be a single ground of divorce—breakdown of marriage. To establish the ground it would be necessary to prove only that the parties had separated and thereafter had lived separately and apart for a period of not less than 12 months immediately preceding the date of the hearing. There would be no inquiry by the court into whether there had in fact been a breakdown; the separation would be sufficient proof of breakdown.

I do not believe that many people rush precipitately into divorce after separating, or are encouraged to do so by the availability of a simple procedure for obtaining divorce. Rather, the separation of the parties in these circumstances is generally the culmination of a steady deterioration in their personal relationship, the origin of which is to be found in the social and financial pressures that often bear down on young people when they enter marriages today. For instance, I recently read the report of the opinion of an American authority, based on statistical research, that poverty is the most common cause of marital breakdown. I concede that it is up to the Government—and the Parliament—to do whatever it can to remove these pressures.

Given then that husbands and wives who have separated resort to divorce only when their marriage has broken down irretrievably, a period of 12 months after separation is therefore a realistic and proper one to be evidence that the marriage has in fact broken down, for the purpose of establishing the ground for divorce. It is long enough to give persons who have become estranged adequate time to think about their position and whether they really want to be divorced, but short enough so that persons desiring to remarry do not have to waste valuable years of their life, as they do under the present ground of separation. It might be claimed by a person that a breakdown was not irretrievable, either because the circumstances of the separation were such that there was no real estrangement, or because of subsequent events. To meet these circumstances, the Bill provides that the court is not to make a decree dissolving the marriage so long as it is satisfied that there is a reasonable likelihood of cohabitation being resumed. This provision should allay any fears that people may be divorced when there has been a separation without an estrangement.

I have given a great deal of thought to whether there should be another ground to meet the cases such as where the husband repeatedly comes home drunk and beats up his wife and terrifies the children, if not beating them as well. The marriage may become intolerable for the wife, and yet she cannot physically separate from her husband because there is nowhere she can go. The suggestion is that there should be a second ground, one of intolerable conduct, so that the wife can obtain a divorce without the one year waiting period. However, such a ground would of necessity contain an element of fault, and there would have to be an inquiry to satisfy the court that the respondent's conduct was intolerable. This is what we are trying to avoid. I have therefore decided against such a ground, because the petitioner will be able to obtain the relief she wants in other ways.

Under this Bill the wife I have just been talking about could file an application for dissolution of marriage and an application for an injunction restraining her husband from molesting her or using insulting, indecent or humiliating language to her or in front of her, or from going into her bedroom, or even from going to the house. She would, of course, then have to wait 12 months for a divorce if she wanted one, but the husband might change his ways in that time with some help from the marriage counselling services I refer to in a moment. She need not even file an application for dissolution; she could simply apply to a court having jurisdiction under the Act for an injunction, and also maintenance and custody. As this relief is available, which is what she mainly wants, it seems unnecessary—and indeed, undesirable—to provide for a ground of intolerable conduct.

It is hoped that in appropriate cases a person who has filed an application for divorce, particularly a person who has filed such an application before the end of the 12 months separation period, will use the services of expert marriage counsellors, who I expect to be attached at least to the Superior Court. I considered whether there should be provision for compulsory reconciliation conferences between the spouses, as there are in other countries, but rejected the notion as being unacceptable to the Australian people. In any case, a compulsory reconciliation process would be unlikely to produce any worthwhile result. However, the Bill recognises the desirability of reconciliation being kept in mind at all stages until the marriage is dissolved. Because this Bill deals with dispute between husbands and wives outside divorce, the reconciliation provisions of the Bill cast a duty on the court and the parties' lawyers to have regard to the possibility of reconciliation in proceedings for maintenance and custody that are not part of divorce proceedings.

It is proposed that my Department will prepare a suitable document setting out the consequences of divorce—particularly the consequences to the children of the marriage—and that this document will be made available to courts, welfare officers and solicitors to give to all persons proposing to institute proceedings under the Act and also to their spouses. Reconciliation is, of course, rarely possible once persons have instituted, or made up their minds to institute, legal proceedings. In many cases, the persons are so unsuited to each other that reconciliation is not even desirable. In such cases, marriage counsellors should be able to help not so much perhaps in reconciliation as in helping the parties to adjust, even if only emotionally, to their altered circumstances.

Before leaving this subject of reconciliation I should mention that the Bill contains provisions, similar to those in the existing Act, for the subsidising of approved marriage counselling organisations, as they are now to be called. The court-attached counsellors I have mentioned will supplement marriage counselling services now available. It is not envisaged that they will engage in long-term counselling.

The petition has been done away with, as an out-moded document, and all proceedings will be initiated by a simple form of application. All the present statutory bars to divorce, which arise also from the fault principle, will be removed. There will be no more discretion statements under any circumstances. Judicial separation, restitution of conjugal rights and jactitation of marriage are abolished by the Bill. So are the present voidable grounds of marriage, as the ground of dissolution will cater for the few persons concerned. Void marriages will be dealt with by an amendment of the Marriage Act, where they more properly belong. The prohibition on commencing proceedings within 3 years of marriage has also been removed.

As honourable senators are aware, the real issues where parties cannot resolve their difficulties are custody, access, maintenance and the division of property. The criteria for making orders with respect to these matters should therefore be uniform throughout Australia whether the parties are divorced or merely separated. Except in relation to divorce, these matters are presently dealt with by uniform State and Territory laws. The Bill covers as much of this field as is constitutionally possible. Adoption of children, testamentary guardianship and affiliation orders are the main matters it does not, and cannot, deal with. Often it seems that one and sometimes both of the parties are dissatisfied with custody and access orders made after a contest in court. But it is not always easy to make an order to suit the interests of everyone concerned. Judges these days cannot go to the rather extreme lengths that Solomon went to in an early recorded custody decision.

The present Act provides, and this Bill repeats, that the court must regard the interests of the children as the paramount consideration, but otherwise the court may make such order as it considers proper in the circumstances. This Bill includes much improved provisions to give practical support to the principle. The Bill enables the court, in a divorce case where there is a child under 18 years, or in any contested proceedings for custody or guardianship of a child under 18, to order the parents to attend a conference with a welfare officer to discuss the welfare of the child, with a view to ironing out any differences between the parties as to matters affecting the welfare of the child. It is thus hoped that greater use will be made of the skills of welfare officers in matters relating to custody, access and the general welfare of children. Failure by a parent to attend such a conference will not be contempt of court, but the welfare officer will be required to report the failure to the court. It is proposed that greater use will be made of reports by child welfare officers who will, in the case of the Superior Court, be attached to the Court itself. It is hoped it will be possible to have a child welfare report—and a quick report—at least in every contested custody or access case. It is also hoped it will be possible to have custody and access orders supervised by welfare officers, where the court considers such supervision is necessary. However, it is realised there may be difficulties in obtaining sufficient qualified staff.

The Bill allows the child itself, or any responsible organisation concerned with the welfare of children, to apply to the court for separate representation of the child on the hearing of an application for custody, guardianship or access. It is envisaged that the costs of the separate representation would normally be paid out of legal aid funds. Now that persons become adult at 18, orders for guardianship, custody or access are to be made only in respect of a child under 18, and cease upon the child becoming 18 years of age. Moreover, the Bill provides specifically that the court is not to make a custody order that is contrary to the wishes of a child who has reached 16 years of age. However, it may do so in special circumstances, such as where the child is mentally defective. To give court orders for custody and access more strength the Bill provides that a court can penalise a person in a variety of ways for removing a child from the care and control of the parent entitled to custody or access in contravention of the order, for failing to deliver up a child when required to do so by an order, or for preventing a person entitled to access from exercising that right.

As for maintenance, where there are children of the marriage, especially very young children, there is no doubt that a woman who is divorced or separated from her husband needs some financial assistance. On the other hand, where the children are older or where there are no children and the wife is still comparatively young, it is surely in the wife's own interest that she should become economically self sufficient by working. She may, however, need some financial assistance to undertake a period of training for the purpose of obtaining employment or establishing herself in a business. Many think that some judges tend to be over-generous to wives and ex-wives in the amount of maintenance awarded them, or in the length of the period for which maintenance runs. It does seem that the fact that many women now receive equal pay for equal work is not always taken into consideration by

judges. Accordingly the legislation contains better guidelines to assist the court in dealing with applications for maintenance.

Firstly, the Bill lays down the general proposition that a spouse is liable to maintain the other spouse to the extent that the other spouse is unable to support himself or herself adequately; and that both spouses are liable to maintain their children according to their respective financial resources. The Bill then makes an exception to this general proposition by providing that where spouses are separated or, of course, divorced neither is entitled to be maintained by the other unless he or she has the custody, care or control of an infant child meaning, of course, one under the age of 18; or if he or she is unable to support himself or herself adequately, whether by reason of age or physical or mental incapacity for work or for any other reason. A person must come into one of these categories to qualify at all for maintenance.

The Bill then goes on to specify a wide range of matters that are to be taken into account by the court in determining what constitutes adequate support; whether it should make an order; if so, the period for which the order should remain in force and, of course, the amount payable under the order. As a result of the general reduction of the age of majority, it is thought that maintenance orders should cease upon a child attaining the age of 18 years. It is incongruous that we should be intent on regarding a person of 18 as an adult but still require him to be supported by his parents. However, the Bill has regard to the fact that some persons of 18 are still being educated and it does enable an order to extend beyond 18 to enable a child to complete its education. If a child over 18 is permanently incapacitated for work it would, of course, be eligible for an invalid pension under the social services legislation.

In keeping with the aim of abolishing fault in divorce the conduct of the parties during the marriage will no longer be a factor to be taken into consideration in fixing maintenance. This will be an important change in the law, both in the divorce and the non-divorce context. The criterion will in future be need. However, a thrifty wife will presumably have done more to conserve the family resources than a spendthrift, and should therefore receive more than the spendthrift—when the family splits up—not in maintenance, but in the division of the matrimonial property. Maintenance is something that can go on, perhaps long after the parties have each made a new life. If conduct in relation to financial matters is to be relevant, it should be at the point of dividing the family assets shortly after the marriage is dissolved. It is most desirable that people who are divorced should be able, if they so wish, to adjust their financial obligations between themselves once and for all as soon as possible after the divorce. Therefore the Bill provides specifically that in proceedings for maintenance after divorce the court is to endeavour to make such order as will avoid, or will reduce, the likelihood of further proceedings for maintenance between the parties and the court is to award a lump sum—even if it has to be paid by instalments—rather than periodic payments, if by doing so it seems practicable to satisfy in full the needs of the party seeking maintenance.

The Bill provides for the registration of maintenance agreements that have been approved by the Court. Such an agreement will upon registration be capable of being endorsed as if it were an order made under the Act. Any agreement or deed executed for the purpose of the Act will be exempt from State stamp duty. This provision will remove a quite unreasonable impost that has existed in a number of States, notably New South Wales.

Imprisonment of maintenance defaulters is abolished by the Bill, and any person in prison as a maintenance defaulter at the date of commencement of the Bill is to be released immediately. For constitutional reasons already referred to, this cannot apply to persons ordered to pay maintenance under an affiliation order. Maintenance owing will in future be enforceable as any other civil debt. The present uniform State and Territory schemes of enforcement of interstate and overseas maintenance order will be superseded by this legislation and regulations made under it. The regulations will also provide for the interstate enforcement of affiliation orders. More important for some migrants, the Bill will enable effect to be given to the United Nations Convention on the Recovery Abroad of Maintenance. For example, dependants in Australia of workers who have returned to Convention countries in Europe leaving them without adequate means of support will be able to have orders enforced, or claims for maintenance made, in those countries.

I have already referred to injunctions under the Act. The Bill provides for 2 types of injuctions; injunctions arising out of the marital relationship, such as for the personal protection of a party to the marriage or a child of the marriage, and injunctions in aid of other orders. Courts of summary jurisdiction will be able to grant injunctions, and therefore the Bill provides that failure to comply with an injunction will be punishable by a fine not exceeding $1,000—although

this is not to prejudice the power of a superior court to punish a person for a contempt of court.

There are other, technical matters about which I shall not bother the Senate with detail at this stage. There are, of course, provisions for appeals. There are provisions for intervention by the Attorney-General in the public interest, and by other persons in financial or custodial proceedings. There are provisions to enable persons to obtain a declaration as to the validity of a marriage or of the dissolution or annulment of a marriage, whether the events took place in Australia or elsewhere. There are provisions for the recognition of decrees of dissolution and annulment under laws of overseas countries. These provisions are more favourable than the recognition provisions in the present Act, and follow recent decisions in the field of private international law.

I turn now to the question of which court or courts are to exercise this extensive jurisdiction. I have decided against setting up separate, federal family courts. I propose instead that there will be a Family Law Division of the Superior Court, which will have jurisdiction in all matrimonial causes. I propose that the judges of this division of the court will be selected for their personal suitability for family law work, and that the division will have attached to it appropriate supportive staff, such as marriage counsellors and welfare officers, so that it will in fact be a family court as generally understood.

The abolition of fault means that it is no longer appropriate for the so-called guilty party to pay the costs. The Bill provides that each party will bear his or her own costs in all proceedings, unless the court in special circumstances orders otherwise. This should encourage parties to reach agreement on ancillary matters. It is proposed to introduce an Australia-wide scale of costs in the regulations. Clearly there will be cases where a party seeking divorce—usually the housewife with young children—will not be able to afford even the lower costs of divorce that will apply under the new Act. She will be able to proceed under free legal aid.

The Government has embarked on a scheme of massive legal aid, particularly in family matters. The sum of $2m is being given to the States to assist law society legal aid schemes this year. Additionally, the recently created Australian Legal Aid Office will provide an extensive service of legal aid and assistance as soon as staff have been recruited. This will extend to family law proceedings. The Office will conduct undefended matrimonial proceedings on behalf of persons who do not have adequate means to pay for the cost of legal representation. I hope the Australian Legal Aid Office will be fully staffed and working in top gear by the time this Bill comes into operation—I hope at an early date next year. Then no one should be deprived of a family law remedy merely through lack of ready funds.

Mr President, this measure is a most important social reform. It will affect the lives of many people. By introducing a sane, balanced law to deal with family disputes, it is hoped that where marriages do break down—as they undoubtedly will continue to do so under the stresses and strains of modern life—persons will be encouraged to adjust their transition from married life with the minimum of bitterness and animosity. At least under this legislation, persons will not become financially as well as emotionally bankrupt as a result of divorce proceedings. Parties to divorce proceedings may be spared these consequences towards making the effect of divorce on the children less traumatic than it is at present. I have no reason to believe that this Bill will produce a greater rash of divorces than did the ground of 5 years' separation under the 1959 Bill. If there are more divorces after the initial period of operation of the Act, it will most likely be because more marriages have broken down.

I have previously announced that ample opportunity will be given to interested persons and bodies to examine the Bill, and to make representations to me on it. I assume that the Standing Committee on Constitutional and Legal Affairs will itself wish to examine the Bill in detail. During the Parliamentary recess I and my officers will be available to explain to any person, inside or outside this Parliament, the provisions of the Bill and, of course, to consider any changes that may be suggested.

The Bill is a Government Bill only to the extent of facilitating its being debated and put to a vote, but the Government supports the reform of the law and administration of divorce, custody and other family matters in the light of modern standards and sociology and especially so as to remove oppressive costs, delays, indignities and other injustices. All members of the Australian Labor Party will have a free vote on this Bill. I hope the Opposition parties will follow the same course. I accept that the Bill should be carefully examined by all senators and members and the public generally during the recess. I welcome constructive suggestions for improvement of the Bill, and assure everyone that these will be carefully considered.

The Bill does not represent the whole of the reforms which I believe should be made, but is

put forward as a solution which may find acceptance at this stage by the Parliament. I commend this Bill to the Senate as a realistic attempt to meet some of the most pressing human problems of modern society in a humane way.

Debate (on motion of **Senator Withers**) adjourned.

REMUNERATION AND ALLOWANCES BILL (No. 2) 1973

Bill received from the House of Representatives.

Standing Orders suspended.

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

Second Reading

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (4.34)—I move:

That the Bill be now read a second time.

This Bill will pursue the Government's policy of specification by Act of Parliament of remuneration and allowances paid on an annual basis to various statutory office holders. Honourable senators will recall that in 1971, in accordance with the wishes of the Senate, the then Minister for Health, Senator Sir Kenneth Anderson, gave an undertaking that this practice would be followed in the future by the Government of which he was a member. The new Labor Government has followed a similar practice in legislation it has introduced this year dealing with the establishment of the new statutory offices connected with the implementation of its policies.

As in previous years, Bills establishing new offices have included clauses which allow the prescription of salaries and annual allowances, if any, in regulations until a specified date after which they must be specified in an Act of Parliament. Such provisions apply until the end of this year in respect of the offices in the Schedule to this Bill. Without passage of this Bill there will be no provision by which salary payments may be made after 1 January 1974. Accordingly, all this Bill does in respect of these offices is specify in an Act of Parliament salaries and fees dealt with in regulations. The proposed new section 17 will provide flexibility necessary on occasions to ensure that an Australian Government official who accepts a transfer to a statutory office does not suffer a salary reduction. Honourable senators are aware of the intention to establish a Tribunal to deal with the salaries for members and senators, First Division officers in the Public Service, statutory office holders and the judiciary. I commend the Bill to the Senate.

Senator WITHERS (Western Australia—Leader of the Opposition in the Senate) (4.35)—The Opposition does not oppose the passage of this Bill. It represents a victory which the Senate forced upon the then Government earlier in the 1970s and for that reason we are pleased that the present Government is continuing the practice. It is right and proper practice that Parliament ought to fix these remunerations and allowances. Therefore we wish the Bill a speedy passage.

Senator WRIGHT (Tasmania) (4.36)—This Bill has just been circulated and the second reading speech has just been read. I do not think that the chamber has had anything like sufficient time to consider it. As I look down the Schedule I see that the salary for the Chairman of the Cities Commission is $29,250, as is the salary for the Chairman of the Grants Commission. They are bracketed together. I do not know what that means. If one officer is occupying the 2 positions, it ought to be explained to us. The Executive Member of the Pipeline Authority is to have $26,700. Then we come to a few other people such as the Deputy Chairman of the Prices Justification Tribunal. I for my part will not consider that I am doing anything like my duty in this House if I do not have sufficient time to consider the matter and then to have some explanation. I just indicate that when the matter goes to the Committee stage I shall ask for a report of progress.

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (4.37)—I understand that the 2 officers are bracketed together because they receive the same salary. That is ordinary drafting practice. Had 3 officers been on $29,250, those 3 would have been bracketed together. All that a bracket, where appearing, means is that the officers concerned receive the same amount of salary. For instance, a little further down is shown the salary of $13,500. All officers who happen to fall on that level are bracketed together. The column shows a decreasing level of remuneration. So at each stage you just bracket together all who would be receiving $29,250 and you then bracket together all who would be receiving $19,148. Does that answer Senator Wright's question?

Senator Wright—That answers that question but it does not justify the other individual salaries. I will want to know why you are

differentiating between the electoral officers. But, for my part, that will be dealt with in Committee.

Question resolved in the affirmative.

Bill read a second time.

In Committee

The Bill.

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (4.40)—May I answer the questions which were indicated by Senator Wright a little earlier? The reason why these officers are bracketed together is that that is in conformity with the wishes of the Parliament. The legislation is simply carrying out what the Parliament has already tacitly endorsed. There is provision for these officers already in the regulations, which will expire at the end of this year. Those regulations have been tabled in each House and, tacitly, this chamber agreed that the provision for the officers was appropriate. Consideration has been given to the remuneration by the appropriate bodies such as the Public Service Board and others who are concerned with these matters. Determination was arrived at as to what they should be paid. That was done by way of regulation. This chamber by not disallowing the regulation tacitly agreed that the provision made was appropriate. The legislation simply carries those regulations into effect by way of statute.

Senator WRIGHT (Tasmania) (4.41)—If the Attorney-General (Senator Murphy) wishes to take up time by restating obvious superfluities, others will indulge themselves in the same way. Why does he assume, though, that we all acquire knowledge of every individual regulation? The very reason why Parliament has provided that these statutory officers should have their rumuneration fixed by Parliament is that when the matter comes before Parliament we are treated not as a collection of dodos but as responsible members of Parliament. I ask: Who is the Chairman of the Cities Commission?

The TEMPORARY CHAIRMAN (Senator Lawrie)—Order! Senator Wright, I suggest you finish your speech.

Senator WRIGHT—I suggest it will be briefer if you will co-operate, Mr Chairman.

Senator Murphy—Mr Warrell.

Senator WRIGHT—I ask: What salary has the Chairman of the Grants Commission hitherto been getting?

Senator Murphy—$29,250.

Senator WRIGHT—For how long?

Senator Murphy—Since he was made full-time chairman of the Grants Commission this year.

Senator WRIGHT—This arose from a complete transformation of the Grants Commission. Of course reference is made to that in the Grants Commission report which will be a material document for examination if we reach that item on the notice paper later today or tomorrow in relation to the States Grants (Special Assistance) Bill. The chairman of the Grants Commission was on what salary before the recent legislation? In that Grants Commission report it will be revealed that no application has been made to the Grants Commission on the part of any local government or regional authority. So can I be informed as to the salary of the chairman of the Grants Commission Chairman before that transformation?

Senator Murphy—About $7,000.

Senator WRIGHT—$7,000! That is as I expected. I was going to say $10,000 but I always err on the side of my adversary. Now the chairman goes from $7,000 to $29,250. No application from any local government authority or any regional authority has yet been presented to the Grants Commission. What is the work he will be doing? There is an obvious impossibility in hearing applications from approved local government authorities or regional authorities. Why does the Insurance Commissioner come into this Schedule for the first time? Have we created an Insurance Commissioner as a new officer?

Senator Murphy—Yes.

Senator WRIGHT—Was that done by legislation in the first half of the year?

Senator Murphy—Yes, I understand so.

