Legislative Assembly

Tuesday, 14 October, 1980

Assent to Bill—Production of Documents to the Supreme Court—Petitions—Questions without Notice—Corrective Services Administration (Urgency)—Questions without Notice (Resumed)—General Loan Account Appropriation Bill (second reading)—Appropriation Bill (second reading)—General Loan Account Appropriation Bill (second reading)—Adjournment (Barrenjoey Peninsula Ambulance Services)—Question upon Notice.

Mr Speaker (The Hon. Lawrence Borthwick Kelly) took the chair at 2.15 p.m.
Mr Speaker offered the Prayer.

ASSENT TO BILL

Royal assent to the following bill reported:
The Bank of Adelaide (Merger) Bill

PRODUCTION OF DOCUMENTS TO THE SUPREME COURT

Mr Speaker informed the House that during the adjournment the Clerk had received a request to produce before the Supreme Court documents relating to the making and the amending of certain standing orders and that, as Speaker, he had authorized the production of the documents.

PETITIONS

The Clerk announced that the following petitions had been lodged for presentation:

Sydney Harbour National Park

The Petition of certain residents of New South Wales, respectfully sheweth:

The members of the public wishing to picnic on Rodd Island have been refused permission to land by the present incumbent.

That the Lands Department, which owns the island, is intending to lease all or part of the island to commercial interests which will permanently deprive ordinary working class people from the use of this presently natural harbour area.
That mooted boat berths to be built by commercial interests on the island will in all likelihood further reduce free access to Rodd Island.

Your Petitioners therefore humbly pray that your honourable House will legislate or otherwise arrange to make Rodd Island part of the Sydney Harbour National Park or other like authority so that the island's facilities may be enjoyed equally by all of the public.

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

Petition, lodged by Mr Maher, received.

Local Government Amalgamations

The Petition of the undersigned citizens of New South Wales, respectfully sheweth:

Grave concern at the intention of the Government to force amalgamations by legislation.

Your Petitioners therefore humbly pray that your honourable House will call upon the Government to desist from that action and to approach future amalgamations on the basis of genuine consultation with the citizens, communities and councils of the areas concerned.

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

Petitions, lodged by Mr Dowd and Mr Mason, received.

Education

The humble petition of the undersigned citizens of Australia, New South Wales, respectfully sheweth:

That because there is much concern in the community over the failure of modern education at primary and secondary levels to meet the expectations of many parents, teachers, lecturers, professors, employers and students; and

That because there is considerable doubt as to the content and standards, philosophy and moral values of new courses or projects, such as M.A.C.O.S. (Man—a Course of Study”—ex