Senator WRIGHT—In what way does he compare with the Commonwealth Actuary who previously discharged, I think, the duties of the Insurance Commissioner? Why do we have different salaries fixed for electoral officers? The electoral officers in New South Wales and in Victoria are in one bracket; the electoral officer for Queensland is in a bracket of his own; the electoral officers for Western Australia and South Australia are in their bracket and the electoral officer for Tasmania is in a bracket of his own.

Senator Murphy—I think this relates to the populations of the States which reflect themselves in different levels of work and responsibility for the officers concerned.

Senator WRIGHT—May I ask, whether that applies to Deputy Directors of the Attorney-General's Department or of the Department of Customs and Excise and so forth? Are they to be paid on a differential basis because of the smallness of a State?

Senator Murphy—I think that is so. I know that Deputy Crown Solicitors are paid differentially because of the amount of work and the responsibility.

Senator WRIGHT—I move:

In Schedule 4 in respect to the Chairman of the Grants Commission leave out the figure $29,250, insert $10,000.

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

That the question be now put.

Amendment negatived.

Original question resolved in the affirmative.

Bill agreed to.

Bill reported without amendment; report adopted.

Third Reading

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

STATUTE LAW REVISION BILL 1973

Bill received from the House of Representatives.

Standing Orders suspended.

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

Second Reading

Senator MURPHY (New South Wales—Attorney-General) (4.50)—I move:

That the Bill be now read a second time.

I ask that the second reading speech, which is being circulated, be incorporated in Hansard.

The ACTING DEPUTY PRESIDENT (Senator Wilkinson)—Is leave granted? There being no objection, leave is granted.

(The document read as follows)—

Honourable senators will recall that, on 9 October this year, I informed the Senate that the Government had decided to publish in bound volumes a consolidation of the Acts passed by the Australian Parliament as in force at the end of this year. I said that the reprinting of the Acts would be a massive task, and made the point that, when the last consolidation of Australian Acts took place in 1950, the publication ran to 5 volumes of Acts and an additional volume of tables, indexes and materials of that kind, but that the 1973 publication would be more than twice that size.

I also pointed out that the Government Printer would be using the new Photon equipment in connection with the printing of the consolidation. This is the equipment that is now in use for printing of Hansard. I expect that, with the help of this equipment, the time taken to produce the consolidation will be considerably less than the 5 years taken to produce the 1950 consolidation, notwithstanding that the new consolidation will be twice as large as the earlier one. In fact, I am hopeful that the first volume of the new consolidation will be published in June next year and that each subsequent volume will be published at monthly intervals. My aim is to have the project completed by June 1975.

Reprints of the more important Australian Acts are, of course, regularly published in pamphlet form. However, a new consolidation in bound volume is long overdue and, I have no doubt, will be welcomed not only by lawyers but also by others who need to refer to Acts of the Australian Parliament.

An important preliminary step in the program of publishing the consolidation is the tidying up of the statute book by the enactment of the Bill now before the Senate. The main object of the Bill is to get rid of those provisions that are no longer of use or the operation of which is spent. The elimination of those provisions will substantially reduce the amount of material that would otherwise need to be published.

Although this is its main object, the Bill goes further than the mere repeal of obsolete Acts and provisions in Acts. It also corrects errors, and updates the form of many provisions. In short, the Bill will clear the way for the consolidation, reduce its volume, and will improve its form. However, I hasten to assure honourable senators that the Bill will not effect any change in substance in the law. Having in mind the object of the Bill, particularly when that object is considered as clearing the way for the publication of the consolidation, I am sure that the Bill will receive the support of all honourable senators and be given a speedy passage.

Debate (on motion by **Senator Withers**) adjourned.

COMMONWEALTH EMPLOYEES' FURLOUGH BILL 1973

Bill received from the House of Representatives.

Standing Orders suspended.

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

Second Reading

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (4.52)—I move:

That the Bill be now read a second time.

I seek leave to incorporate in Hansard the second reading speech now being circulated to honourable senators.

The ACTING DEPUTY PRESIDENT (Senator Wilkinson)—Is leave granted? There being no objection, leave is granted.

(The document read as follows)—

The purpose of this Bill is to reduce the qualifying period for long service leave from 15 to 10 years and to remove all long service leave penalties associated with misconduct or unsatisfactory service for temporary employees under the Public Service Act and for employees of Australian Government authorities. These amendments to the Commonwealth Employees' Furlough Act are being made in conjunction with Public Service Bill (No. 4). I commend the Bill to the Senate.

Debate (on motion by **Senator Withers**) adjourned.

PUBLIC SERVICE BILL (No. 4) 1973

Bill received from the House of Representatives.

Standing Orders suspended.

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

Second Reading

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (4.53)—I move:

That the Bill be now read a second time.

I ask leave to incorporate in Hansard the speech which is being circulated.

Senator WRIGHT (Tasmania) (4.53)—I rise to ask for leave to make a brief statement about leave being granted. I will refuse leave unless I am assured that I will have ample time to study the second reading speech before the debate is resumed. I want one hour.

Senator Murphy—All right. You will get it.

The ACTING DEPUTY PRESIDENT (Senator Wilkinson)—Is leave granted for the second reading speech to be incorporated? There being no objection, leave is granted.

(The document read as follows)—

The purpose of this Bill is to amend various sections of the Public Service Act which cover five different areas. The proposed amendments:

Remove certain provisions relating to the employment of women;

make certain changes in the provisions relating to long service leave;

modify the current blanket prohibition on officers accepting directorships;

remove the requirement for officers to take oaths or make affirmations; and

change the title of the Service.

Clauses 7, 8 and 9 of the Bill repeal certain provisions of the Public Service Act which could be regarded as discriminative. Sections 43 (b) and 46 (2) (c) (iv) enable the Public Service Board to specify that only males or only females are to be appointed to particular offices or that males or females are to be appointed in particular proportions. Section 54A contains special provisions relating to married women. The repeal of these sections is one of the results of a review of aspects of employment of women in the Australian Public Service conducted by the Public Service Board. The attitudes of the Australian community and of women themselves to their role in society are changing. Increasingly it is being accepted that women will assume a more important economic role and will combine marriage with a career which will extend throughout their adult lives.

On 29 August the Prime Mininster (Mr Whitlam) announced that the Parliamentary Labor Party had considered the results of the Public Service Board's review. Honourable Senators will recall that barriers against the permanent appointment of women to the Third Division were removed in 1949, and restrictions against the permanent appointment of married women to the Service were removed in 1966. It was announced in August that as a result of the Board's review, all positions in the Australian Public Service are to be open equally to men and women applicants who can perform the full range of duties required. A number of measures which could and had been taken and which did not require legislation were announced. The Prime Minister indicated that the Government had agreed to repeal these provisions in the Public Service Act which could be said to discriminate against women but which had become redundant. The Government has emphasised that it has a role and responsibility as Australia's largest employer in promoting the status of women. This amendment is one of the steps

taken by the Government since coming to office in its endeavour to eliminate possibilities of discrimination and promote opportunity for those women wishing to contribute to the economic prosperity of Australia as members of the work force. Clauses 10 and 11 of the Bill relate to long service leave. Under existing legislation the basic qualifying period for long service leave within the Australian Public Service is 15 years. Clauses 10 and 11 of the Bill amend sections 73 and 74 of the Public Service Act to reduce the qualifying period for long service leave purposes from 15 to 10 years and to remove all long service leave penalties associated with misconduct or unsatisfactory service. Other provisions in the Act regulate conduct and therefore the inclusion of a good conduct requirement in the long service leave provisions simply means that public servants may be subjected to penalties twice for one disciplinary offence.

Existing section 74 (3A) of the Public Service Act provides for a payment on resignation after 10 years' service where the resignation is justified by domestic or other pressing necessity and the officer is not eligible for a payment in lieu of long service leave. Reduction of the basic qualifying period to 10 years will render the section redundant. Officers will become eligible for payment in lieu on resignation for any reason after 10 years. Provision has been made, therefore, for the repeal of section 74 (3A). The associated Commonwealth Employees' Furlough Bill is designed to effect corresponding amendments to the Commonwealth Employees' Furlough Act which provides for long service leave for temporary employees under the Public Service Act and for persons employed by Australian Government authorities. As indicated earlier this year, these amendments will be effective from 1 January 1973.

The platform of the Australian Labor Party, on the basis of which this Government attained office, made clear that Labor's industrial policy places human rights and values first and provides for the development of full human dignity in the industrial sphere. It emphasises the right of full employment; real economic justice; freedom and security; the right to work in just and favourable conditions; freedom from unemployment and freedom to choose employment. Our objective is to promote the interests of all Australian workers. Thus, besides improvements for Commonwealth employees, the policy envisages, inter alia, long service leave for casuals and part time employees generally and portability of benefits.

Discussions at the meeting of Australian and State Ministers for Labor in August 1973 presented a unique opportunity to explore the possibility of giving effect to these policy intentions. Ministers requested their permanent heads to report as a matter of urgency on the desirability and feasibility of the uniform long service leave scheme in Australia. It was emphasised however that if projected legislation in the Australian and several State areas were to proceed, the adoption of a uniform scheme could be seriously prejudiced. Accordingly Ministers concerned agreed to recommend to their governments deferral action pending the permanent heads' examination and further consideration by Ministers. The Government agreed to this recommendation of our Minister for Labour (Mr Clyde Cameron).

The Ministers for Labour had a further discussion on the possible development of a uniform long service leave scheme at the end of October. They expressed particular concern about those working in industries the nature of whose employment precluded the accrual of entitlement to long service leave. Ministers agreed that extension of benefits to these workers should receive priority, though they recognised that there were very considerable practical problems that would have to be overcome. Ministers discussed the possibility of achieving a greater degree of uniformity of long service leave provisions throughout Australia. Long service leave for Government employees is generally provided on a more favourable basis than for workers generally but even without these different groups the provisions in some States are more favourable than those in other areas. Ministers accepted that existing differences in provisions should not be extended. The proposal in the Bill is in keeping with this. The basic qualifying period for furlough in almost all State Public Services is already 10 years. Finally, the Ministers for Labour considered the adequacy of existing concepts of long service leave and whether there could be portability of service between employers and industries, in the interest of job mobility on the one hand and social justice for the individual employer on the other. The Ministers will be giving the whole matter further consideration at their next meeting early in the new year.

The proposed amendments in this Bill implement only some of the reforms relating to long service leave within the Australian Public Service which were referred to in April last. Australian Government employees may anticipate further action regarding long service leave provisions

just as soon as there is clarification of the wider issues of long service leave or it becomes evident that the achievement of a wider scheme is not feasible. As already announced, the Government intends that new arrangements will be effective from 1 January 1973.

Clause 12 of this Bill deals with public servants and directorships. Currently section 91 of the Public Service Act includes a blanket prohibition against public servants holding directorships in companies or incorporated societies unless they are co-operative societies. The Government believes that any possibility of conflict or any appearance of conflict between the official interests and the private interests of public servants must be avoided. In proposing some relaxation of the existing blanket prohibition with strict safeguards which I shall describe, the Bill includes a specific prohibition against such situations.

But in relation to companies in which the Australian Government has an interest, such as Qantas Airways Limited and Commonwealth Hostels Limited, officers are required to be directors as part of their official duties. The Bill makes specific provision for this circumstance.

The existing legislation prohibits public servants holding directorships in companies and incorporated societies such as building societies formed for the purpose of providing home finance for public servants or those formed to facilitate ownership of home units or community organisations or sporting, cultural and educational institutions, unless they are co-operative societies. This amendment removes unnecessary restrictions on Public Service staff organisations which in the past have been hampered in their efforts to operate their own finance companies for the benefit of their members. It also allows public servants to play a full role in community activities.

The current restrictions are being replaced by new provisions which will enable the Public Service Board to grant permission to an officer to act as a director of a company or incorporated society. The Board may only grant permission where there is no conflict of interest involved and in circumstances and subject to conditions, to be prescribed in the regulations. Thus the section as amended will be sufficiently flexible to cover a variety of situations but the general circumstances in which approval may be given by the Board will be subject to parliamentary scrutiny.

No approvals can be given under the new subsection (4) until regulations have been made detailing the cases and circumstances in which, and the conditions under which, approval may be given. It is therefore provided in sub-clause (2) of clause 2 of the Bill, that the amendments to section 91 are to come into operation on a date to be proclaimed and in sub-clause (2) of clause 12 of the Bill that the necessary regulations may be made, but shall not have effect before that date.

Existing provisions in the Public Service Act require officers to take an oath or to make an affirmation prior to appointment to the Service and also prior to appointment to a Promotions Appeal Committee or an Appeal Board. These provisions have no practical effect since officers are required by other sections to carry out their duties in a competent and loyal fashion. Furthermore, there is no requirement for an oath of allegiance of State Public Services or in the British Civil Service.

Citizens of some countries and some citizens with dual nationality, risk losing their foreign nationality by taking the oath or affirmation of allegiance. For some migrants the requirement therefore represents a barrier to employment in the Public Service. Even the prospect of temporary employment under the Public Service Act is closed to such persons unless they are individually exempted from the requirement by the Governor-General. Therefore the existing provisions mean that a group of prospective employees is lost to the Public Service. Amendments to remove these provisions are included in the Schedule and a consequential amendment is being made to omit section 55 (1) (g) which makes it an offence to do anything in violation of an oath or affirmation.

Finally, in keeping with the general policy on the title of Australian Government bodies, and as the Prime Minister announced on 20 July 1973, the Bill formally changes the title of the nation's public service to 'Australian Public Service'. The opportunity is also being taken to make a number of formal amendments to the Act in accordance with current drafting practice. I commend the Bill to the Senate.

Debate (on motion by **Senator Withers**) adjourned.

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

That the resumption of the debate be made an order of the day for a later hour of the day not being prior to 5.53 p.m.

STATES GRANTS (FRUITGROWING RECONSTRUCTION) BILL 1973

Bill received from the House of Representatives.

Standing Orders suspended.

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

Second Reading

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (4.55)—I move:

That the Bill be now read a second time.

I ask leave to incorporate in Hansard the second reading speech now being circulated.

The ACTING DEPUTY PRESIDENT (Senator Wilkinson)—Is leave granted? There being no objection, leave is granted.

(The document read as follows)—

The purpose of this short Bill is to obtain parliamentary approval for the agreement entered into by the Australian and State governments on 24 November 1973 to extend the fruitgrowing reconstruction scheme for a further 12 months to 30 June 1974. The scheme, which commenced on 14 July 1972, provides assistance, supplementary to the main rural reconstruction scheme, to meet some of the special needs of the horticultural industry.

Financial assistance is provided under the fruitgrowing reconstruction scheme for the removal of surplus fruit trees. This assistance is available only to those orchardists who are experiencing, or are threatened by financial difficulties. A subsidiary benefit of the scheme to the industry is that the removal of surplus trees has helped to bring the industry's productive capacity into closer alignment with the market for its products.

The scheme offers two forms of assistance: Clear fell, for the grower who is predominantly a horticulturist, who is in severe financial difficulties, and who wishes to remove all his fruit trees and leave the horticultural industry; and partial removal, for the grower whose property would become viable if some or all of the fruit trees were removed, and the land put to an alternative use, but, who lacks the financial resources to withstand in the short term the effect of the removal of the trees.

The scheme was announced on 14 July 1972 and was to have operated for one year. The closing date for applications was 30 June 1973 and trees were to have been removed no later than 31 October 1973. The setting up of the necessary administrative machinery caused a delay in getting the scheme under way. Most of the growers who might have taken immediate advantage of this scheme had incurred spraying, pruning and fertilizer expenses for the 1972-73 crops before the State administering authorities were in a position to accept applications.

As a result, the early response to the scheme was less than had been expected. When it was reviewed in March 1973 by the Ministers of the Australian and State Governments who were concerned with the scheme, it was agreed that in some sections of the horticultural industry, there was still a need for the kind of assistance provided by the scheme. The Ministers concluded that the scheme should be extended for a further 12 months and this view was accepted by the Australian Government. Since the initial response to the scheme had been slow, ample funds were still available from the original $4.6m allotted by the Australian Government for the operation of the scheme. Thus no additional funds have to be allocated for its extension.

Originally, the scheme was confined to producers of canning peaches and pears and fresh apples and pears. Under the terms of the Fruitgrowing Reconstruction Agreement it was, however, open to any State to seek approval for the extension of the scheme to other varieties of fruit. This was, in fact, done early in 1973 when canning apricots were included at the request of New South Wales.

Since the scheme is designed to assist horticulturists who are in financial difficulties, the Australian Government has taken the view that no useful purpose would be served by allowing growers, after the extension of the scheme was announced, to withdraw applications, take one more crop off their trees and then re-apply for assistance. It was considered that such a course of action was likely to aggravate a grower's financial problems. The States concurred with this view and the supplemental agreement therefore provides that where an application had been submitted before 1 July 1973, the trees concerned should be removed by the original deadline, that is, 31 October 1973. An application from a grower who failed to meet this deadline would automatically lapse. The Government recognised, however, that there can be situations where a grower's failure to remove trees by the deadline may be due to circumstances outside his control. For this reason, the supplemental agreement gives the State authorities necessary flexibility in administering this provision.

The amendment of the Agreement has also provided an opportunity to correct an inconsistency between the prescribed average rate of assistance for the removal of fresh apple and pear trees and the rate applicable to canning fruit. The average assistance for fresh fruit which a State

must not exceed has been increased from $200 to $250 per acre. This amendment applies as from the date of commencement of the scheme, that is, 14 July 1972.

Mr President, industries which have experienced problems of the dimensions of those confronting the canned deciduous fruit and the apple and pear industries obviously need help to regain stability. The Government's recognition of the needs of these industries is implicit in other measures which have been taken. These include the emergency adjustment assistance payments to growers following the December 1972 revaluation of the Australian dollar; the subsequent provision of $1.5m in additional assistance to export canneries; the proposed establishment of the Apple and Pear Corporation; and the apple and pear stabilisation scheme. The continuation of the fruitgrowing reconstruction scheme is another component of the Government's broad program for the reconstruction of Australia's horticultural industries. I commend the Bill.

Debate (on motion by **Senator Withers**) adjourned.

QUEENSLAND GRANT (KINCHANT DAM) BILL 1973

Bill received from the House of Representatives.

Standing Orders suspended.

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

Second Reading

Senator WRIEDT (Tasmania—Minister for Primary Industry) (4.57)—I move:

That the Bill be now read a second time.

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

Senator Wright—I ask leave to make a short statement on the question of leave.

The ACTING DEPUTY PRESIDENT (Senator Wilkinson)—I will hear what your short statement is.

Senator Wright—I simply want to indicate that to my knowledge this Bill was vigorously debated in another place. It specifically involves reallocation of important appropriations. It requires us to apprise ourselves of the particular projects. I do not think that we could discharge our duty in respect of this matter without having brought to our attention precisely what is involved in the appropriations in this Bill. Unless I hear the speech I shall have to have time to consider it. I ask the Minister to indicate which course he would prefer—not to bring it on before 8 p.m. or to read the speech.

The ACTING DEPUTY PRESIDENT—Having heard what Senator Wright has said, is leave granted to incorporate the second reading speech?

Senator Wheeldon—To do what?

The ACTING DEPUTY PRESIDENT—Senator Wright has requested that the Minister say that the Bill be not brought on before 8 o'clock, otherwise Senator Wright will not grant leave and the Minister will read the speech. Is leave granted?

Senator WRIEDT—If I may again make a brief statement. I do not often agree with Senator Wright, as I think most honourable senators know, but I think there is some validity in the general point he makes. We are caught in this situation on the last day of sitting. We have seen it happen every year. There is not time to consider legislation as it might be considered. Perhaps Senator Wright would be prepared to accept my moving that the resumption of the debate be made an order of the day for some minutes before 6 p.m., say 5.55 p.m.

Senator Wright—Yes; thank you.

The ACTING DEPUTY PRESIDENT—Is leave granted for the second reading speech to be incorporated? There being no objection, leave is granted.

(The document read as follows)—

The purpose of this Bill is to provide legislation enabling the Australian Government to make a non-repayable grant of up to $5m to the Queensland Government to assist in the construction of the Kinchant Dam near Mirani in North Queensland. The Kinchant Dam will provide the main water storage for the Eton irrigation project, a scheme which will stabilise sugar production in an area highly susceptible to drought. It will also provide for future expansion of sugar production in line with market opportunities. Water will also be made available for intensive beef production on improved tropical pastures and the storage will be of considerable value to the local communities and tourists for recreational purposes.

The total cost of the project was estimated in February 1973 at $10.15m. The balance of the cost of the project will be financed by the Queensland Government. The project as a whole will comprise:

Mirani Weir on the Pioneer River, with a storage capacity of 2.5 million cubic metres (2,000 acre feet) and estimated to cost $868,000;

A pump station of 6.4 cubic metres per second (225 cusec) capacity located adjacent to the weir, and an open diversion channel 5.25 kilometres (3.25 miles) long to convey water by gravity to the main storage, estimated to cost $955,000;

Kinchant Dam on the north branch of Sandy Creek, with a storage capacity of 48.1 million cubic metres (39,000 acre feet), and estimated to cost $5,047,000; and

Irrigation and ancillary works comprising two main channels, distribution channels to farms, four pumping stations and associated distribution systems and drainage works, estimated to cost $3,280,000.

The Kinchant Dam will be located in a proven and established agricultural region with significant scope for increased efficient production. The region has been plagued, however, by recurring droughts and the absence of conserved water has seriously limited stability and growth. Fluctuating production not only seriously affects farm incomes but also the efficiency of operations of sugar mills in the area, especially the North Eton sugar mill. The proposed scheme will enable cane growers to stabilise production and to meet additional over-peak allocations. Unit milling costs would consequently be reduced and additional benefits to growers can be expected through the distribution of increased mill profits from the co-operative mills of North Eton, Marian and Racecourse.

In the first stage of development of the project, water will be supplied to sugar cane growers on 137 cane assignments totalling some 5,100 hectares (12,600 acres) and to beef producers on 890 hectares (2,200 acres). The second stage will enable an expansion of irrigated cane on a further 3,140 hectares (7,550 acres) of assigned land.

An economic evaluation of the project has been carried out by the Bureau of Agricultural Economics. This evaluation examined the impact of the project from the national, regional and the individual farmers' viewpoints and the report on the project comments favourably on all aspects of its economic impact. The evaluation was based on conservative estimates of long-term sugar prices. For example, on the basis of a conservative long-term price estimate of Fifty-five pounds sterling c.i.f. London per long ton and sugar yields averaging 4.9 tons per acre, the return to capital was calculated at about 8 per cent. On the other hand, based on an average London Daily Price over the past 18 months of about Eighty-five pounds sterling, the return would rise to about 14 per cent, while at present world prices of around One hundred pounds sterling, the return to capital would be about 17 per cent.

It is estimated that annual additional sugar production arising from the initial development will be about 17,300 tonnes (17,000 tons) valued, on the basis of the average level of returns for the past three seasons, at between $1.7m and $2m. It is estimated that, at full development, the total additional sugar production from the scheme will be about 45,700 tonnes (45,350 tons) per year, valued at $4.6m to $5.4m again on the basis of the average level of returns for the past 3 seasons. This would rise to almost $7m based on the current level of world prices.

The Eton Project will significantly improve social and economic conditions in the area. The Bureau's regional analysis showed improvement over the national results; indeed it identified considerable regional monetary and non-monetary benefits. In addition to stablising farm and mill peaks, employment opportunities will be created in connection with the capital works and farm and mill activities. The projected annual value of these benefits will be nearly $1m under Stage 1 and about $1.5m at full development. The evaluation also showed that the project area would derive substantial net benefits. The project will be a major factor in helping to stabilise incomes in this established area.

It is in the long-term national interest to underwrite our sugar marketing commitments by means of stable production levels. Our irrigated canefields—and in this respect I would also mention the Burdekin Delta—are among the most productive in the world, and the Eton project will assure an annual supply of at least 75,000 to 80,000 tonnes of sugar for export.

The environmental study reported favourably on the proposed scheme. It is anticipated that no animal or plant pest species is likely to be introduced nor is water quality in the Pioneer River likely to be impaired. In addition, the storage created by Kinchant Dam will provide a facility for aquatic sports and recreation, and will encourage tourism.

This Government is committed to a program of continuing support for soundly-based water conservation projects in established and proven areas. The Eton Project, for which Kinchant

Dam will be the main storage, will fully meet these requirements. I commend the Bill to the Senate.

Debate (on motion by **Senator Lawrie**) adjourned.

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

That the adjourned debate be made an order of the day for a later hour of the day.

QUEENSLAND GRANT (DAWSON RIVER WEIRS) BILL 1973

Bill received from the House of Representatives.

Standing Orders suspended.

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

Second Reading

Senator WRIEDT (Tasmania—Minister for Primary Industry) (5.1)—I move:

That the Bill be now read a second time.

I seek leave of the Senate to have the second reading speech incorporated in Hansard.

The ACTING DEPUTY PRESIDENT (Senator Wilkinson)—Is leave granted? There being no objection, leave is granted.

(The document read as follows)—

The purpose of this Bill is to authorise a grant of $550,000 to the Queensland Government to assist in financing the construction of 2 weirs—one on the main stream of the Lower Dawson River to replace an existing small weir, and another weir on an adjacent anabranch near Baralaba in the Fitzroy Basin of Central Queensland. Water resource development on the Dawson River at the present time is comparatively limited. There are 6 weirs on the river with a total storage capacity of 39 million cubic metres or, expressed in our earlier measure, 32,000 acre-feet. Water from these storages is already fully committed for mining, stock and domestic purposes and irrigation.

The grant by the Australian Government for the 2 weirs will assist the State Government to provide water along the lower reaches of the river. The weirs will have a combined storage capacity of about 11 million cubic metres—9,000 acre-feet—and they are expected to yield an assured annual supply of 6.2 million cubic metres—5,000 acre-feet. After reserving a supply of water for stock, domestic and urban purposes, about 5.8 million cubic metres—4,700 acre-feet—will be allocated from a point about 22 kilometres (14 miles) above the river weir to the junction of the Dawson and Fitzroy Rivers, and along the full length of the anabranch. A grant of $550,000 was originally offered by the previous Australian Government in November 1972. That offer was accepted by the Queensland Government, but no legislative action had been taken by the time the present Government took office.

Early this year, the Government reconsidered the case for financial assistance to Queensland for the weirs and re-confirmed the offer of a grant of $550,000. The Queensland Government has accepted the offer. Subsequently, however, the Queensland Government advised that, due to unusual geological features which had been discovered at the weir site on the main stream of the river, the estimated cost of the weirs had risen to $1,220,000. The State proposed that it would meet the balance of the cost of the project if the Australian Government would be prepared to endorse the offer it had already made of a grant of $550,000. The Australian Government agreed to this proposal.

It is expected that construction will commence in the present financial year and that the weirs will be completed by the end of 1975. The project area has a sub-tropical, sub-humid climate with a fairly variable summer rainfall. Production and incomes vary considerably from year to year according to seasonal conditions. The main enterprise is beef production and the storage of winter fodder is the principal factor determining stocking rates, timing of turn-off and limiting intensification of beef production. The provision of water will enable beef producers to overcome this restriction on their activities.

It is estimated that the additional water available from the storages could be sufficient for some 1,200 hectares—3,000 acres—although annual acreage could vary considerably depending on the water requirements of the crops that are grown each year. There is a more than adequate supply of suitable soils although, in some instances, the cost to landholders of reticulating water to suitable areas out of flood reach could be considerable. There is a wide range of production possibilities and the project will strengthen the basis for commercial agricultural activities and the area will benefit greatly through stability. Crops with sound production possibilities include lucerne for on-farm consumption by cattle or for sale—particularly during dry spells—oats for winter grazing, summer fodder crops, grain sorghum, soybeans, wheat and safflower. The gross value at farm-gate of beef and grain produced under irrigation using

water made available from the weirs would probably be in the order of $450,000 annually.

When the Government received the revised cost estimates, the Minister for Northern Development (Dr Patterson) arranged for his Department to undertake a further economic evaluation. Copies of the report of this investigation are available. Projections of beef and grain sorghum prices used in this evaluation were supplied by the Bureau of Agricultural Economics, and there was close consultation between his Department and the Bureau at all stages in the assessment of the economic impact of the project. Environmental studies undertaken by the Queensland Government, based on similar irrigation development upstream along the Dawson River, indicate that the Baralaba project will result in a significant improvement in recreational, ecological, economic and general living conditions.

The project measures up well to the criteria of this Government in respect of water resource development for agriculture. It is soundly based and will contribute significantly to stabilising production and incomes in an established agricultural area. I commend this Bill to the Senate.

Debate (on motion by **Senator Lawrie**) adjourned.

STATES GRANTS (SPECIAL ASSISTANCE) BILL 1973

Second Reading

Debate resumed from 6 December (vide page 2549), on motion by **Senator Murphy**:

That the Bill be now read a second time.

Senator BONNER (Queensland) (5.2)—The Opposition does not oppose this Bill. As a matter of fact, we welcome this measure whereby the Grants Commission is making available to the less populous States of Australia, namely Tasmania, South Australia and Queensland, a substantial amount of money. I should perhaps confine my remarks to my own State of Queensland as I feel that other honourable senators will be speaking on behalf of their own States. As I understand it, originally Queensland made a submission to the Grants Commission in December 1971. Queensland's need to go to the Grants Commission arose because of the State's situation compared with other States' allocations of financial assistance grants.

In 1971, New South Wales and Victoria's financial assistance grants had been increased by $2 per capita. Also, the States had been given the power to raise payroll tax. The Financial assistance grant was reduced by what would have been collected on the 2.5 per cent level. Queensland's taxable capacity is considerably lower, we know, than that of other States. The question of receipt duty was found to be unconstitutional, as we have learned, and therefore the Commonwealth Government paid to the States what would have been collected under receipt duty. Queensland's share was again relatively low as compared with the other States.

Queensland had always contended that it was receiving a poor share of the financial assistance grant. In fact Queensland convinced the Federal Government of this and was given an extra $2m each year. Even with this, Queensland was still receiving too low a share of the overall payments made to the States. The sum of $9m was granted to Queensland for 1971-72, $10m was advanced for 1972-73 and a further advance of $10m made for 1973-74.

The Commission makes the overall sum available to the States with no ties on what the money is to be used for or how it is to be spent. In fact, it ensures by its system that the States are not bound to account for where the money is intended to be used or in what manner. We have a very responsible Government in Queensland led by a very responsible person named Mr Bjelke-Petersen. The sum is divided over a whole field of State expenditures. However, even with the State grant, Queensland is still budgeting for a deficit.

By having a look at the Queensland Budget and the expenditure involved I learn that the largest additional call on the State Government is the provision required to keep pace with the spiralling costs of salaries, wages and materials. The amount necessary to pay a full year's cost of award increases since the previous Budget, and to provide for further increases expected during the year, was $73.7m, and the Queensland State Government allowed for other contingency costs to increase by 8 per cent. Looking through what my State is doing in relation to education I note that the Queensland Government has provided for 28.2 per cent more than the previous year's allocation of $142.2m, which will allow for something like 1,829 additional teachers to bring the total strength to 16,763.

The State Government has provided also for the introduction of teacher aides for secondary schools, special schools, and some primary and Aboriginal schools, as well as the employment of library aides for all primary schools. This is quite a big drain on the State purse. This scheme will

get under way from the 1974 school year and will provide employment for 1,788 aides.

Payments to school libraries will increase this year. As we all understand, this is a very important part of our education system. It is interesting and very pleasing to note that Queensland has looked at this matter very carefully. The Queensland Government has also introduced payments to high schools of $6 per annum per student to replace the amounts which were previously collected by way of a general purpose fee. The Queensland Government has increased textbook allowances to grade 8 students. It has increased conveyance allowances. It has increased school bus transport rates. It has increased subsidies to the Creche Kindergarten Association for affiliated kindergartens. It has provided further assistance to organisations providing services to handicapped and subnormal children and has provided considerably greater assistance to cultural groups in my State.

Matters of health in Queensland are also costing the State Government quite a considerable amount. Expenditure other than on hospitals has been increased by 24.6 per cent. Further assitance has been provided for home nursing services. Provision has been made for development of community health services in line with recommendations of the Commonwealth interim committee. The Queensland Government has provided also for community home care and the amount provided was nearly double the previous year's allocation. Hospital expenditure has increased 23.6 per cent over the previous year's provision. Many other allocation have been made. I am quite sure the Senate will understand why I welcome these measures which provide a substantial amount of money to the less populous States of our nation. On behalf of the Opposition I welcome this measure.

Motion (by **Senator O'Byrne**) agreed to:

That the question be now put.

Original question resolved in the affirmative.

Bill read a second time, and reported from Committee without amendment or debate.

Adoption of Report

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

That the report of the Committee be adopted and that the question be now put.

Third Reading

Motion (by **Senator Wriedt**) proposed:

That the Bill be read a third time and that the question be now put.

The ACTING DEPUTY PRESIDENT (Senator Wilkinson)—The question is that the question be now put. Those of that opinion say aye, to the contrary no.

Senator Wright—No.

Senator Townley—No.

The ACTING DEPUTY PRESIDENT—I think the ayes have it.

Senator Wright—Divide.

Senator Townley—Divide.

The ACTING DEPUTY PRESIDENT—The Senate will divide.

In division——

Senator Poyser—Mr Acting Deputy President, can I raise a point of order at this stage? The second voice calling for a division was Senator Townley's. He was not sitting in his seat. Mr President, now that you have resumed the Chair, may I raise a point of order?

The PRESIDENT—If you cover your head.

Senator Poyser—I refuse to cover my head because there is no such requirement in the Standing Orders.

The PRESIDENT—Sit down. Resume your seat.

Senator Poyser—I have never done it, and I will not do it. Can I raise a point of order while I am sitting down?

The PRESIDENT—Yes. You can raise a point of order if you conform to the Standing Orders. If you cover your head you can raise a point of order.

Senator Poyser—I refuse to do so.

The PRESIDENT—I hear no point of order.

Senator Milliner—Mr President, I rise on a point of order.

Senator Murphy—Do not put that stuff on your head.

Senator Milliner—Then I will sit down.

The PRESIDENT—The Acting Deputy President has informed me that a senator who asked for a division was not in his place. I have asked the Acting Deputy President about the circumstances. He clearly heard 2 voices asking for a division, which is all that is required. Therefore, the division is in order.

Question put:

That the question be now put.

The Senate divided.

(The President—Senator Sir Magnus Cormack)

Ayes	27
Noes	25
Majority	2

AYES	NOES
Bishop, R.	Anderson, Sir Kenneth
Byrne, C. B.	Bonner, N. T.
Cameron, Donald	Buttfield, Dame Nancy
Cant, H. G. J.	Carrick, J. L.
Cavanagh, J. L.	Cormack, Sir Magnus
Devitt, D. M.	Cotton, R. C.
Drury, A. J.	Davidson, G. S.
Georges, G.	Drake-Brockman, T. C.
Gietzelt, A. T.	Durack, P. D.
Kane, J. T.	Greenwood, I. J.
Keeffe, J. B.	Hannan, G. C.
Little, J. A.	Jessop, D. S.
McAuliffe, R. E.	Laucke, C. L.
McClelland, Douglas	Lawrie, A. G. E.
McLaren, G. T.	Lillico, A. E. D.
McManus, F. P.	Marriott, J. E.
Milliner, B. R.	Maunsell, C. R.
Mulvihill, J. A.	Rae, P. E.
Murphy, L. K.	Sim, J. P.
Poke, A. G.	Townley, M.
Poyser, A. G.	Webster, J. J.
Primmer, C. G.	Withers, R. G.
Wheeldon, J. M.	Wood, I. A. C.
Wilkinson, L. D.	Wright, R. C.
Willesee, D. R.	
Wriedt, K. S.	Teller:
	Young, H. W.
Teller:	
O'Byrne, J.	

Question so resolved in the affirmative.

The PRESIDENT—The question now is that the Bill be read a third time.

Senator Wright—Am I in order in addressing a comment to the motion for the third reading of the Bill?

The PRESIDENT—The question is that the Bill be read a third time.

Senator Wright—The gag precludes me from making any comment or debate at this stage?

The PRESIDENT—Yes.

Question resolved in the affirmative.

Bill read a third time.

PETROLEUM AND MINERALS AUTHORITY BILL 1973

Debate resumed (vide page 2807).

Senator DURACK (Western Australia) (5.19)—This Bill was introduced for the first time into the other place last week and was passed yesterday. It came into the Senate at an earlier hour today. The Government seeks to obtain the passage of the Bill through this chamber under great pressure of time. In the first place, I protest that an attempt should be made to rush through the Parliament in this manner a Bill of such importance. This Bill implements the mining policy of this Goverment. No subject could be, or ought to be, of more importance—but apparently that is not the case to this Government or to the Senate—than the mining industry and its future in this nation, because I believe there is no industry upon which the future of this nation more fundamentally depends. As I have said, this Bill is designed to implement a so-called policy of the Labor Party and the Labor Government in relation to the mining industry. When we see the policy for which we have been waiting for 12 months, it turns out that it is no more or less than virtually an attempt in the long run to socialise that industry.

We have heard a great deal of talk by the Labor Party and the Government about the need to obtain Australian ownership and control of the industry. There has been much speculation about the degree of ownership or control that the Government had in mind, but we have become familiar over the past 12 months with one blow after another being directed at this industry, which, in relation to oil exploration particularly, has virtually been brought to its knees. But it now becomes apparent that what this Government means by Australian ownership or control is not what I think the electors of this nation thought it meant and what we in the Liberal Party certainly believe it means, that is ownership by individual Australians who, in one form or another, actually own an equity interest in the resources of the nation. What this Government means by Australian ownership and control is ownership by the Government—and by the national government. If that does not mean nationalisation and socialisation of the industry, I do not know what does.

This Bill is designed to set up the means by which that policy is to be carried out. There has been much discussion in the Press to the effect that this Bill is designed to inject $50m into the mining exploration industry and the mining industry generally. I hasten to point out to this chamber that nowhere in this Bill, in the Minister's second reading speech or in the Appropriation Bills that we have recently passed in this chamber is there any provision whatsoever for $50m to be injected into this industry. Indeed, there is no provision for $5m or even $5 to be injected into this industry. There is not one word, and it has not been stated in the debate in the other place or by any Minister or the Prime Minister, that this petroleum authority will spend $50m this year, next year or any other year in mining exploration or development. This seems to be a story that has been fed out to the Press in

some way to try to indicate that the Liberal Opposition, and particularly the Senate, is in some way preventing the expenditure of this money.

I say again—and I will repeat again and again every time I have the opportunity—that there is no provision in this Bill, in the Appropriation Bills that have recently been passed or in the Budget policy of this Government for the present financial year, for this money to be spent.

As I have said, this Bill is designed to set up the first vehicle by which the Government intends to implement its policy of taking over the mining industry, and particularly of the energy resources of the nation. Those resources, of course, are primarily oil, uranium, natural gas and coal. We have heard statements made by the Prime Minister in Japan about this matter—not in this Parliament or in this country but in Japan. That is where what passes for a policy was first unfolded by this Government. In Japan, the Prime Minister said that it was the object of this Government to obtain 100 per cent ownership of our energy resources. Regarding the mineral resources generally he said that something less than 100 per cent would be acceptable to the Government. However, he has since qualified that statement in relation to whether he or the Government will insist on 100 per cent ownership of oil and energy resources.

In explaining this Bill, the Minister stated quite clearly that it was the policy of the Government in relation to mineral development generally that Australia would be the primary partner in such enterprises. That is about as much as we know of the details of the Government's immediate policy on this vitally important matter. As I have said, there has been no statement to this Parliament. There has been no debate in this Parliament about what the Government's policy really is. We have been waiting for that for months and months. The mining industry, too, has been waiting for it. Many people in Australia and overseas and our major trading partners have been waiting for it, but we know no more than I have stated about the Government's policy. We now have a clear indication of what the Government ultimately has in store for this nation in regard to mining policy. It intends to set up the Petroleum and Minerals Authority, which by this Bill will have power to take over any mining exploration or development in any part of this nation.

This Bill contains provisions that will supersede any State mining law and mining titles that have been granted. There is some provision for compensation for minerals if they are taken over, but this is payable only if the person is the owner of the minerals. It is notoriously well known that under State mining laws a person does not become owner of the minerals in most cases until he has actually extracted them. So, if a person has a mining title under the State law but the minerals are in the ground it would seem quite feasible, under this Bill, for the Petroleum Authority to go in and take over the mine, and it is doubtful whether any compensation would be payable except insofar as the owners would be protected by the Constitution. But that is the sort of policy and the sort of thinking of this Government, the Minister and the Prime Minister in relation to the industry.

Apart from the serious impact it will have on the whole system of mining law and State laws and on titles granted under State laws, this Bill also gives this Authority the right to go on to private property and explore for and develop minerals that are found. Here again some provision is made for compensation for any damage that may be done, but no real protection is given to the rights of private land owners, who under State law may or may not be the owners of the minerals. In most cases, of course, under State laws they would not be the owners of the minerals. The regulation and the development of those minerals, under State laws, clearly recognise the rights of the private owners of land so that their houses, their buildings or their farms are not destroyed by mining activities.

Senator Mulvihill—Is not Western Australian mining being held up?

Senator DURACK—I can tell the honourable senator that nothing upset Western Australians more in the mining boom than the mining companies walking onto private land, marching through crops, pulling down fences and that sort of thing. There was an outcry by ordinary people against the mining companies—those companies that Senator Mulvihill is always criticising. There was an outcry against companies behaving in that way. Yet the Government that Senator Mulvihill supports is creating a monster in the shape of this Authority which can walk in on land and do anything it likes.

Senator Mulvihill—That is for the national interest.

Senator DURACK—Let us have a look at this matter of the national interest. When we were in government we moved to ensure that, as far as possible, there would be reasonable Australian equity in these developments. I think it was in about September or October of last year that the Companies (Foreign Take-overs) Act was passed by this Parliament. The object of that Act

was to provide a screening for foreign capital which was coming in significant amounts into the Australian mining industry. Let me refer to the position under State laws. I certainly know that when the Western Australian Liberal and Country Party government was in power, in its arrangements, contracts and agreements with companies developing mining deposits, it was particularly concerned to ensure that as far as possible there was substantial Australian participation and equity. I wonder how Senator Mulvihill or this Government would have ever got off the ground a show like Mount Newman with its great Australian participation. It is all very well to hear complaints about overseas companies, but we do not hear about the great Australian participation in this industry. What about Mount Isa Mines Ltd? What about the Broken Hill Pty Co. Ltd and, as I instanced in particular, the recent case of the Mount Newman enterprise? These are all great examples of Australian participation under government encouragement. These are developments that have been carried out and would have been carried out by a Liberal government.

That is one aspect in relation to national policy. Another aspect of national policy at this time, I should think would be the encouragement in the immediate future of greater exploration for oil and gas to meet our energy requirements. What has been happening is that during the time that this Government has been in power there has been a steady decline in the level of exploration for oil and gas. A number of drilling rigs in Australia today are lying idle because of disincentives and disencouragements of this Government. As my colleague, Senator Jessop, said, geologists are actually leaving Australia. This has happened under the policies of the present Government which has destroyed the incentives which had been given to oil search. And all it seeks to do is to put in their place this shell of an Authority which it is not backing with any money. As I have said, there is no appropriation for it. Even if there were, how long would it be before this Authority could really get into gear? This Authority is to be composed of 5 members, two of whom will be civil servants—one of the two being the Secretary of the Department of Minerals and Energy—and another one of the five being a trade unionist. This leaves room for only 2 members who could have any knowledge of or any expertise in the field of mineral and petroleum exploration or development, or any expertise in the whole field of—

The ACTING DEPUTY PRESIDENT (Senator Marriott)—Order! There has been too much audible conversation in front of the honourable senator who is speaking. The Senate will come to order.

Senator DURACK—Thank you, Mr Acting Deputy President. I think it is a reflection on the Senate that it should be showing such disinterest in this vital subject. I was speaking of the importance of the composition of this Authority. There is no room in its membership for people with any real expertise in the field of mining exploration, mining development or even of commercial enterprise. One needs men or women in this field who have the highest expertise and experience in order to carry out major explorations and developments. Yet, this Authority will be dominated by a Civil Service mentality and a trade unionist. As far as we can see, the Authority so far is not even backed by any funds.

This Bill is of major consequence to the Parliament and to the nation. I regret, and I protest, that it is being debated in the dying hours of this session of the Parliament. I am mindful that on the last occasion on which the Government introduced a major measure affecting the mining industry it did so in the dying hours of the last session of the Parliament. The only time that the Government has made a statement about its mining policy, it was made in Japan. No opportunity has been given for proper debate in this chamber of these matters which vitally affect what is probably the major industry for the future of this nation. As I think is probably well known, it is the intention of the Liberal Party Opposition to oppose totally this Bill, and it will be voting against it.

Senator BYRNE (Queensland) (5.37)—The Petroleum and Minerals Authority Bill 1973 is a most important piece of legislation and it is unfortunate that it should come before the chamber in these dying hours of what has been a most strenuous session. It is one of a series of important pieces of fundamental legislation, the nature and the number of which have caused some concern to the Senate. The Senate in the discharge of its duties, and accepting its responsibilities, has not seen fit in a number of instances to consider these Bills with any great haste or undue speed. For that reason, the Trade Practices Bill was adjourned until the first sitting day in February 1974. The Australian Industries Development Corporation Bill and its associated Bill were referred to the Senate Select Committee on Foreign Ownership and Control. I think it could be said that both of those actions were prudent, reasonable and called for in the circumstances.

This is a major Bill. I do not criticise the Minister for the fact that the Bill was introduced so late in the session. There has been a heavy legislative program and he has been the author of much of it. I suppose it was no inconsiderable effort to be able to present the Bill even at this late stage. However I think it is too much to expect a Bill of this consequence to be considered, analysed, assessed, deliberated upon and finally voted on in the short time now available to us. Of course, my colleagues and friends on my right in the Liberal and Country Parties have had access to the Bill and have had the opportunity of analysing it and debating it in another place. But the Democratic Labor Party has not had that opportunity. Because of the heavy legislative program it has been all we can do to try to keep abreast of the Bills that have come before this chamber and gone to a final resolution.

As our vote in this chamber could be of some decisiveness, we feel that we have a heavy responsibility to ensure that this Bill is properly studied by us. In cases where we think it necessary we like to take advice on legislation, not only within our own Party but also from outside from those who are likely to be affected by it. This Bill, for example, will create great variations in the attitude to the development and exploitation of minerals and petroleum in this country. Of course, it is concerned also with the processing of basic products. It trespasses, if I may use the term, on State rights and gives the Commonwealth authority to take up areas and to develop them within the realm of State sovereignty. Things of that nature are of very vast consequence. They are of such vast consequence that I do not think our Party——

Senator Mulvihill—Senator, you would not think that Comalco and those companies are always right.

Senator BYRNE—No, I do not think they are right; of course not. All I am saying is that the propositions contained in this Bill are so dramatic and so far reaching that the Senate owes it to itself to study them in detail and at leisure. Our Party feels particularly that is has a heavy duty to do that. I have consulted my colleagues and for those reasons we think that the debate should be adjourned. We think that the further debate on this Bill should come forward, not after an unduly long period, but after the parliamentary recess and during the February session of the resumed Parliament. Therefore, without going into the details at this late hour, I put the case as we see it. We feel that it is desirable to investigate and examine the Bill and that we have a duty to do so. We feel therefore that to adjourn the matter in this way might be the appropriate step to take.

We could have referred the Bill, as we did with the Australian Industry Development Corporation Bill, to a select committee or a standing committee of the Senate. But the Australian Industry Development Corporation Bill was in a particular category. It opened up vast areas. This Bill really does not operate in that sense, although the Prime Minister (Mr Whitlam), as reported by the Minister for Minerals and Energy (Mr Connor) in his speech, refers, to the question of Australian ownership and control and his Government's commitment to national investment. We feel that there is a similarity between the Bills. However, as the Senate Standing Committee on Constitutional and Legal Affairs has before it this other major investigation which it will conduct in the month of February so that it can report back to the Senate in March, it would not be altogether appropriate that this Bill similarly should go to that Committee. Therefore, we feel that it would be better if honourable senators had a chance to study the Bill in the intervening period. Then, when we come back in February, definite attitudes can be taken on it and the fate of the Bill can be determined. For those reasons I move:

That the debate be adjourned and that the resumed debate be made an order of the day for the first sitting day in February 1974.

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (5.42)—I indicate that the Government will oppose this motion. I understand from the intimations given that the Opposition parties are combined on this issue, and that the will of the Government will not prevail. To save the time of the Senate we will allow the vote to be taken on the voices with it being clearly understood that what is being proposed by Senator Byrne is against the wishes of the Government.

Question resolved in the affirmative.

URGENT LEGISLATION

Declaration of Urgency

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise)—I declare the following Bills to be urgent Bills:

Companies (Foreign Take-overs) Bill 1973.

Customs Tariff Validation Bill (No. 2) 1973.

Industrial Research and Development Grants Bill 1973.

Sewerage Agreements Bill 1973.

Remuneration Tribunal Bill 1973.

States Grants (Fruit Growing Reconstruction) Bill 1973.

Queensland Grant (Dawson River Weirs) Bill 1973.

Queensland Grant (Kinchant Dam) Bill 1973.

Statute Law Revision Bill 1973.

Public Service Bill (No. 4) 1973.

Commonwealth Employees' Furlough Bill 1973.

I move:

That the Bills be considered urgent Bills.

Senator Wright—Mr President, is this motion open to debate?

The PRESIDENT—No.

Question put:

That the Bills be considered urgent Bills.

The Senate divided.

(The President—Senator Sir Magnus Cormack)

Ayes	27
Noes	25
Majority	2

AYES	NOES
Bishop, R.	Anderson, Sir Kenneth
Byrne, C. B.	Bonner, N. T.
Cameron, D. N.	Buttfield, Dame Nancy
Cant, H. G. J.	Carrick, J. L.
Cavanagh, J. L.	Cotton, R. C.
Devitt, D. M.	Davidson, G. S.
Drury, A. J.	Drake-Brockman, T. C.
Georges, G.	Durack, P. D.
Gietzelt, A. T.	Greenwood, I. J.
Kane, J. T.	Guilfoyle, M. G. C.
Keeffe, J. B.	Hannan, G. C.
Little, J. A.	Jessop, D. S.
McAuliffe, R. E.	Laucke, C. L.
McClelland, Douglas	Lawrie, A. G. E.
McLaren, G. T.	Lillico, A. E. D.
McManus, F. P.	Marriott, J. E.
Milliner, B. R.	Maunsell, C. R.
Mulvihill, J. A.	Rae, P. E.
Murphy, L. K	Sim, J. P.
Poke, A. G.	Townley, M.
Poyser, A. G.	Webster, J. J.
Primmer, C. G.	Withers, R. C.
Wheeldon, J. M.	Wood, I. A. C.
Wilkinson, L. D.	Wright, R. C.
Willesee, D. R.	
Wriedt, K. S.	Teller:
	Young, H. W.
Teller:	
O'Byrne, J.	

Question so resolved in the affirmative.

Allotment of Time

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise)—I move:

That the time allotted for all stages of the Bills be until 6.45 p.m. this day unless otherwise ordered.

And I move:

That the question be now put.

Senator Wright—Mr President, I wish to raise a point of order. There is an unresolved question before the Senate which in the interests of its own prestige and status deserves to have deliberate consideration. Now that it is the adopted policy of this Government to apply the guillotine to the general ragbag of Bills——

The PRESIDENT—What is the point of order, Senator Wright? To what are you referring in raising a point of order?

Senator Wright—I am wishing to state it quite briefly, if the court pleases, and in a respectful way. There are 2 points I wish to make, Mr President. You were good enough to hear me address you on one of them a month or so ago. You then felt bound to adopt the rather ill-considered precedent of March.

Senator Murphy—That is a reflection upon a vote of the Senate.

Senator Wright—It is my right to make a comment on perhaps one isolated occasion without there being an attempt by Senator Murphy to override me. Mr President, I remind you of what Coke said when he was supporting the Petition of Right and he was reminded of the precedent that as a King's man he had laid down. The old man said: 'I was following false guides'. I ask you to consider whether you are following a false guide by adopting the ill-considered decision of March. That is my first point.

Senator Wheeldon—Speak up. We cannot hear you.

Senator Wright—When I get order I proceed with greater celerity. Mr President, the point is that standing order 407B cannot, on any reasonable construction of the language, allow one guillotine to fall on a bracket of Bills. In its language and by its nature it is limited to an individual Bill. I submit that you cannot possibly read standing order 407B to apply to a plurality of Bills. The point is that the words 'the Bill' and not the words 'the Bills' occur time and time again. A Bill must be taken in its various stages singularly unless the Senate orders stand another Bill or Bills to be taken collectively. In endeavouring to meet the Goverment's demands, we on this side of the chamber have adopted that point of view and allowed several Bills to be taken together. That happened with respect to 4 apple Bills this afternoon, but without a special resolution of the Senate. Standing order 407B when dealing with a Bill cannot, I submit, permit a number of Bills to be included. That is the first point.

The second point is this: The last paragraph of sub-section (1) of standing order 407B says that upon such further motion or motions with regard to the allotment of time being moved—this is such a motion—no debate thereon shall be allowed for more than 1 hour and that in speaking

thereon no senator shall exceed 10 minutes. That is a specific preservation of the right of the Senate to debate such a motion for 1 hour and of each honourable senator who gets the call to debate for 10 minutes in the most exceptional situation where, the guillotine having been resolved, time is to be allotted. Therefore the gag cannot preclude the application of that provision of the standing order to this debate. Mr President, on those 2 grounds I ask you to rule that it is out of order to move the gag.

The PRESIDENT—Order! In reply to Senator Wright, I confess that I must uphold the rulings that have been given previously in the context of standing order 407B. I acknowledge the recanting of the great Coke after he had been responsible for the execution of Raleigh, a man who fought for his rights in the House of Commons, as indeed the honourable senator is doing in this chamber. In the context of whether standing order 407B is applicable to more than one Bill, I remind the Senate that this was accepted by a majority of the Senate not only in June but also as recently as 29 November, which is not very long ago. In this respect I shall quote from the Journals of the Senate about the declaration of urgency of Bills and the allotment of time. The Journals state:

> Point of Order—Senator Wright raised a Point of Order to the effect that S.O. 407B provided for a procedure for the limitation of debate in respect of one Bill, not a number of Bills jointly, and therefore the proposed motion was not in order.
>
> Ruling of the President—The President stated that there was precedent for applying the 'Guillotine' to a number of Bills jointly and that, until the Chair was otherwise directed by the Senate, he felt bound to acknowledge that precedent. Accordingly, the President ruled that the motion was in order.

The question that the Bills be considered urgent Bills was then put and passed by the Senate. Therefore that is a resolution of the Senate, on my ruling. As to the third point raised by the honourable senator, there is ample precedent for the rulings I have given. I do not uphold the point of order.

Question resolved in the affirmative.

The PRESIDENT—The next question is: That the timetable put down by the Leader of the Government in the Senate be agreed to.

Senator Wright—Could we have it re-stated?

The PRESIDENT—Yes. I will have it re-stated. The Leader of the Government in the Senate will re-state it.

Senator Murphy—It was that the time allotted for all stages of the Bills be until 6.45 p.m. this day, unless otherwise ordered.

Question put:

That the allotment of time be agreed to.

The Senate divided.

(The President—Senator Sir Magnus Cormack)

Ayes	27
Noes	26
Majority	1

AYES	NOES
Bishop, R.	Anderson, Sir Kenneth
Byrne, C. B.	Bonner, N. T.
Cameron, Donald	Buttfield, Dame Nancy
Cant, H. G. J.	Carrick, J. L.
Cavanagh, J. L.	Cormack, Sir Magnus
Devitt, D. M.	Cotton, R. C.
Drury, A. J.	Davidson, G. S.
Georges, G.	Drake-Brockman, T. C.
Gietzelt, A. T.	Durack, P. D.
Kane, J. T.	Gair, V. C.
Keeffe, J. B.	Greenwood, I. J.
Little, J. A.	Hannan, G. C.
McAuliffe, R. E.	Jessop, D. S.
McClelland, Douglas	Laucke, C. L.
McLaren, G. T.	Lawrie, A. G. E.
McManus, F. P.	Lillico, A. E. D.
Milliner, B. R.	Marriott, J. E.
Mulvihill, J. A.	Maunsell, C. R.
Murphy, L. K.	Rae, P. E.
Poke, A. G.	Sim, J. P.
Poyser, A. G.	Townley, M.
Primmer, C. G.	Webster, J. J.
Wheeldon, J. M.	Withers, R. G.
Wilkinson, L. D.	Wood, I. A. C.
Willesee, D. R.	Wright, R. C.
Wriedt, K. S.	
Teller:	*Teller:*
O'Byrne, J.	Young, H. W.

Question so resolved in the affirmative.

COMPANIES (FOREIGN TAKE-OVERS) BILL 1973

Second Reading

Debate resumed from 6 December (vide page 2553), on motion by **Senator Murphy:**

That the Bill be now read a second time.

Senator GREENWOOD (Victoria) (6.02)—It is opportune that one should rise after this display of the authoritarian, dictatorial nature of the Government when it has the numbers.

(Government senators interjecting)—

The PRESIDENT—Order! I call Senator Greenwood.

Senator GREENWOOD—It appears that not only are we to be gagged but also that we are to be denied the right to speak in the time allotted. That seems to be the tactic of the Government.

(Government senators interjecting)—

The PRESIDENT—Order!

Senator GREENWOOD—It appears that the Government is even attempting to contravene

the authority of the Chair when it calls for order. I thought it was appropriate to open in that way because when we deal with the Companies (Foreign Take-overs) Bill 1973 we see one of the greatest retreats since Napoleon's retreat from Moscow. The year 1972 was the year in which Labor stumped the countryside saying that it was the only party interested in controlling foreign investment in this country. And in 1972 when the McMahon Government produced a White Paper—the size, content and authority of which have never been equalled by anything that this Government has done—and subsequently it produced a Bill to give effect to control over foreign take-overs, that Bill was rubbished by the members of the present Government. If there were more time I would read many of the extracts which I have of the way that legislation was regarded: As 'a political gimmick', 'of political expendiency', 'of absolutely no consequence' *and so on. I have 2 pages of quotations ranging* from those made by the Attorney-General (Senator Murphy) to the Treasurer (Mr Crean) and down to the humblest Labor back-bencher. What have we seen this year? We have seen our legislation being used by the Government—and now, at the end of the year when it is about to expire, our legislation is renewed for a further 12 months. It simply shows that the McMahon Government's legislation was effective for a purpose. May I suggest that it could have been used more effectively by the McMahon Government. When one considers the record of the Labor Government this year under this 'inadequate' legislation, as it called it, and has regard to the protestations that the members of the then Opposition were concerned about controlling overseas investment in Australia, one sees that 242 applications were made to the departmental committee which was set up by this legislation in relation to perspective foreign take-overs. Of that number 233 were approved by the Federal Treasurer and only 9 opposed. That was the position until 31 July this year. The proportion has not significantly altered, if the newspaper reports are correct, in the intervening period. That is why one welcomes this legislation. It acknowledges the worth of what was passed last year and destroys in very large measure the protestations, the hollow sham and the cries of the Labor Party last year.

There is a lot that one would like to say; there is a lot to which one could make telling points. But other Bills must be debated and we would like to utilise what time we have to do so. I say simply that the Opposition supports this measure. We welcome the belated acknowledgement of the worth of the legislation which last year was soundly criticised by the people now in Government. We are pleased to see that after 12 months the Labor Government can see more in the McMahon Government's legislation than its members were prepared to acknowledge originally.

Question resolved in the affirmative.

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

CUSTOMS TARIFF VALIDATION BILL (No. 2) 1973

Second Reading

Debate resumed from 6 December (vide page 2553), on motion by **Senator Murphy:**

That the Bill be now read a second time.

Senator COTTON (New South Wales) (6.09)—We have seen this afternoon one of the most disgraceful performances that this Parliament has ever witnessed. It is a sad day for those who sit here and try to make this place mean something in the eyes of the Australian public. I can remember that when the Opposition was in Government we heard much comment from the people now in Government of how affairs ought to be conducted. I think this is a shameful performance—quite disgraceful. Members of the Government have not one thing on which to pride themselves. I believe that they will have great cause to regret their performance. I will not seek to delay the Senate any further. Matters of immense importance remain to be discussed. I will not aid the process of holding up the matter in any way whatsoever. This Customs Tariff Validation Bill is not opposed by the Opposition. Therefore it can pass as fast as honourable senators can make it pass in the confused state they are in as a government.

Senator McMANUS (Victoria—Leader of the Australian Democratic Labor Party) (6.10)—The statement that what has happened has been disgraceful reflects upon the Australian Democratic Labor Party of which I am Leader. I say bluntly that my idea of something disgraceful is for a group of people to suggest that we should co-operate with the Government in order to get through the business in a reasonable time then, after a large number of honourable senators have urged us to co-operate with the Government for that purpose, to turn around and attack us and allege that we have been guilty of disgraceful conduct.

Senator WRIGHT (Tasmania) (6.11)—I think that Senator McManus's intervention was

particularly inappropriate. The disgrace of the proceedings is degrading Parliament. We will live to regret it.

Senator Little—Move for recommittal.

Senator WRIGHT—I do not waste time. I am making a brief comment as is my duty. When honourable senators protest I comply with that protest. But I shall use such time as I have to try to put over points of view which I represent in this place. I rise to support what Senator Cotton has said—that this day's proceedings will redound to the disgrace of this Senate and to the discredit of the Leader of the Government in the Senate (Senator Murphy). When in Opposition he purported and pretended to be a sound supporter of Senate and Parliamentary traditions. To have Bills bundled through in this fashion is an undying disgrace.

Senator MURPHY (New South Wales—Attorney-General and Minister for Customs and Excise) (6.12)—It is not good for the Senate and it is not good for the Parliamentary process that Bills should have to be put through in this fashion. The use of the guillotine in this way is not satisfactory. I indicated on the last occasion that I did not wish this to happen and all this week I have endeavoured to bring the proceedings to a reasonable conclusion without the use of the guillotine. The reason we have reached the stage where a number of Bills have to be put through together in the dying hours of the Senate is that I was waiting, hoping to avoid the use of any gag or guillotine. This was applied only when it became apparent that some honourable senators opposite were determined to waste time, even making lengthy speeches on Bills to which the Opposition was not opposed. One does not have to be long in this place to know when people are determined to waste time and are not going to co-operate. Every offer was made from the Government side to seek co-operation and to avoid the use of the guillotine. I agree that the guillotine is undesirable and that it is not a proper way to conduct business. But if people are determined not to co-operate this action becomes inevitable. That course has been taken here. I hope that in the future some good sense will prevail.

The ACTING DEPUTY PRESIDENT (Senator Marriott)—Order! I suggest to honourable senators from all sides that they have had their bit of recrimination about procedures on this the second Bill under the guillotine. I request that in future honourable senators devote their time to addressing themselves to the Bills before the Senate.

Question resolved in the affirmative.

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

INDUSTRIAL RESEARCH AND DEVELOPMENT GRANTS BILL 1973

Second Reading

Debate resumed from 6 December (vide page 2557), on motion by **Senator Wriedt:**

That the Bill be now read a second time.

Senator COTTON (New South Wales) (6.16)—Mr Acting Deputy President, I shall have regard to the strictures which you placed on honourable senators in making observations about the general situation in which we find ourselves.

The ACTING DEPUTY PRESIDENT (Senator Marriott)—Senator Cotton, that is purely the laws of debate.

Senator COTTON—Mr Acting Deputy President, I think you will agree that every honourable senator is entitled to express his view in this place. Honourable senators are entitled to vote as their conscience dictates. We saw that happen this afternoon.

Senator Little—I ask the honourable senator to include his own comrades in his criticism.

Senator COTTON—I did not except them. The Industrial Research and Development Grants Bill is a Bill which the Senate could debate. There are areas of the Bill on which one could make substantial comment. But as the Opposition does not oppose the Bill and, as has been said, time is pressing we propose to say 3 things. The measure tidies up the general area of industrial research and development. It places limitations on grants which should not rise above a certain amount. Exceptions are made to that limitation in special cases. That seems to us to provide an adequate safeguard in a situation in which somebody has a particular interest or who has a good situation in which to be helped. There is also a removal of the limitation whereby only professionally qualified people can be helped. I am strongly in favour of giving the opportunity for technically competent people to be given assistance. Accordingly the Opposition, insofar as I speak for it, supports this measure.

Question resolved in the affirmative.

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

SEWERAGE AGREEMENTS BILL 1973

Second Reading

Debate resumed (vide page 2809).

Senator LAUCKE (South Australia) (6.19)—The Liberal Party Opposition does not oppose the Sewerage Agreements Bill which provides for agreement between the Commonwealth and the States for a program to eliminate the backlog in the provision of sewerage. The amount of $30m is being loaned—not given by way of grant—to the States for the current financial year. It is under a loan arrangement of 40 years' repayment. It will carry interest at the current long term bond rate. I point out that before the last election the Party now in power stated that grants would be made towards eliminating the sewerage backlog in Australia. Today we find that it is to be loan money which will be repayable by the States. The initial undertaking given by the Labor Party was: 'If you elect us we shall give you grants for these purposes.' When the crunch came it was——

Senator Cavanagh—Where was that stated?

Senator LAUCKE—It was stated in the policy speech of your leader. I shall read it to you as quickly as I can. It was said in these words:

> A Labor Government will immediately ask the principal water and sewerage authorities what Commonwealth grants in the present financial year would enable them to embark promptly and economically on an uninterrupted program to provide services to all the premises in their areas by 1978. For subsequent financial years, the Commonwealth Grants Commission will investigate and recommend the size of Commonwealth grants required to see the program through.

Senator Little—Another broken promise.

Senator LAUCKE—It is another broken promise. I understand that the first suggestion to the States was for a shorter repayment term at 8.5 per cent interest, which would impose upon the State governments, and through them on local government authorities, an excessive and very high cost in providing that which we should have throughout our metropolitan areas and in the country also—decent sewerage systems. The amounts to be provided to the various States varies from $11.2m for New South Wales to $1m for Tasmania. We welcome the provision of moneys for this purpose but I deplore the method by which it is being done and the breach of the promise originally made as to the way such funds would be provided.

Senator CAVANAGH (South Australia—Minister for Aboriginal Affairs) (6.23)—I do not want to take up much time. Senator Laucke stated the terms and conditions of the loans but he considered there had been some breach of a promise in the policy speech that the money would be provided as a grant. These funds are provided in the same way as are housing grants and everything else. This is loan money and it is being made available to the States. There was never any suggestion that this would be a non-repayable grant. We have become accustomed to terms such as 'a repayable grant' and 'a non-repayable grant'. There was no breach of a promise in regard to this question. The money is being provided over a period of 40 years and the interest rate is the long term bond rate. The Minister for Urban and Regional Development (Mr Uren) stated in his second reading speech:

> . . . no one is more aware than I of the difficult position many sewerage authorities find themselves in today. Sydney, Newcastle and Perth are generally paying 50c in every dollar to service their debts. The Melbourne Board of Works is paying 58c in every dollar.

The Minister continued and said:

> . . . this situation was not created by the present Australian Government It was created in the main by the previous Australian Government and conservative State governments.

Obviously this is the best deal on sewerage ever offered to the States and it is in conformity with our policy speech.

Question resolved in the affirmative.

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

REMUNERATION TRIBUNAL BILL 1973

Second Reading

Debate resumed (vide page 2810).

Senator WITHERS (Western Australia—Leader of the Opposition) (6.26)—This Bill, in spite of the way it may be wrapped up, is merely a device for the Parliament to escape its responsibility to set the salaries of members of the Parliament and Ministers and to push the task on to a tribunal. I am well aware of the fact that no matter what method is used to do this there is always going to be a scream from the more ignorant parts of the public and from some parts of the misinformed media about the desire or capacity of anybody to set the salaries and remuneration of members of this place. I have a personal view that one is sent here to take decisions. One is sent here to vote and one ought to accept one's responsibility right to the ultimate of even setting one's own salary. I know that there are many philosophical arguments against that view but in spite of them I hold it. The Government has said all along that it wishes to try the method provided by this Bill. I wish it luck. I do not think it will have any more success in quieting the public criticism and abuse that we always hear when members of this place get

what we think is a reasonable reward or somebody else thinks is a reasonable reward. This is not the way that I would like to see the salaries set but it is the way that the Government wants it done. I do not know of any satisfactory method of doing it but I wish the Government well with this legislation.

Senator WRIGHT (Tasmania) (6.28)—This is an important measure. It affects the remuneration of judges, Ministers, members of the Parliament, heads of departments and statutory officers—that is to say, the most important officers in the constitution of this country. It provides for the establishment of a tribunal. Anything that screams the information affecting the emoluments of these high officers and enables public consideration of them to be more informed and objective is of some value. I wish first to refer to the constitution of the Tribunal. I shall speak very briefly, Mr Acting Deputy President, because of the constrained circumstances to which reference has been made. You would know that the Bill was circulated only this afternoon and the second reading speech contains nothing other than what is in the Bill. I wish to refer to one or two aspects of it. Clause 4 (6) states:

> A member is not eligible to be appointed as Chairman unless—
>
> (a) he is a Judge or a retired Judge of a court of a State; or
>
> (b) he is qualified for appointment as a Judge of a court of a State.

I see no reference to the qualifications required of the members except that they shall not be members of Parliament, officers of the Public Service, holders of a statutory office, a federal judge or a person who has the same status as a judge. Therefore when I see that there is to be a tribunal of 3 persons, even with a chairman with the elevated status of a judge or an ex-judge of a court of a State, I doubt whether sufficient qualifications are put down for it independently to discharge the very important duties that it is required to discharge. I will refer to them in a minute. The next thing that I criticise and would prefer to see out of this Bill altogether is clause 6 (2).

I do not think this Tribunal is an appropriate tribunal to recommend the salaries of Federal judges. The salaries of Federal judges, after a long history, are guaranteed under the Constitution not to be reduced during a judge's tenure of office. Therefore the draftsman who used the word 'alteration' in clause 6 (2) used it loosely or must have had a unique connotation in his mind for the word, because he uses exactly the same expression in relation to the salaries of Ministers in clause 6 (1). Under the Constitution the salaries of Ministers may be altered upwards or downwards. The salaries of judges are guaranteed irreducible by the Constitution. I find that provision quite inappropriate and I object to it strongly in clause 8 which says that the Tribunal shall at the one time report on the salaries of Ministers and the salaries of judges by collecting those 2 high executive and high judicial offices together always in the one report. I believe an affinity is made to appear between the Executive and the judiciary whereas what should be done is to emphasise the distinction.

The next matter to which I wish to refer is one to which I refer with great appreciation. Senator Willesee will recall that I have twice asked him to give adequate consideration to all allowances payable to members of Parliament being prescribed by law. I notice that in clause 7 the Tribunal has not only to recommend, but is to determine, the allowances of members of Parliament by reason of their membership of Parliament or their holding of any particular office or their performing any particular function in or in relation to Parliament or either House of Parliament. That will cut away the pretext for keeping secret committee allowances which were said not to pertain to members in reference to their membership of Parliament but to relate to their parliamentary duties. I find it a matter of disquiet which I would like much more time to consider as to whether a tribunal of three of whom one is a judge and the other two have no defined status should be entitled to determine the allowances of members. That matter becomes less significant when we remember that the determination is open to disallowance by either House of Parliament. But we know that in that respect our functions are limited when we have to confine ourselves to a determination.

I find myself entertaining greater disquiet when I look to clause 11 of the Bill and find that the Tribunal may inform itself in such manner as it thinks fit, may receive written or oral statements, is not required to conduct any proceeding in a formal manner and is not bound by the rules of evidence. I realise the difficulties involved in this connection but I express the hope that a tribunal, formally constituted, will make its primary rule to conduct formal proceedings. When Mr Justice Kerr was conducting his proceedings I took the opportunity to make clear my objection to a judge who occupied judicial office entertaining inquiries individually by some people in the absence of others and receiving statements not based upon any formal authentication. Lord Denning did that in the case of Christine Keeler.

The whole of the Bar, upon the grounds of the contravention of judicial propriety in no way associated with the characteristics of Christine Keeler—nobody would suggest any such thing in relation to Lord Denning—was against such a hole in the corner inquiry. In order to make these things absolutely free of any taint of suspicion I hope that this tribunal will, as its primary practice, adopt a formal procedure so as to inform the public of the reasons why it gives particular recommendations and determinations, also the information upon which they are based. I purposely compress my observations on this important Bill, constrained as I am by the disgraceful decision of the Senate earlier in the day to apply the guillotine.

Senator WILLESEE (Western Australia—Minister for Foreign Affairs) (6.34)—in reply—Mr Chairman, I do not quite know how we came to be dealing with the Christine Keeler case in England. Somebody once said that moral indignation was jealousy with a halo. That may have some association with Senator Wright's indignation. I would have thought that Senator Wright would have agreed with the provisions of this Bill and I think that, largely, he did. However, he seems to be in a mood today to be nitpicking on this sort of thing.

Senator Wright—I rise to order. I ask that the word 'nitpicking' be withdrawn.

The ACTING DEPUTY PRESIDENT—I think that the Minister, on reflection, knowing the situation and the meaning of the word might withdraw it.

Senator WILLESEE—Yes. I withdraw it. But fancy having to withdraw the word 'nitpicking' in this place, particularly in relation to Senator Wright who is the most abusive man who has ever stood in this chamber.

Senator Laucke—I rise to order. That remark is a reflection on Senator Wright's attitude in this place and I call for its withdrawal.

Senator WILLESEE—Speaking to the point of order, I think it is quite unusual for somebody who has not been mentioned to be taking a point of order. The fact is, I am giving Senator Wright a lot of credit.

The ACTING DEPUTY PRESIDENT—Order! I think it is a matter of personal opinion as to whether one thinks one is being praised or not in being called the most abusive man in the chamber. If Senator Wright desires the expression to be withdrawn I shall ask for it to be withdrawn.

Senator Wright—I do desire it to be withdrawn.

The ACTING DEPUTY PRESIDENT—I ask the Minister to withdraw the words 'most abusive'.

Senator WILLESEE—Senator Wright has not asked for the words to be withdrawn.

Senator Laucke—He did.

Senator WILLESEE—He was sitting back and was not addressing the Chair. However, I will say that he is not the most abusive man ever to have been in this Parliament.

Let me come back to the debate. Firstly, Senator Withers dealt with one section of the Bill only, that which concerns the salary of members of Parliament. He said that he wished the Government well but did not think we could duck the opprobrium and the abuse at this time. It is not meant for that at all. I have had an interest in this Bill because it was in my Department earlier in the year when I was able to bring for the first time a lot of salaries into the one basket. A view which I have held for many years—long before I came into this place—is that there are too many wage fixing tribunals in Australia. Not only are there the ones that are well known but also there are dozens of others about which we never hear. What has developed in this country because of this situation is a step by step competition of wage flow-ons. Somebody on one rung of the ladder receives an increase and it flows on to the next person. As that person gets above his previous rung on the ladder so the next person starts to use that as a wage claim. This is obvious. It has been obvious for many years, but the previous Government did not grapple with the problem. We are extending what we did earlier in the year, and we are bringing all these officers under the one purview. They will be dealt with under one Bill. If that course is not adopted, we will be back at the step by step situation again. A tribunal will bring down a decision in relation to, let us say, the First Division officers of the Public Service. Then there will be delays because the tribunal or somebody else is too busy to bring down decisions. Then the increase will have to flow on to the statutory officers and then to the part time officials. This process has been going on for years. The Bill is an effort to break the chain. There will still be a degree of delay in the Public Service because not all the senior men are being brought under the Bill. We are not able to do that in this Bill, but we are doing something.

Senator Wright objected—as most lawyers would—because he thinks that judges should not

be treated as something far above the ordinary run of people. Judges were included with other officers in a Bill which I introduced earlier in the year. It brought judges on to the same line as Ministers, members of Parliament and statutory officers. I do not remember Senator Wright complaining at that time, but I give him credit that if he had thought of it he certainly would have complained.

Senator Wright—He did.

Senator WILLESEE—If he did, I accept that. The thing is that I reject that philosophy now, as I would have rejected it then. This is some sort of pomposity that somebody who sits on a bench should not be treated like everybody else is treated, not even on the question of salary. Of course the salaries paid to these people will have an effect on wage fixations. If the salaries of judges, who have a relativity to some other senior persons, are bumped up by $20,000, $10,000 or $1,000 a year, the relativity will be upset. It is time that they were treated the same as other senior people in the community.

I deal now with the composition of the tribunal. It will be chaired by a judge. Senator Wright did not say whether he was happy about that fact. I assume that he is. He complained that we did not lay down qualifications for the other 2 members. I am glad that we did not. Often in tribunals of this type the chairman takes unto himself assessors. If the control of this matter were still in my Department, which it is not now, I would be guided by the types of persons that the chairman, in this case a judge, would want them to be. In some cases, after a period, he will work out the types of people that he wants. After all, it has been done by Prime Ministers per-emptorily in one section. At the moment the Public Service Board is doing it in other sections. A Permanent Heads committee is doing the wage fixation of certain senior people. Out of this system will come 2 people who will not be assisting the chairman full time but who will take over separate sections, as happens with the Arbitration Court and other bodies in the Commonwealth Public Service today.

It is high time that such a Bill was introduced. I do not know why the previous Government did not do so. It has been screaming out to be done for a long period. It was not done because of the muddle that the previous Government got itself into. It was an obvious muddle. Sections of the Public Service were handling it when they were completely ill equipped and far too busy to do so. They were not the right sort of tribunals to do so. Now there will be a public inquiry. It has been said that the inquiry should be conducted on judicial lines. I suppose that Senator Wright would like to be there in his wig and gown, appearing for somebody. The provisions which are written into this Bill in relation to the inquiry are provisions which are written into other Acts already, such as the provision for not having to abide by the rules of evidence, which applies in arbitration tribunals in Australia today. I think that it is all to the good if people wish to give evidence in an informal manner. If on the other hand the tribunal wants to make it a little more formal, it can certainly do so. It is within the competence of the tribunal. I am glad that the Opposition, with all its niggling complaints, will accept the Bill because in future honourable senators opposite will be pleased that they did so. The little faults which may arise will be ironed out. The scheme will be immeasurably better than anything which we have had for the last 23 years in Australia.

Question resolved in the affirmative.

Bill read a second time.

In Committee

The Bill.

Senator WRIGHT (Tasmania) (6.45)—I know the constraints of time. I will not take up time in the Committee stage. I wish to be understood to be discussing and objecting to those matters to which I adverted at the second reading stage.

Bill agreed to.

Bill reported without amendment; report adopted.

Third Reading

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

REMAINING URGENT BILLS

The PRESIDENT—Order! As a result of a motion which was carried earlier in the day, the time alloted for the passage of urgent Bills having expired, the question is that the remaining stages of the urgent Bills be agreed to and that the Bills be now passed.

Senator Greenwood—I rise on a point of order. I raise a matter which has not arisen previously, as I recall. I refer to the question whether we can deal with 'the remaining stages of all the urgent Bills'. I know that this highlights an aspect of the other matter which was raised by Senator Wright and which was the subject of rulings. The crucial position is this: The Opposition does not oppose the Bills, except one. It is in agreement on the

second reading of that Bill. It desires to move amendments in the Committee stage. It was known that we wished to move those amendments because they were moved in the House of Representatives. It is a serious matter when an oath or affirmation of allegiance is to be removed from the Public Service Act. It has been in the Act ever since there has been a Public Service. There is no opportunity for that issue, that single question, as part of a Bill, to be voted upon. I believe that that would not be the wish of the Senate. I ask the Leader of the Government in the Senate (Senator Murphy) whether he will excise from his motion—he may do so—the Public Service Bill (No. 4), with a view to enabling that matter to be voted upon so that the wish of the Senate can be ascertained. If that is done, all the other matters will be disposed of quickly. The one remaining issue between the Government and the Opposition could be adverted to.

Senator MURPHY (New South Wales—Leader of the Government in the Senate)—I ask for leave to respond because, strictly speaking, the honourable senator has not raised a point of order.

The PRESIDENT—That is so. It was not a point of order. Is leave granted? There being no objection, leave is granted.

Senator MURPHY—I would agree to a modification of the order of the Senate or I would, by leave, excise that Bill. We could put the amendment without debate and let the Committee of the Whole decide. We should proceed now to deal with all the Bills, except the Public Service Bill (No. 4). We could then simply vote on the amendment.

The PRESIDENT—The indications are that the Senate would agree to that course. I put the motion formally. Is leave granted? There being no objection, leave is granted. I now put the question that the original motion, less the Public Service Bill (No. 4) 1973, be passed through the remaining stages.

Senator Murphy—In acceding to the suggestion I did not advert to the position which exists now. I am informed that the House of Representatives has risen tonight. That fact affects the situation in regard to this Bill.

The PRESIDENT—The Leader of the Government has the indulgence of the Senate to deal with this matter.

Senator MURPHY—I do not intend to deal with the merits of the matter, but if any amendment is made to the Bill it will mean that the Bill will not be passed.

Senator McManus—Would it be possible to carry the Bill without that particular clause coming into action until the next session?

Senator MURPHY—No, that is not possible. Any amendment at all—even one of such effect—would mean that the Bill would not come into effect.

Senator Withers—You could give an undertaking that you would bring the Bill back so that we could move the amendment next year.

Senator MURPHY—I will give that undertaking.

The PRESIDENT—Surely there are 2 undertakings—it does not go to the Governor-General and it is recommitted next year.

Senator MURPHY—No. There are other important provisions in the Bill. I do not want to go into the merits of the matter—I am dealing only with the procedural matters.

Senator Byrne—The House of Representatives was presumptious in rising before we had concluded the business.

Senator MURPHY—If the amendment is defeated, I will bring the matter back before this House next year. I will take what steps are necessary to bring the matter before this House again next year.

The PRESIDENT—I would like some indication from the Leader of the Opposition.

Senator WITHERS—Does Senator Murphy intend to go on and excise this Bill?

Senator Byrne—Senator Murphy could give a further assurance. If the Bill is passed, people who join the Public Service will not be required to take the oath or make an affirmation. When the matter came up again those who in the meantime had joined the Public Service could be invited to take the oath or make an affirmation. If they did not, they could be invited, if the Bill becomes law with this provision taken out, to affirm or take an oath, even though they were then members of the Public Service under the other conditions. Perhaps Senator Murphy would give that assurance. Does he think it would be a way out? I am merely putting it as a suggestion.

Senator MURPHY—I give that assurance.

The PRESIDENT—Senator Greenwood, you raised the original question.

Senator GREENWOOD—I seek leave to make a statement. I raised it but I had not adverted to what the consequences would be. I raised the issue initially because this is a serious matter. The oath of allegiance or affirmation has always been taken by public servants. We have

always regarded this as part of the cornerstone of the Public Service.

Senator Murphy—I did not go into the merits of the matter.

Senator GREENWOOD—I appreciate that. I will not go into the merits of the matter except to say that because of the importance of the matter I made the appeal, to which I acknowledge the Attorney-General responded, that this Bill should be excised. As I understand it, the Senate agreed to its being excised, and ordinarily it would require a separate vote. That is a matter upon which I think the Senate can make its decision. We are all agreeable to try to reach some arrangement, but I am concerned that if we remove the oath of allegiance people can join the Public Service in the next two, three or four months and they will be members of the Public Service in all respects except that they will not be bound in the same way as other public servants. If this clause were to come back next year, surely it would mean that some people would not be tied by the same obligations as tie the vast preponderance of public servants. That, in itself, would create an anomalous and somewhat discriminating position. These are considerations which depend on how strongly one views the merits of the issue.

The PRESIDENT—I should like an indication what agreement there is between the leaders.

Senator MURPHY—We cannot knock this Bill. I will bring the Bill back next year and bring in something to cover the position.

Senator BYRNE—We just defeat the Bill. It seems to me that this is almost an impasse. It is a very difficult situation. I suggested a certain procedure. I would like to have Senator Murphy give an undertaking that the Bill will be brought back. I understand that it will be brought back into the House of Representatives.

Senator MURPHY—Of course.

Senator Byrne—If it passes that chamber no doubt it will come back here in its emerging form now. Then the Senate can move to take that section out of the Act then. Is that right?

Senator MURPHY—Yes.

Senator Byrne—Members of the Public Service will have to be admitted in the interim in terms of the new statute, but if that is excised subsequently they will be required to take the oath of allegiance or make an affirmation.

Senator MURPHY—Yes.

Senator Byrne—I admit that for a period there would be an anomalous position because there would be 2 levels.

The PRESIDENT—As I understand it, there is an agreement that the Senate should be given an opportunity to review this matter in the new year. If the Leader of the Government acknowledges that to be the position I will put the question.

Senator MURPHY—In these circumstances, that is the only course I can take.

The PRESIDENT—I therefore put the question: 'That the remaining stages of the urgent Bills be agreed to and that the Bills do now pass'.

Question resolved in the affirmative.

Bills read a third time.

LANDS ACQUISITION BILL 1973

Message received from the House of Representatives intimating that it had agreed to the amendment made by the Senate to this Bill.

HOSPITALS AND HEALTH SERVICES COMMISSION BILL 1973

Message received from the House of Representatives intimating that it had agreed to the amendments made by the Senate to this Bill.

SENATE SELECT COMMITTEE ON SECURITIES AND EXCHANGE

Senator RAE—(Tasmania)—I seek leave to make a statement as Chairman of the Senate Select Committee on Securities and Exchange.

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

Senator RAE—I have been asked to incorporate in Hansard the statement which I proposed to make on behalf of the Committee. At the suggestion of the two leaders, I seek leave to do so.

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

(The report read as follows)—

Mr President, in view of the approach of the end of this session of Parliament it is appropriate that the Select Committee on Securities and Exchange give an account of its activities over this last year. By way of background I wish to inform the Senate that, though the Committee thought that it had nearly completed its inquiry at the end of 1971, in fact a substantial proportion of the most important work of the Committee has been done in 1972 and 1973. This has been so for several reasons.

First, the Committee in late 1971 and early 1972 received a large volume of documents relating to the operations of the markets in certain securities and the activities of certain companies which had already been the subject of our attention. In examining these documents, it appeared that a range of abuses and malpractices had been taking place which threw a quite different light on some of the earlier evidence and the operations of the markets. Secondly, in January 1972 we unexpectedly received information which suggested that equally serious practices had been taking place in another context and had gone completely without comment by anybody within Australia. The information forwarded to me anonymously was however well detailed and documented.

Thus, in the early months of 1972, the Committee had to decide what to do with this additional information. A decision was made by the Committee that it should and would follow up the information. But we simply had no idea of the amount of work and detailed probing that would be involved. We also found, to our dismay, that the practices were not isolated ones, but were widespread. We also found that the practices had continued, even while we were working. Now there are some limitations upon the speed at which an investigation by a Senate Committee can proceed. The Committee cannot send an investigator into an office on a wide-ranging search and examination of documents and records. It, of course, can, and does, send for documents. But, generally, this means calling for one or a few docments at a time. These then lead to further questions and a need for further documents. The Committee can also send for people, of course. But with several of our studies, we found that the only effective way of obtaining reliable evidence was to obtain the appropriate documents before sending for the people concerned to give evidence. In adopting this procedure, we found that some of our files on these case-studies remained open for more than six months and included hundreds of documents and letters collected from all around Australia and overseas.

I should also say that the writing up process of our work was often held up until the documentation was complete and the hearings with the witnesses completed. One cannot draw conclusions from a half-completed study. In summary, then, through 1972 the Committee whilst proceeding with drafts of many chapters of the report heard another 28 witnesses and took a further 1200 pages of evidence in transcript and collected hundreds of Committee documents.

But then, a year ago, just as we believed we had completed this additional work load, the Committee was faced with another difficulty. By chance, when reviewing some of the documents we had received, we came across information which cast grave doubts about the accuracy and reliability of earlier evidence given to us on one of our major areas of inquiry. The implications seemed so serious and of such great concern to the question of regulation that we could not ignore the information. It was decided that we had to investigate again. So during last Christmas we reopened files which we had believed we had closed for good. We believed we had no alternative but to incorporate in our evidence and in our report the correct version of the sequence of events about which evidence had already been taken.

Thus, since October 1971, about two years ago, when we first thought we could proceed to the full-time writing up of our work and drawing together of our conclusions, at least half the time has passed in the correction and the essential completion of the evidence taken in the preceding 15 months. We found that numerous additional questions had to be asked if the inquiries already opened up were to be completed. That has left a relatively short period for writing up.

That brings me to the question of the timing of the presentation of the report. Nine chapters have been with the printer and galley proofs received and checked. One long and important chapter has been completed and is awaiting some minor amendments before being forwarded to the printer. Another chapter covering another part of our inquiry is also in near-final form. We have, in addition, completed a major analysis of the financial accounts of up to about 180 broking firms over the 6 years 1966 to 1971. This was a long, detailed piece of work which could, on its own, be counted a substantial study involving several months work. In view of the complete absence of any public information on the financial structuring and operations of stockbrokers, we believed it was a worthwhile task to have completed. The findings are still of current interest. Excluding, for the moment, the question of our chapters on detailed recommendations—and I should say that each chapter embodies clear lessons for the regulatory authorities—we are therefore left with four chapters to complete. They are currently being written.

In the recommendations we are attempting to force attention to and discussion of quite a number of matters of principle so that the parliament, public and the industry will have a basis for continuing consideration and debate. There

are many complex questions involved in establishing the new Australian Government body which is to be involved in regulating the securities industry. Not the least of the problems is the relationship of securities legislation to other aspects of company affairs and their regulations. By deciding to pursue this inquiry in the way we have, and by setting what we believe to be high standards of investigation and analysis, we have, inevitably, imposed upon ourselves an exacting and time-consuming task. Great care has had to be taken. Adequate account has had to be taken of the twin objectives, which can be in conflict, of encouraging the development of an efficient market for capital formation while protecting the investing public. This final stage in the completion of the inquiry is expected to be completed through January and February.

In summary, then, the report is near completion. The question which has arisen is whether to present those parts of the report which have been finished. We realise there is a case for doing this. We are also anxious to try and demonstrate that the exercise has been worthwhile. But we find that on balance there are better reasons for keeping the chapters intact, for presentation as a whole. For one thing, the report has been written as a whole, so that, what is said in one chapter is linked with other parts of the report. Secondly, we are reluctant to release studies of abuses and weaknesses in regulation without following up with suggestions on overcoming these problems. Thirdly, the chapters still to be finalised are key chapters in the report. The reading of those chapters will, we hope, give an understanding of the difficulties faced by the Committee throughout its inquiry. Fourthly, we do not think that, at this stage, another few months' delay is a particularly significant period of time. Right through our investigation we have been conscious of the fact that there has not been a public report of any aspect of the capital market in Australia since 1937. The Vernon Report recommended such an inquiry, but its recommendation was not accepted. Of course, our report covers only certain aspects of the capital market, but these are, nevertheless, important aspects.

Admittedly, I have from time to time believed we would report before now. I and the Committee simply under-estimated the time needed to do the job. With practically every subject, every case-study, we ran into difficulties which gave rise to further checking, further time. In this context I might perhaps draw attention to the experience of state investigations of a single company in Australia. These have frequently taken three to four years to complete. With our limited resources, we have completed well over 20 studies relevant to our terms of reference, many of which are at least commensurate with a company investigation. We have judged it desirable that as much concrete evidence as possible be provided of practices which have been occurring so that there will be answers provided to those who would otherwise seek to confuse the issues and frustrate the cause of reform, by the claim that no need for regulation has been demonstrated. By the standards of the time taken in the United States, too, the time taken in our task has not been inordinate. The United States Securities and Exchange Commission's Report of the Special Study of the Securities Markets took several years to complete with a staff averaging 65 people, of whom half were lawyers, economists, analysts and investigators working full-time.

Whether or not the events we describe and the discussions these give rise to will still be relevant in 1974 is another matter. We are confident they will be. At any event, at this stage we do not think another few months will make any significant difference. What we have striven to achieve is a comprehensive account of the workings of the markets, an analysis of some of the institutions operating in those markets, an assessment of the strengths and weaknesses of the present regulatory machinery, and a comparison with some overseas regulatory procedures. We believe that the report will be of continuing value to this Senate in considering what legislation is needed in regulating this sector of the economy. We ask for the patience and indulgence of the Senate in the completion of the work so that the report may be presented to the Senate in the first session next year.

HUMAN RIGHTS

Senator WILLESEE (Western Australia—Minister for Foreign Affairs)—For the information of honourable senators I lay on the table the texts of the undermentioned Conventions and Protocols in the field of human rights to which Australia has become a party or is about to become a party by accession or acceptance:

1. Convention relating to the Status of Stateless Persons, done at New York on 28 September 1954.

2. Convention on the Reduction of Statelessness, done at New York on 30 August 1961.

3. Protocol relating to the Status of Refugees, done at New York on 31 January 1967.

4. Protocol relating to Refugees Seamen, done at The Hague on 12 June 1973 and accepted by Australia on 10 December 1973.

ADVANCE TO THE TREASURER 1972-73

Statement of Expenditure

Senator WILLESEE (Western Australia—Minister for Foreign Affairs)—By command of his Excellency the Governor-General I lay upon the table the following paper:

Advance to the Treasurer, statement for the year 1972-73 of Heads of Expenditure and the amounts charged thereto pursuant to section 36A of the Audit Act 1901-69.

Ordered:

That the statement be considered in the Committee of the Whole forthwith.

In Committee

Motion (by **Senator Willesee**) proposed:

That the Committee approves the statement for the year 1972-73 of Heads of Expenditure and the amounts charged thereto pursuant to section 36A of the Audit Act 1901-69.

Senator Withers—Mr Temporary Chairman, I draw your attention to the fact that it is 7 o'clock.

Senator Murphy—I suggest that we continue and regard the motion for the adjournment as being negatived.

The TEMPORARY CHAIRMAN (Senator Wilkinson)—It is 7 o'clock and Senator Murphy has suggested that the Committee of the Whole should continue to sit. Is there any objection to that course being followed? There being no objection, it is so ordered.

Question resolved in the affirmative.

Resolution reported; report adopted.

ABORIGINAL ENTERPRISES

Senator CAVANAGH (South Australia—Minister for Aboriginal Affairs)—by leave—For the information of honourable senators, I lay on the table a report on Commonwealth capital for Aboriginal Enterprises, together with financial statements for the year 1972. It is all about turtles.

PUBLICATIONS COMMITTEE

Senator MILLINER (Queensland)—I present the Ninth Report of the Publications Committee.

Report—by leave—adopted.

LEAVE OF ABSENCE

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

That leave of absence be granted to every member of the Senate from the termination of the sitting this day to the day on which the Senate next meets.

SPECIAL ADJOURNMENT

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

That the Senate, at its rising, adjourn until a day and hour to be fixed by the President or, in the event of the President being unavailable owing to illness or other cause, by the Chairman of Committees, and that the hour and day of meeting so determined shall be notified to each senator by telegram or letter.

ADJOURNMENT

Valedictory

Senator MURPHY (New South Wales—Leader of the Government in the Senate) (7.5)—I move:

That the Senate do now adjourn.

The Senate has had a very long period of sitting this year. An enormous legislative program has been undertaken by the Government. We have managed to overcome some of the frustrations in this chamber to the extent of passing, I think, a record number of Bills. I will not go into any questions of obstruction or make any provocative remarks; I intend to avoid doing that. I would like to thank you, Mr President, for your presidency during the year. The impartial and efficient manner in which you have conducted yourself has added great lustre to the office of President and to the Senate generally. I would like to thank the Clerks and all of the people who work in the Senate and around the Senate, including the Hansard staff, the attendants and the persons in the refreshment rooms, who have assisted us in a myriad of ways in this Parliament. I thank the secretarial and other office staffs who have had to put up with us, sometimes during trying periods.

I would like to thank my own colleagues for the assistance that they have given. I want to thank the Ministers and others for their assistance in the presentation of their arguments and for their votes. I would like to extend, Mr President, to all who are here—yourself, the Leaders and members of the Opposition Parties and the independent senators, as well as to my own colleagues—our wishes for a merry Christmas and a happy New Year. I hope that in the next year we might all get along together, at least until the Senate election or the double dissolution approaches when the people once more will have their say as to which of us will return here and which of us will not. I would just like to end on the note that we are glad that we have finished the session. There have been a few awkward spots but, by and large, we seem to have managed to end the year in good order.

Senator WITHERS (Western Australia—Leader of the Opposition) (7.8)—I suppose one must go through this sort of business once a year.

I do it with some sincerity, because I am not afraid of being a Christian. I suppose as the Christmas season approaches one should have peace and goodwill towards all men, not being ashamed of attempting to be a Christian which is very difficult. Therefore I perceive it to be my Christian duty to wish you, Mr President, all honourable senators, parliamentary officers and staff a very happy and merry Christmas. May we all come back in the New Year more refreshed than we are as we leave the Parliament this day.

Senator DRAKE-BROCKMAN (Western Australia—Leader of the Australian Country Party in the Senate) (7.9)—I would like to thank you, Mr President, all the officers of the Parliament and all of those staff members who have assisted us in any way at all this year for their tolerance, their patience and their help under the heavy load imposed on us by the Australian Labor Party. I would also like to extend to honourable senators and to everyone who has assisted us here in the Parliament the compliments of the season on behalf of my Country Party colleagues.

Senator McMANUS (Victoria—Leader of the Australian Democratic Labor Party)—As the representative of the immovable object which has opposed itself to irresistable forces so often in this chamber, I offer you, Mr President, the sincere thanks of my Party for the manner in which you have conducted our affairs. I join with that our thanks to the many members of the staff of the Senate who have been so efficient, who have made our lives as happy as they could reasonably expect to be and who have assisted in the defence of the Senate on a number of occasions. So far as we are concerned, we offer the best Christmas greetings to all members of the Senate. I was in the Senate at a time when things were a little more bitter than they are today. I think there is a good spirit in the Senate today. We are in opposition on politics but not on personalities. That is a good thing. I wish everybody a merry Christmas and a happy double dissolution.

Senator WRIGHT (Tasmania)—The procedures of the Senate having been manoeuvred and manipulated so as to prevent the work of the Senate being done, now we descend to what are called the Christmas hypocrisies. I rise to refer to an important matter that was precluded from debate this afternoon and therefore I do not refer to what was said in debate. I refer to the principles upon which special assistance is being granted to minority States. Senator Wriedt was good enough to move the gag to prevent 10 minutes discussion to call attention to the very important alteration of principle to which the Grants Commission has called attention. Those principles are operating to the great disadvantage of Tasmania, as the Premier of Tasmania, Mr Reece, has groaned under. I regret that that opportunity was not accorded. The Senate knows me well enough to believe that I will not detain it unduly with an unwilling and stubborn audience. This is not the occasion on which to develop the debate but I cannot be foreclosed from having debated the matter to a limited extent this afternoon without expressing my disappointment, extreme resentment and great regret that the Senate has descended to such a level of disregard of duty.

The PRESIDENT—While I was listening to what has been said since the motion was moved by Senator Murphy my mind has recollected, because we are about to be involved in an exodus, that I should look up these words to quote to honourable senators. There is no personal reference at all in what I am about to say. In Exodus Chapter 10 it states that Moses went out from the city of the Pharaoh and spread broad his hands unto the Lord and the thunders and the hails ceased.

Question resolved in the affirmative.

The Senate adjourned at 7.14 p.m. to a day and hour to be fixed by Mr President.

ANSWERS TO QUESTIONS

The following answers to questions were circulated:

Omega Navigation System
(Question No. 41)

Senator Kane asked the Minister representing the Minister for Defence upon notice:

Has the Minister read the criticisms of his statements on the Omega navigation system contained in the article 'Omega—A Documented Analysis' by Nicholas Turner, published in the Australian Outlook, volume 26, number 3, December 1972; if so, what is his answer to the criticisms.

Senator Bishop—The Minister for Defence has provided the following answer to the honourable senator's question:

The Article by Nicholas Turner has been drawn to my attention. My position on Omega has been simply that it should not be installed in Australia without the case for and against being thoroughly debated. The previous Government refused to make available the information which is necessary for such a debate.

I indicated a number of propositions which the then Government was unwilling or unable to refute. Clearly Omega should not be installed without these objections being thoroughly considered. The Government has taken steps to end this uncertainty by submitting the whole matter to public scrutiny by the Joint Committee on Foreign Affairs and Defence.

This action will overcome the main thrust of Turner's criticism in the article, which was that, 'if the two (Australian and New Zealand) Governments had presented their position more fully and confidently to the public a more meaningful debate would have ensued, and very possibly some of the public's doubts would have been allayed.

Australian Motor Car Industry: Re-organisations
(Question No. 384)

Senator Wriedt—On the 30 August 1973, Senator Cotton asked the Minister representing the Minister for Secondary Industry, without notice:

(1) When will the Minister provide the Parliament with the details of the drastic re-organisation for the Australian motor car industry?

(2) Is it a fact that the Prime Minister stated that the proposals would produce cheaper cars for Australia, whilst the Minister said that he did not expect any price reductions; if so, which of these authorities is correct.

The Minister for Secondary Industry has provided the following answer to the honourable senator's question:

(1) On 27 August 1973 the Prime Minister referred to the Tariff Board for urgent advice the question of assistance to passenger cars and components and outlined certain Government policy objectives for the industry. Upon receipt of this report the Government will give further consideration to the question of assistance to the industry and make an early announcement.

(2) The Prime Minister indicated in answer to a question at a press conference that it was his belief that the new policy on the automotive industry will produce a cheaper car and a better car.

The previous Minister for Secondary Industry also indicated in answer to questions from the press that he did not expect a substantial reduction in the price of cars from the Government's new policy initiatives towards the motor vehicle industry but that a more efficient and more economic industry will produce vehicles that will be less costly than otherwise they would be.

These views do not conflict.

Australian Army Battalion
(Question No. 406)

Senator Withers asked the Minister representing the Minister for Defence, upon notice:

(1) What is the establishment strength of an Australian Army battalion.

(2) What is the actual strength in officers and other ranks of each of Australia's battalions.

Senator Bishop—The Minister for Defence has provided the following answer to the honourable senator's question:

(1) Officers	39
Other Ranks	753
	792

(2) I have provided this information direct to the honourable senator.

Australian Artillery Field Regiment
(Question No. 407)

Senator Withers asked the Minister representing the Minister for Defence, upon notice:

(1) What is the establishment strength of an Australian Artillery field regiment.

(2) What is the actual strength in officers and other ranks of each of the field regiments.

Senator Bishop—The Minister for Defence has provided the following answer to the honourable senator's question:

(1) Officers	26
Other Ranks	284
	310

(2) I have provided this information direct to the honourable senator.

Australian Public Service: First and Second Division Officers
(Question No. 521)

Senator Townley asked the Minister representing the Prime Minister, upon notice:

What assistance is available to help First and Second Division Public Servants re-settle into (a) Canberra, and (b) other areas of Australia.

Senator Murphy—The Prime Minister has supplied the following answer to the honourable senator's question:

The Public Service Board has informed me that an officer of the First or Second Division moving with his family to take up an appointment in Canberra may on occasions be provided with an unfurnished Government house for rental. This assistance would generally not be applicable where the appointment involved a movement to a locality other than Canberra or Darwin. Apart from this possible assistance, the conditions do not differ between Canberra and other localities and the officer may be assisted in two ways:

(i) by payment of a continuing allowance to cover excess costs arising from the officer and his family occupying temporary accommodation until suitable unfurnished premises are available; and

(ii) by payment of a general 'Disturbance' allowance to cover the various minor costs associated with leaving one home in the former locality and establishing another in the new locality.

I have also been informed that officers who moved from Melbourne to Canberra under the compulsory transfer program were entitled to an unfurnished Government house or flat and in special cases some assistance in relation to sale of houses in Melbourne. An education allowance was also paid where an officer left a senior secondary student child in Melbourne for the remainder of a school year or term.

National Work Force

(Question No. 532)

Senator Dame Nancy Buttfield asked the Minister representing the Prime Minister, upon notice:

(1) Does the Government intend to limit the control over Australia's most valuable resource, the national work force, by migrants who hold leading positions as union bosses and who are responsible for the preponderance of constant strikes which are ruining the economy of Australia and aggravating inflationary trends.

(2) Would this not be consistent with Government policy of opposing the operation of multi-national companies within Australia in assisting the development of our national resources, in the belief that it is undesirable and contrary to national interest.

Senator Murphy—The Prime Minister has supplied the following answer to the honourable senator's question:

Overseas interests control many companies in Australia; migrants control no unions in Australia. The Government has introduced legislation to limit overseas control of companies and to promote democracy in unions. The honourable senator has voted to defeat or defer much of this legislation introduced for each purpose.

Australian Broadcasting Commission News Item

(Question No. 541)

Senator Greenwood asked the Minister for the Media, upon notice:

Will the Minister seek from the Australian Broadcasting Commission Commissioners the reason why the Australian Broadcasting Commission News on the morning of 7 November 1973 made the incorrect statement that the Senate had refused to pass the third reading of the Conciliation and Arbitration Bill 1973 (No. 2) this year?

Senator Douglas McClelland—The answer to the honourable senator's question is as follows:

An item in the Australian Broadcasting Commission News on the morning of 7 November included inter alia the sentence—'The Deputy Opposition Leader in the Senate, Senator Greenwood, said the Government's Conciliation and Arbitration Bill would not be allowed a third reading, blocking it entirely this session'.

The final phrase was meant to be explanatory based on the reporters understanding of the situation at the time. This assessment proved to be inaccurate and the ABC regrets this but when events subsequently proved otherwise, the passing of the Bill was reported prominently by the ABC National News.

Australian Security Intelligence Organisation

(Question No. 549)

Senator Devitt asked the Attorney-General, upon notice:

Is it possible for the Attorney-General to indicate if the identity of the Australian Security Intelligence Organisation officer alleged to have leaked information during mid-1973 has been established; if so, what action has been taken on the matter.

Senator Murphy—The answer to the honourable senator's question is as follows:

Yes. The matter is still under consideration.

Proposed Tourist Complex: Mr Iwasaki

(Question No. 550)

Senator Maunsell asked the Minister representing the Minister for Northern Development, upon notice:

(1) Is it a fact that the Minister has been asked by Cabinet to inquire into, and report upon, the proposed tourist complex of a Japanese businessman, Mr Iwasaki; if so, when is a report expected to be placed before Cabinet.

(2) Will the Minister ensure that the decision of the Cabinet is released to Parliament as early as possible.

Senator Wriedt—The Minister for Northern Development has provided the following answer to the honourable senator's question:

(1) The Minister for Northern Development will undertake an investigation of certain aspects of the proposed development of various land classes connected with the tourist complex contemplated by Mr Iwasaki Sangyo in the Yeppoon district. He will consult with the Minister for Tourism and Recreation as appropriate.

(2) In March 1972 the Australian subsidiary of Mr Iwasaki Sangyo was granted exchange control approval to acquire land in the Yeppoon area for a major tourist resort. Consideration of the project and subsequent decisions will be determined by the Government at an appropriate time.

Australian Dairy Produce Board: Appointment of Advertising Agency

(Question No. 557)

Senator Greenwood asked the Minister for the Media, upon notice:

Is it a fact that the Australian Dairy Produce Board has recently appointed as its advertising agency USP Needham Australia Pty Ltd?

Is USP Needham Australia Pty Ltd, a foreign-owned company, in that 50 per cent of the shares in that company are held by foreign interests. If so why has the Government permitted the Australian Dairy Produce Board to appoint a foreign-owned company as its advertising agency?

Has the Government directed Commonwealth Boards and its instrumentalities to follow a policy of appointing Australian-owned companies as their advertising agents; if not, why not?

Senator Douglas McClelland—The answer to the honourable senator's question is as follows:

The Australian Dairy Produce Board is a Statutory Authority responsible to the Minister for Primary Industry. However, I have been advised that careful consideration of the relative merits of detailed competitive submissions from six different advertising agencies (three of them with 100 per cent Australian-ownership) was given by a committee of the Dairy Produce Board. The Board subsequently decided that their 1974 Butter promotion advertising work should be allotted to USP Needham Australia Pty Ltd, as that agency's submitted plans most closely fulfilled the specifications in the brief given by the Dairy Produce Board to all six agencies.

I have been informed that whereas 50 per cent of the shares of USP Needham Australia Pty Ltd, are now owned by Australian interests, two years ago the Australian equity in that company was only 37.5 per cent. The trend appears to be in the direction encouraged by the Government. Boards and instrumentalities have the power of appointment of advertising agencies, within the policy directives of the Australian Government. See answer to Question 3.

The Australian Government has directed each Government department to ensure that any Statutory Authorities under the control of its Minister implements the Government's stated policy regarding contracts for supply of goods and services. This specifies that a contract should be awarded to the company with the greatest extent of Australian ownership, in those cases where Australian and overseas-owned firms submit tenders which meet specifications and are equal in respect of price and availability.

The Government has not directed that only Australian-owned advertising agencies are to be appointed in all circumstances as it follows a principle of calling for competitive submissions to determine which agency's submissions most closely approaches the ideal specification for the advertising assignment. Only in this way can attainment of best value for money spent be achieved.

The new factor in the policy relating to selection of advertising agencies is that when all things are equal the work will be assigned to advertising agencies with the greatest extent of Australian ownership.

This policy was not followed by the previous Government.

Government Boards and Instrumentalities: Appointment of Advertising Agencies

(Question No. 558)

Senator Greenwood asked the Minister for the Media, upon notice:

What Government Boards and Instrumentalities have appointed advertising agencies?

How many such advertising agencies are foreign corporations in the way that that expression is defined in the Companies (Foreign Takeovers) Act 1972.

Are there Australian companies capable of performing the functions which the advertising agencies appointed by Government Boards and Instrumentalities perform?

In view of the Government's strong protestations and claims to promote Australian ownership, what steps has the Government taken to promote the appointment of Australian-owned agencies?

Senator Douglas McClelland—The answer to the honourable senator's question is as follows:

There is no central source of information regarding the appointment of advertising agencies by Government Boards and Instrumentalities which do not arrange their advertising through the Australian Government Advertising Service. Questions of this type would need to be directed to specific Ministers responsible for specific Boards and Instrumentalities. Within the area of my specific Ministerial responsibility, the Australian Broadcasting Commission employs the services of the Coudrey Cowcher Dailey advertising agency in which the extent of Australian ownership is 90 per cent.

As there is no central source of information regarding the appointment of advertising agencies by Boards and Instrumentalities which do not arrange their advertising through the Australian Government Advertising Service this question cannot be answered by me.

However, I am asking my Department to see if it is possible in any way for this type of information to be obtained and collated.

Yes. Most advertising agencies can perform the same functions as most others. But selection of the most suitable agency for any given Government advertising assignment is not as simple as analysing mere functions.

Factors such as the degree of excellence in competitive submissions by advertising agencies, the knowledge of and empathy for the subject, the worth of the agency's creative media, and research and timing strategy recommendations have to be taken into account to ensure that the agency most suited to the specific assignment is appointed.

It is when these factors are equal in submissions called from Australian and overseas-owned advertising agencies that the policy introduced by this Government, to then allocate the work to the advertising agency with the greatest extent of Australian ownership, is applied.

The Government has directed that Australian Government contracts should be awarded to the Company with the greatest extent of Australian ownership in cases where Australian and overseas-owned firms submit tenders which meet specifications and are equal in respect of price and availability.

This policy did not apply under the previous Government.

Commonwealth Railways

(Question No. 568)

Senator Jessop asked the Minister representing the Minister for Transport, upon notice:

(1) Did the Commissioner for Commonwealth Railways in a press statement attributed to him disclose:

(a) Government plans for construction of luxury suburban rail cars costing $1m; and

(b) that a national study team is designing the new rail cars which will be coming off the assembly line in 4 to 5 years; if so, does the Commissioner's statement preempt a Government decision to amalgamate the Commonwealth Railways and railways in rural areas?

(2) Will Commonwealth Railways also absorb urban railways?

(3) Who authorised the establishment of the national study team?

(4) What are the names of the members of the national study team?

(5) How many rail cars have been ordered and what is their anticipated cost?

(6) Where will the rail cars be built?

(7) Will the Minister have tabled in the Senate a full and detailed report on these matters before the end of this Session?

Senator Cavanagh—The answer to the honourable senator's question is as follows:

(1) (a) and (b) No.

In a news release on 26 August 1973, the Minister for Transport announced plans to develop a modern 'Australian Passenger Train' and that its production, incorporating the latest developments for fast comfortable commuter travel, would form part of the Australian Government's plans for upgrading urban public transport. He also announced that a special study unit would be brought together to design the 'Australian Passenger Train' and that the States would be invited to participate along with other specialists.

The aim of the project is to produce a basic design which can be adapted for use on each of our urban railway networks. In this way it is expected that considerable economies of scale can be achieved in future rolling stock production.

The study unit is currently being set up in the Australian Department of Transport to undertake the project. Design work has not yet started.

(2) You will recall that in the Labor Party's Policy Speech, the Prime Minister stated that the Australian Government was prepared to take over all State railways systems, if requested by the States to do so.

The States of Western Australia, South Australia, Tasmania and New South Wales have agreed to discuss the transfer of their respective railways. Whether or not the Australian Government will absorb State urban railways systems therefore will depend on the final outcome of these discussions.

(3) The Prime Minister agreed to the Minister's announcement on 26 August 1973 of plans to establish the study unit.

(4) An announcement is imminent on the selection of a firm of consultants to assist the Joint Australian/State study unit. Also a submission on the structure of the study unit has been forwarded to the Public Service Board. The States have submitted names of some officers who could be seconded as members of the study unit. However, appointments to the study unit have not yet been finalised.

(5) and (6) None of the proposed new rail cars have been ordered and it is too early to give estimates of their likely cost or where they will be built.

(7) Information supplied in answer to Question (1) to (6) represents the work so far undertaken within the Department of Transport on these matters.

Committee of Inquiry into Aged Persons' Housing: Interim Report

(Question No. 582)

Senator Davidson asked the Minister representing the Minister for Social Security, upon notice:

(1) Did the Interim Report of the Committee of Inquiry into Aged Persons' Housing of the Australian Government Social Welfare Commission express concern that the founder-donor system has become an integral part of the program.

(2) Has the founder-donor system enabled the widest possible extension of the program for homes for senior citizens.

(3) Will the Minister give an assurance of the government's support for this process which provides the best possible opportunity for people to organise to help themselves.

Senator Douglas McClelland—The Minister for Social Security has provided the following answer to the honourable senator's question:

(1) Yes. The Committee's Interim Report expressed the view that such a system cannot be considered socially equitable or desirable and suggested that any subsequent program should be based on the socio-medical and economic needs of aged persons and other groups with related accommodation requirements. The Committee expressed particular concern about the widespread practice of organisations receiving second and subsequent donations for the same accommodation.

(2) The Interim Report acknowledged that the founder-donor system has enabled accommodation to be built which could otherwise not have been possible but suggested that the practice of organisations receiving second and subsequent donations could be more tightly controlled in the interests of those members of the community presently in need of low-cost sheltered accommodation and care.

(3) The recommendations contained in the Committee's Interim Report are at present receiving consideration. When a decision has been taken an announcement will be made.

Pension Rates

(Question No. 594)

Senator Webster asked the Minister for Social Security upon notice:

What was the base pension, expressed as a percentage of average weekly earnings as at (a) 1 December 1972 and (b) 1 December 1973.

Senator Douglas McClelland—The Minister for Social Security has provided the following answer to the honourable senator's question:

(a) The standard rate of pension at 1 December 1972 was $20.00 a week, representing 20.7 per cent of average weekly earnings per employed male unit in the September 1972 quarter or 19.2 per cent of average weekly earnings in the December 1972 quarter.

(b) The standard rate of pension at 1 December 1973 was $23.00 a week, representing 20.9 per cent of average weekly earnings in the September 1973 quarter. No figures are yet available in respect of average weekly earnings in the December 1973 quarter.

I would point out that since coming to office the present Government has increased both the standard and married rates of pension on two occasions by amounts totalling $3 a week bringing them to their present levels of $23 a week (standard) and $20.25 a week (married). This represented a 15 per cent increase in the pension standard rate.

The Government has already announced its intention of granting further pension increases in the Autumn of 1974.

Australian Motor Vehicle Industry

Senator Wriedt—On 25 October 1973, Senator Laucke asked the Minister representing the Minister for Secondary Industry, the following questions without notice:

As the manufacture of motor vehicles provides one of Australia's greatest secondary industries and is of vital importance

to South Australia particularly, I ask the Minister whether he will have inquiries made into the reasons for the significant increase of the share of the Australian market captured by imported cars since January of this year which is to the detriment of the local industry.

The Minister for Secondary Industry has provided the following answer to the honourable senator's question:

The number of assembled new passenger vehicles (i.e. cars and station wagons) imported into Australia in the first nine months of 1973 was 48,478 which represented 14.3 per cent of registrations of new cars and station wagons for the period. This is significantly above the figure of 8.6 per cent in 1972 but only a relatively small increase on the 1971 figure of 12.3 per cent.

In 1972 imports from Japan dropped significantly to 28,139 vehicles because of the effects on the competitiveness of the Japanese industry of the December 1971 revaluation of the Yen, together with the effects on export shipments of a prolonged industrial dispute at docks in Japan in mid 1972. However, following the revaluation of the Australian dollar in December 1972 and the 25 per cent cut in tariffs in mid-July 1973 imports from Japan of cars and station wagons have increased significantly and totalled 42,294 vehicles in the nine months ended September 1973.

At the same time during 1973 local manufacturers have faced production difficulties due to industrial disputes such as the recent nine and a half weeks' stoppage at Ford's Broadmeadows assembly plant and to shortages of some components. However, despite these difficulties production of finished cars and station wagons for the first eight months of 1973 was slightly ahead of production for the same period in 1972.

The local market for motor vehicles remains very buoyant as a result of this Government's success in restoring the Australian economy to high growth rates. Total registrations of all vehicles in the first ten months of 1973 are up 18 per cent, compared with registrations in the same period of 1972.

The local industry is not just concerned with the domestic market and has continued its success in the export field, with exports of motor vehicles and components in 1972-73 up 38 per cent on 1971-72 levels. This increase in export activity by local manufacturers is an important offset to the increase in imports of finished vehicles.

Means Test

Senator Douglas McClelland—On 14 November 1973, Senator Wilkinson asked the Minister representing the Minister for Social Security the following question, without notice:

My question is directed to the Minister representing the Minister for Social Security. Further to the question asked by Senator Young earlier, is it a fact that the present Government will completely eliminate the means test in the lifetime of this Parliament.

The answer to the honourable senator's question is as follows:

Yes. As announced in the Budget Speech, the means test on age pension eligibility for residentially qualified men and women aged 65 years and over is to be abolished within the life of the Parliament. The first step has already been taken and as from 4 October the means test was abolished for persons 75 years of age and over; in the Spring of 1974 it will be abolished for those aged 70-74 years and in the Spring of 1975 for those aged 65-69 years.

Primary Producers: Taxation

Senator Willesee—On 20 November 1973, Senator Webster directed a question without notice to the Minister representing the Treasurer concerning the revision of the booklet titled 'Taxation for Farmers and Graziers'. The Treasurer has provided the following answer to the honourable senator's question:

The booklet, the early editions of which were published under the title, 'Income Tax for Farmers and Graziers' is now titled 'Income Tax for Primary Producers'. The text of this booklet is now being revised to take account of the relevant changes that have been made in the income tax law since the previous edition was published. A new edition of the booklet will be published as soon as is practicable.

Commonwealth Aid Roads Agreement

Senator Cavanagh—On 21 November 1973, Senator Durack asked the Minister representing the Minister for Transport the following question, without notice:

I ask the Minister representing the Minister for Transport how soon the Commonwealth Government will announce its decision on the contributions it will be making under the next Commonwealth Aid Roads Arrangements.

The Minister for Transport has provided the following answer to the honourable senator's question:

The Australian Government is at present reviewing the policies to succeed the Commonwealth Aid Roads Act which expires in June 1974. However, proposals which involve such large financial outlays and which have such far reaching economic and social implications are not entered into lightly. Very careful consideration must be given to the mass of data and various alternatives which are the necessary basis for any worthwhile decisions. For this reason, and although the Government is moving with all speed, announcements of specific proposals cannot be made until we feel we are in a position properly to do so.

The Australian Government will seek to ensure that its intentions with regard to financial assistance for roads after June 1974 are made known to the States at the earliest possible time.

Aborigines: Accommodation

Senator Cavanagh—On 27 November 1973, Senator Maunsell asked the Minister for Aboriginal Affairs the following question, without notice:

My question is directed to the Minister for Aboriginal Affairs. Is it a fact that officers of his Department recently visited Lavarack Barracks at Townsville to assess the availability of Army accommodation for unemployed civilians? Was the visit made prior to a recommendation to the Minister that portion of the barracks area be taken over as a hostel for single Aborigines from Palm Island? Has the Minister received any complaints from Army personnel about the placing of civilians on an important military base? Is it a fact that the Army in Townsville has had difficulty in adequately housing its troops? In view of future cuts in the Defence Forces of Australia is the Government now contemplating converting important military bases into hostels for unemployed civilians?

The answer to the honourable senator's question is as follows:

Neither Aboriginal Hostels Limited nor any of the officers of my Department have been looking at these (or any other) barracks. I am not aware of any complaints from Army personnel. I would suggest the honourable senator refer the section of his question concerning the Army to my colleague the Minister assisting the Minister for Defence.

Road Safety: Ineffective Demisters on New Vehicles

Senator Cavanagh—On 28 November 1973, Senator Primmer asked the Minister representing the Minister for Transport, without notice:

(1) Do Australian Driving Rules lay down that all new cars must be fitted with an effective demister?

(2) If so, will the Minister investigate reports that many GMH Toranas are on the road with ineffective demisters because of a badly designed control cable, the inner of which breaks, thus making the demister inoperative?

The Minister for Transport has provided the following answer to the honourable senator's question:

(1) Australian Design Rule No. 15 for demisting of windscreens requires that all passenger cars manufactured on or after 1 January 1971 be equipped with windscreen demisting equipment. It should be noted that, as with all design rules, this is a requirement which applies at the time of first registration.

(2) With regard to Toranas, GMH have advised that some early production cars in the current LJ series suffered from a defect in the demister control system which resulted in failure of the operating cable. GMH also state that even with this condition, some demisting capacity is still retained. Repairs are being effected on a free-of-charge basis when the defect is reported by the owner. Corrective action has been taken by GMH to eliminate the problem on currently produced vehicles.

Answers to Questions on Notice

Senator Murphy—On 29 November 1973, Senator Lillico asked a question concerned with the practice of answering questions on notice by referring to the Hansard of the other House. The Prime Minister has now furnished me with the following information:

I have carefully considered the honourable senator's suggestion.

All honourable senators and members receive the daily Hansard and notice paper for the other Chamber as well as their own.

Reference to information already provided in the Hansard of the other Chamber is a reasonable economy and is not a new practice. For ease of reference I always give the precise date and page in my answers.

Postal Charges to Papua New Guinea

Senator Douglas McClelland—On 29 November 1973, Senator Young asked me the following question, without notice:

My question is directed to the Minister representing the Postmaster-General. Is it a fact that postal rates to Papua New Guinea have been increased from 7c to 10c a letter due to the fact that the Postmaster-General has now classified Papua New Guinea as a foreign country. Why has such a decision been taken at this time? Is it correct also that the Minister for Posts and Telegraphs in Papua New Guinea has announced similar increases on mail addressed to Australia to stay in line with the Australian policy.

The Postmaster-General has now furnished me with the following information in reply:

It is true that international rates of postage now apply between Australia and Papua New Guinea. The rates are the same as for New Zealand and other nearby countries in Asia/Oceania. Airmail letters cost 10c per 10 g and surface letters 7c up to 20 g.

The Postal Administration of Papua New Guinea sought to have the old conditions changed because no allowance was made for their extra costs in handling the larger mail volumes going to Papua New Guinea from Australia than in the reverse direction. The Australian Post Office has complied with this request and now treats Papua New Guinea as an overseas country for postal purposes. Under this arrangement, Australia pays Papua New Guinea for the delivery costs of Australian parcels and makes payments for other surface mail in excess of traffic from Papua New Guinea to Australia.

In essense, the Australian Post Office has recognised the coming independence of Papua New Guinea, and the rates and conditions are consistent with those applied for other nearby countries.

I am not fully informed on what statements have been made by the Minister for Posts and Telegraphs in Papua New Guinea. However, I am informed that Papua New Guinea did increase rates to Australia on 15 November 1973 and that their minimum charge for an airmail letter to Australia is 10c.

Members of the Media: Travel on RAAF Aircraft

(Question No. 565)

Senator Marriott asked the Minister representing the Minister for Defence, upon notice:

(1) Is it customary for representatives of the Australian Broadcasting Commission, or other news media, to be permitted to travel in RAAF aircraft during any search operations in which that Service is taking part.

(2) If the answer is in the negative, will the Minister institute enquiries to ascertain why, and by whom, the RAAF was instructed to carry Australian Broadcasting Commission representatives in an aircraft of their choice, during the search for the crew of the ill-fated Blythe Star.

(3) Will the Minister also enquire if operational conversations between the RAAF crew and Search and Rescue Headquarters were recorded by an Australian Broadcasting Commission staff member without the knowledge or permission of the Captain of the aircraft.

Senator Bishop—The Minister for Defence has provided the following answer to the honourable senator's question:

(1) and (2) There is no standing proscription which would preclude members of the media from travelling on RAAF aircraft during search operations. Media representatives may be carried provided that the RAAF is satisfied that operational aspects will not in any way be impaired as a result of the presence of non-RAAF persons. A secondary factor is whether the role of the RAAF may be better appreciated from news coverage. The above criteria being satisfied, approval was given for three members of the Australian Broadcasting Commission to travel on a HS-748 aircraft operating from Hobart on 19 October, 1973.

(3) The aircraft Captain gave permission to a representative of the Australian Broadcasting Commission to record conversation between the aircraft and two fishing vessels in the search area.

Commonwealth and State Rural Railways

(Question No. 575)

Senator Jessop asked the Minister representing the Minister for Transport, upon notice:

(1) Has the Government received a report on the proposed amalgamation of Commonwealth and State rural railways as foreshadowed by the Government earlier in 1973.

(2) Has a decision been reached by the Commonwealth and South Australian Governments concerning the construction of a standard gauge rail link from Adelaide to Port Pirie, if so, when is the work likely to commence.

Senator Cavanagh—The Minister for Transport has provided the following answer to the honourable senator's question:

(1) The Australian/State Committees of Officials are preparing interim reports on the possible transfer of responsibility for the South Australian, Tasmanian and Western Australian railway systems.

I understand that the interim report on the South Australian railway system should be completed shortly, and that the interim reports for Tasmania and Western Australia should be completed early in the new year.

(2) Following agreement between the Australian and South Australian Ministers for Transport on the outstanding issues, the consultants to the project have been requested to complete their report. This report is expected to be available early in 1974.

Ratification of an agreement by both Parliaments is necessary before construction can commence. It is hoped that construction will commence early in the 1974-75 financial year.

Press and Public Relations Officers Employed by Ministers and Departments

(Question No. 578)

Senator Turnbull asked the Minister representing the Prime Minister, upon notice:

How many Press Officers and/or Public Relations Officers are at present employed by (a) each Minister and (b) each Department.

Senator Murphy—The Prime Minister has supplied the following answer to the honourable senator's question:

(a) The information sought in relation to Press Officers and/or Public Relations Officers was included in the answer to House of Representatives Question No. 915 (Hansard, House of Representatives, 21 November 1973, pages 3666-3671).

(b) Details of the staffing establishment provided in each Department for public relations and/or public information services at 30 June 1973 are included in the answer to House of Representatives Question No. 876, which will appear in today's House of Representatives Hansard.

Australian Aircraft: Seats for Non-Smokers

(Question No. 581)

Senator Townley asked the Minister representing the Minister for Transport, upon notice:

(1) What is the proportion of the Australian population which smokes.

(2) What proportion of seats in commercial aircraft are set aside for the use of passengers who are non-smokers.

(3) What is the reason for the difference, if any, between the two proportions.

Senator Cavanagh—The Minister for Transport has provided the following answer to the honourable senator's question:

(1) I do not know the answer to this question.

(2) About 20 per cent.

(3) I am unable to answer this question as I am not aware of the proportion of the Australian population which smokes. I am told, however, that, in general, the demand for seats in non-smoking areas falls short of the number available. I am also assured by the airlines that they will increase the number of seats reserved for non-smokers if more are needed.

Ansett Airlines: First Class Passengers

(Question No. 585)

Senator Withers asked the Minister representing the Minister for Transport, upon notice:

(1) What proportion of seats on DC.9 and 727 aircraft operated by Ansett Airlines of Australia is first class.

(2) What proportion of Ansett passenger revenue is derived from first class passengers.

Senator Cavanagh—The Minister for Transport has provided the following answer to the honourable senator's question:

(1) In normal configuration, the proportion of first class seats to the total number of seats available in DC.9 and 727 aircraft operated by Ansett Airlines of Australia is as follows:

McDonnell Douglas DC.9 54.6 per cent.
Boeing 727-100 50.0 per cent.
Boeing 727-200 39.7 per cent.

As all first class seats in these aircraft may be readily converted to economy class seats, the proportion of first class seats may range from the percentages shown above to nil.

(2) I am not in a position to answer this question as the information is confidential to the airline.

Trans-Australia Airlines: First Class Passengers

(Question No. 586)

Senator Withers asked the Minister representing the Minister for Transport, upon notice:

(1) What proportion of seats on DC.9 and Boeing 727 aircraft operated by Trans-Australia Airlines is first class.

(2) What proportion of Trans-Australia Airlines' passenger revenue is derived from first class passengers.

Senator Cavanagh—The Minister for Transport has provided the following answer to the honourable senator's question:

(1) In normal configuration, the proportion of first class seats to the total number of seats available in DC.9 and 727 aircraft operated by Trans-Australia Airlines is as follows:

McDonnell Douglas DC.9 54.6 per cent.
Boeing 727-100 50.0 per cent.

Boeing 727-200 44.3 per cent.

As all first class seats in Boeing 727 aircraft of TAA may be readily converted to economy class seats, the proportion of first class seats may range from the percentages shown above to nil.

In DC.9 Aircraft of TAA, all but 8 first class seats may be converted to economy class seats. First class seats in these aircraft may thus range from 54.6 per cent to 8.2 per cent of the total.

(2) I am not in a position to answer this question as the information is confidential to the airline.

Australian Capital Territory: Commission of Inquiry into Land Tenures

(Question No. 590)

Senator Withers asked the Minister representing the Minister for the Capital Territory, upon notice:

Does the Government intend to act on the recommendations of the Commission of Inquiry into Land Tenures and re-introduce restricted and unrestricted land auctions in the Australian Capital Territory.

Senator Willesee—The Minister for the Capital Territory has provided the following answer to the honourable senator's question:

The Government has not yet considered the first report of the Commission into Land Tenures presented to the Governor-General on 29 November 1973.

Vietnam: Breach of Ceasefire Agreement

(Question No. 595)

Senator Greenwood asked the Minister for Foreign Affairs, upon notice:

(1) Are the reports of North Vietnamese and Viet Cong military activities, and attacks upon South Vietnamese positions and installations, appearing in the press, correct.

(2) What attacks by North Vietnamese and Viet Cong Forces have taken place on South Vietnamese Government positions and installations in recent weeks.

(3) Are these attacks contrary to the cease-fire agreement made earlier this year.

(4) Has the Australian Government protested to the North Vietnamese Authorities; if not, will a protest be made

(5) If the answer to both parts of question (4) is 'no', what conditions will have to exist in South Vietnam before the Australian Government will protest to the North Vietnamese Government.

Senator Willesee—The answer to the honourable senator's question is as follows:

(1) The Government is aware of a number of disquieting signs in Vietnam not the least of which is the apparently increasing willingness of the Vietnamese parties to breach the provisions of the ceasefire agreement, and to respond to breaches committed by the other side.

(2) The Government is not in a position to say which side may have initiated breaches of the ceasefire that have occurred in recent weeks.

(3) Any hostile military action by the Vietnamese parties against each other would appear to constitute a breach of the Paris Agreements and of the ceasefire which came into effect on 27 January 1973.

(4) and (5) The Australian Government has not lodged any protest with either Vietnamese Government. Australia is no longer involved in the conflict in Vietnam nor is it a party to the Paris Agreements. The Government nevertheless supports the Paris Agreements as offering the best prospects for a durable peace and hopes that all parties to the Agreements will honour their terms.

Papua New Guinea: Civil Aviation Facilities

(Question No. 587)

Senator Withers asked the Minister representing the Minister for Transport, upon notice:

(1) Of the $127,600,000 expenditure on civil aviation facilities, what proportion was expended in Papua New Guinea.

(2) Of the $58,650,000 revenue derived from civil aviation activities in the form of air navigation charges, what proportion is derived in Papua New Guinea.

Senator Cavanagh—The Minister for Transport has provided the following answer to the honourable senator's question:

(1) and (2) Expenditure and revenue attributable to civil aviation facilities in Papua New Guinea in 1972-73 was as follows:

	$m	Percentage of total
Expenditure, including interest, depreciation and an allocation of administrative overhead costs	12.2	9.5
Revenue—		
Air Navigation charges	0.4	..
Airport commercial development revenues	0.8	..
Total revenue	1.2	2.1

(*Note: the above* are derived from revised figures available after publication of the Minister's Annual Report to Parliament, the corresponding total figures for Australia and Papua New Guinea being—expenditure $128.1m, revenue $58.65m).

TAA Pilots

(Question No. 569)

Senator Wright asked the Minister representing the Minister for Transport, upon notice:

(1) What is the salary range of the pilots involved in the present Trans-Australia Airline dispute.

(2) What is the amount of superannuation payable on their retirement.

Senator Cavanagh—The Minister for Transport has provided the following answer to the honourable senator's question:

(1)

		Guaranteed annual salary which is related to 65 hours per month or less	Average annual salary
		$	$
B727	Captain	21,056	24,835
	First Officer, eighth year of service	13,345	15,423
DC9	Captain	19,702	23,182
	First Officer, eighth year of service	12,599	14,513

		Guaranteed annual salary which is related to 65 hours per month or less	Average annual salary
		$	$
F28	Captain	18,765	22,038
	First Officer, eighth year of service	12,083	13,883
F27	Captain	14,892	17,373
	First Officer, eighth year of service	9,954	11,501

(2) The amount of superannuation payable on their retirement is based on their own contributions and the proportion of the airline's contributions related to their length of service as follows:

Contribution by Pilot—10 per cent of guaranteed annual salary until age 55.

Contribution by Airlines—10 per cent until the completion of 22 years of service; thereafter 7.5 per cent to age 55.

Benefits

Up to 10 years—own contributions plus interest at 5 per cent. Ten years and up to the completion of 22 years—benefits range from one times average salary over the last 5 years up to 4.95 times average salary over the last 5 years.

At the end of 22 years' service the benefit is funded and from then on this funded amount accrues compound interest at the rate of 5 per cent; in addition the Pilot's contributions and TAA's contributions after 22 years of service accrue compound interest at 5 per cent per annum and are added to the funded amount.

Examples of the lump sum benefits in the present scheme at age 55.

B727 Captain—

Commenced in 1946, retiring in 1976 at age 60—$86,000 of which his own contributions amount to $13,000 plus interest.

Commenced in 1946, retiring in 1978 at age 60—$103,000 of which his own contributions amount to $16,000 plus interest.

Commenced in 1946, retiring in 1980 at age 60—$124,000 of which his own contributions amount to $20,000 plus interest.

Commenced in 1946, retiring in 1982 at age 60—$148,000 of which is own contributions amount to $25,000 plus interest.

Pilots in TAA now have a retiring age of 60 and the lump sum mentioned above includes the additional interest on the lump sum between age 55 and 60; under the present seniority system they could be expected to proceed to 727 captaincy.

Legislation: Royal Assent

(Question No. 563)

Senator Greenwood asked the Minister representing the Prime Minister, upon notice:

(1) In respect of the answer provided to Senate Question 492, what were the recommendations for amendment made by the Governor-General in respect of each of the proposed laws specified in the answer.

(2) What was the response of (a) the Government, and (b) the Parliament to the recommendations for amendment.

(3) Were the said proposed laws subsequently returned to the Governor-General for the Sovereign's Assent.

(4) In what respect, if any, did the proposed laws differ from the original proposed laws presented to the Governor-General for the Sovereign's Assent.

(5) Was the Sovereign's Assent given to such proposed laws.

Senator Murphy—The Prime Minister has provided the following information for reply to the honourable senator's question:

By way of preface, it may be observed that the power of the Governor-General under section 58 of the Constitution to return a Bill with a recommendation for amendments is a power that the Governor-General exercises on the advice of his Ministers. The occasions when this advice is given are occasions when it becomes apparent to the Government, after a Bill has been passed by both Houses, that a further amendment to the Bill is desirable, for example by reasons of an error in the Bill. In these circumstances, of course, the amendments are supported by the Government in the House to which the Bill is returned. There do not appear to be any instances where the Governor-General's recommendation has not resulted from ministerial advice. I am informed that the information sought by the honourable senator is:

Electoral Bill 1902

(1) The recommendations for amendments are set out in Parliamentary Debates Vol. XII at pp 16,663-4;

(2) (a) the amendments were supported and (b) were adopted;

(3) Yes;

(4) See answer to (1);

(5) Yes.

Navigation Bill 1912

(1) The recommendations for amendments are set out in Parliamentary Debates Vol. LXIX, p 7,166;

(2) (a) The amendments were supported and (b) were adopted;

(3) Yes;

(4) See answer to (1);

(5) Yes.

High Court Procedure Bill 1903

(1) The recommendations for amendments are set out in Parliamentary Debates Vol. XVI, at p 4,238;

(2) (a) the amendments were supported and (b) were adopted;

(3) Yes;

(4) See answer to (1);

(5) yes.

Life Assurance Companies Bill 1905

(1) The recommendations for amendments are set out in Parliamentary Debates Vol. XXVIII, p 4,048;

(2) (a) the amendments were supported and (b) were adopted, with a further consequential amendment;

(3) Yes;

(4) See answer to (1) and final amendment set out in Parliamentary Debates Vol. XXVIII, at pp 4,558-9;

(5) Yes.

Customs Tariff (British Preference) Bill 1906

(1) The recommendations for amendments are set out in Parliamentary Debates Vol. XXXV, p 6,425;

(2) (a) the amendments were supported and (b) the amendments were rejected by the Senate, and not insisted upon by the House of Representatives;

(3) Yes, the Bill was reserved;

(4) No change;

(5) No.

Seamen's Compensation Bill 1911

(1) The recommendation for an amendment is set out in Parliamentary Debates Vol. LXIII, p 4,183;

(2) (a) the amendment was supported and (b) was adopted;

(3) Yes;

(4) See answer to (1);

(5) Yes.

Customs Tariff Bill 1921

(1) The recommendations for amendments are set out in Parliamentary Debates Vol. XCVIII at pp 14,166-7;

(2) (a) the amendments were supported and (b) were adopted;

(3) Yes;

(4) See answer to (1);

(5) Yes.

Customs Tariff Bill 1926

(1) The recommendations for amendments are set out in Parliamentary Debates Vol. 114, at pp 3,836-7 and 9;

(2) (a) the amendments were supported and (b) were adopted;

Yes;

(4) See answer to (1);

(5) Yes.

Excise Tariff Bill 1927

(1) The recommendation for amendment is set out in Parliamentary debates Vol. 118, p 4,303;

(2) (a) the amendment was supported and (b) was adopted;

(3) Yes;

(4) See answer to (1);

(5) Yes.

Income Tax Bill 1931

(1) The recommendations for amendments are set out in Parliamentary Debates Vol. 131, p 4,977;

(2) (a) the amendments were supported and (b) were adopted;

(3) Yes;

(4) See answer to (1);

(5) Yes.

United Kingdom Grant Bill 1947

(1) The recommendation for an amendment is set out in Parliamentary Debates Vol. 192, at p 3,614;

(2) (a) the amendment was supported and (b) was adopted;

(3) Yes;

(4) See answer to (1);

(5) Yes.

Australian Capital Territory: Land Tenures

(Question No. 590)

Senator Withers asked the Minister representing the Minister for the Capital Territory, upon notice:

Does the Government intend to act on the recommendations of the Commission of Inquiry into Land Tenures and reintroduce restricted and unrestricted land auctions in the Australian Capital Territory.

Senator Willesee—The Minister for the Capital Territory has provided the following answer to the honourable senator's question:

The Government has not yet considered the first report of the Commission into Land Tenures presented to the Governor-General on 29 November 1973.

Vietnam: Ceasefire Agreement

(Question No. 595)

Senator Greenwood asked the Minister for Foreign Affairs, upon notice:

(1) Are the reports of North Vietnamese and Viet Cong military activities, and attacks upon South Vietnamese positions and installations, appearing in the press, correct.

(2) What attacks by North Vietnamese and Viet Cong Forces have taken place on South Vietnamese Government positions and installations in recent weeks.

(3) Are these attacks contrary to the ceasefire agreement made earlier this year.

(4) Has the Australian Government protested to the North Vietnamese Authorities; if not, will a protest be made.

(5) If the answer to both parts of question (4) is 'no', what conditions will have to exist in South Vietnam before the Australian Government will protest to the North Vietnamese Government.

Senator Willesee: The answer to the honourable senator's question is as follows:

(1) The Government is aware of a number of disquieting signs in Vietnam, not the least of which is the apparently increasing willingness of the Vietnamese parties to breach the provisions of the ceasefire agreement, and to respond to breaches committed by the other side.

(2) The Government is not in a position to say which side may have initiated breaches of the ceasefire that have occurred in recent weeks.

(3) Any hostile military action by the Vietnamese parties against each other would appear to constitute a breach of the Paris Agreements and of the ceasefire which came into effect on 27 January 1973.

(4) and (5) The Australian Government has not lodged any protest with either Vietnamese Government. Australia is no longer involved in the conflict in Vietnam nor is it a party to the Paris Agreements. The Government nevertheless supports the Paris Agreements as offering the best prospects for a durable peace and hopes that all parties to the Agreements will honour their terms.

Airlines Industrial Negotiations

(Question No. 528)

Senator McManus asked the Minister representing the Minister for Transport, upon notice:

(1) Has publicity recently been given to Union opposition to an agreement which it was alleged the Government was seeking from Ansett Airlines of Australia, Trans-Australia Airlines and Qantas Airways Ltd, in connection with future industrial negotiations in the airline industry.

(2) Will the Minister inform the Senate if there has been any communication, verbally or in writing, with the airlines mentioned seeking such an agreement.

(3) What were the terms of the agreement.

(4) Why did the Government seek the agreement.

(5) What is the current situation in relation to the agreement as far as the Government is concerned.

(6) Have all or any of the airlines stated their attitude to such an agreement; if so, what is their attitude.

Senator Cavanagh—The Minister for Transport has provided the following answer to the honourable senator's question:

(1) to (6) The possibility of the airline operators concluding an agreement providing for close co-ordination between the parties in dealing with industrial issues relating to rates of pay and conditions of service was considered against the Government policy of keeping air fares as low as possible consistent with continuing safe, efficient and economic operation of the airlines.

The exercise of restraint in wage and conditions of service issues, particularly with highly paid categories of staff, is obviously an important factor in keeping down cost of airline operations and limiting fare increases.

An objective of the proposed industrial agreement was to limit the possibility of unilaterial action being taken and, in preference, to have the operators acting in concert on wage and conditions of service issues. There was discussion with the airline operators on this matter and representations were received from some unions and/or staff associations.

After consideration of all aspects the Government decided not to proceed with the proposed industrial agreement and the airline operators, unions/staff associations concerned have been informed to this effect.

Qantas Airways Ltd: First Class Passengers

(Question No. 588)

Senator Withers asked the Minister representing the Minister for Transport, upon notice:

(1) What proportion of seats on 707 and 747 aircraft operated by Qantas Airways Ltd is first class.

(2) What proportion of Qantas passenger revenue is derived from first class passengers.

Senator Cavanagh—The Minister for Transport has provided the following answer to the honourable senator's question:

(1) The proportion of first class seats to total available seats on Qantas' B707 aircraft is 14.3 per cent. The proportion of first class seats to total available seats on Qantas' B747 aircraft is 8.8 per cent.

(2) On a scheduled service network basis the proportion of Qantas' revenue derived from first class passengers was 13.0 per cent in the year ended 31 March 1973 and 11.4 per cent in the period April/October 1973.

Reserve Bank of Australia: Revaluation Losses

(Question No. 472)

Senator Wright asked the Minister representing the Treasurer, upon notice:

(1) What is the amount of the loss incurred by the Reserve Bank of Australia by reason of (a) the first revaluation of currency by the Australian Government, and (b) the second revaluation.

(2) What is the amount of the loss incurred by the Commonwealth Banking Group by reason of (a) the first currency revaluation, and (b) the second revaluation.

Senator Willesee—The Treasurer has provided the following answer to the honourable senator's question:

(1) The revaluation of the Australian dollar on 23 December 1972, and the pegging of rates for the US dollar around the parity point, produced at that date a reduction of $A294 million in the Australian dollar equivalent of the gold and foreign exchange holdings of the Reserve Bank. The revaluation on 9 September 1973 reduced the Australian dollar equivalent of holdings on that date by $184 million. However, the amount of gold held and the value of foreign currencies held, in terms of those foreign currencies, are not affected by such revaluations.

During the financial year 1972-73, in addition to the action taken by the Australian Government on 23 December 1972, revaluation adjustments arose from other changes in market rates of exchange, including the devaluation of the US dollar in February 1973 and book losses arising from deliveries under forward exchange contracts. As published in the Reserve Bank Annual Report, total adjustments in 1972-73 amounted to $766 million.

(2) This information is not made public.

Interest Rates

(Question No. 507)

Senator Little asked the Minister representing the Treasurer, upon notice:

(1) Is the Treasurer aware that the previous Liberal Government, when it fixed the interest rate at 6.97 per cent on long-term Government Securities in 1970, agreed to a fixation, for the first time, of the interest rate at 3.75 per cent on savings bank accounts under $4,000.

(2) Does the Treasurer know that the Government maintained this penalty on savings bank accounts under $4,000 until it was dismissed in December 1972.

(3) Did the Labor Government receive advice from the previous Liberal Government when it increased the long-term bond interest rate to 8.5 per cent and also compound an injustice by continuing a fixed rate of 3.75 per cent interest on the savings account of workers, or was this a coincidence.

(4) Will the Treasurer review this injustice to help preserve some equity of workers' savings bank accounts now that the inflation rate is depriving them of over one-eighth of the total each year.

Senator Willesee—The Treasurer has provided the following answer to the honourable senator's question:

(1) The Banking Act provides that the Reserve Bank, with the approval of the Treasurer, has authority to make regulations relating to bank interest rates. In practice bank interest rates have not been formally determined under the Banking

Act but maximum rates have been fixed after discussion between the Reserve Bank and the banks, and with the approval of the Treasurer. From April 1970 savings banks have been able, subject to a maximum rate, to decide their deposit interest rates according to their own circumstances. The maximum rate payable on ordinary accounts was 5 per cent per annum from 1 April 1970 to 30 September 1973. The predominant rate paid on ordinary accounts was 3.75 per cent per annum on balances up to $4,000 and 4.25 per cent per annum on that part of any balance which exceeded $4,000 up to the limit of $20,000.

On 28 September 1973, the Deputy Governor of the Reserve Bank announced that, following discussions between the Reserve Bank and the savings banks and with the approval of the then Acting Treasurer, new maximum interest rates for savings bank deposits and loans had been fixed to apply from 1 October 1973. The Deputy Governor stated that the maximum rate which savings banks may pay on accounts was to be increased from 5 to 7 per cent from that date, and that actual rates to be paid by individual banks on the various forms of accounts would be announced by them. Investment accounts (which are subject to notice of withdrawal and minimum balance requirements) would carry the highest rates. He further stated that in the case of ordinary accounts, rates paid on the upper segment of amounts held on deposit were not expected generally to exceed 6 per cent. In practice, the predominant rate for ordinary accounts has remained at 3.75 per cent per annum on balances up to $4,000 while the predominant rate on the upper segment is now 6 per cent per annum.

(2) and (3) See reply to (1).

(4) As indicated in (1) above, within maximum rates each savings bank has discretion, subject to consultation with the Reserve Bank, to determine the rates payable on particular segment of depositors' balances according to its own circumstances, which would include the cost of conducting the various types of accounts and the income that can be earned on the funds deposited. With regard to the interest rate paid on smaller ordinary accounts I am informed that, while the savings banks keep this rate under careful review, many of these accounts are in fact conducted at a loss because of the substantial administrative costs involved in conducting accounts which are the subject of numerous small transactions. Unlike trading banks, savings banks do not impose charges for keeping accounts or collecting cheques.

There are also income restraints affecting savings banks. Over half the assets of savings banks are in public sector securities, on which the yield is fixed at the time of acquisition; the high rates now ruling are therefore only obtainable on new investments or when existing investments are rolled over. Savings banks' income is also affected by their agreement to limit to 1 per cent the recent increase in interest rates on the majority of their housing loans.

It is also relevant that savings bank depositors with balances on ordinary account above certain minima, ranging from $100 to $500, may also transfer their funds to a savings investment account at 7 per cent per annum. Investment accounts are subject to 3 months notice of withdrawal.

Payroll Tax: Average Weekly Earnings

(Question No. 542)

Senator Townley asked the Minister representing the Treasurer, upon notice:

(1) When was the exemption level, before pay-roll tax is imposed, last altered.

(2) How much has the average weekly wage increased since that time.

(3) What was the average weekly wage when the exemption level was last increased.

Senator Willesee—The Treasurer has provided the following answer to the honourable senator's question:

(1) Pay-roll tax was transferred to the States with effect as from 1 September 1971. The Australian Government now imposes the tax only in relation to the Australian Capital Territory and the Northern Territory. The general exemption from the tax was increased to the present level of $20,800 per annum as from 1 September 1957.

(2) The increase recorded in average weekly earnings per employed male unit between the September quarter 1957 and the corresponding quarter of 1973 is approximately 180 per cent. The increase is given in approximate terms to take account of some minor changes between those dates in the scope and methodology used in the estimation of average weekly earnings.

(3) On the basis of the figures as they were published until March 1971, average weekly earnings per employed male unit in the September quarter 1957 were $39.10.

Interest Rates

Senator Willesee—On 6 November 1973 Senator Wright asked me a question without notice concerning interest rates. The Treasurer has provided the following answer to the honourable senator's question:

The Government is aware that interest rates have risen across the board in Australia following the action taken in September to increase yields on government bonds.

The reasons for taking that action were outlined in the Prime Minister's statement of 9 September on measures to stem inflation. An important element in the current inflationary situation has been excess liquidity. In 1972-73 the money supply increased by 26 per cent and in the absence of offsetting action by the Government there would have been a further over-large increase in 1973-74. The increases in interest rates were intended to make government securities more attractive (so as to sell more than would otherwise have been the case, with consequential effects on private sector liquidity) and to make saving and the holding of financial assets generally more attractive relative to spending. Curbing the increase in liquidity and the money supply was—and still is—seen as an essential precondition for curbing inflationary pressures.

It would not, of course, be appropriate for me to speculate about the future course of interest rates.

Housing Loans

Senator Willesee—The Treasurer has provided me with the following response to a question without notice asked by Senator Townley on 25 October on the subject of increased interest rates on bank housing loans:

The decision to raise interest rates was not an easy one. It was, however, seen as a necessary part of the Government's program to combat inflation. There are, of course, some costs incurred in the community as a result of interest rates which necessarily go with making government bonds more attractive; these overt costs, however, amount to much less than the costs involved in the covert erosion of the value of money through inflation.

One effect of the increase in interest rates will be to moderate the flood of money into the housing sector where inflationary pressures have been most severe. In the overstretched state of the housing industry the recent excessive provision of finance

has served mainly to drive up building costs and increase construction delays, rather than enable more houses to be built.

Although some abatement in the demand for housing was necessary, the Government was concerned to shield less prosperous borrowers from the full impact of the increases in interest rates generally. To this end arrangements were made with the banks to limit increases in interest rates on the great majority of their housing loans to 1 per cent. In addition, the savings banks have agreed, where existing borrowers so desire, to extend the term of the loan so as to avoid an increase in periodic payments.

It would not, of course, be appropriate for me to speculate on the future course of interest rates.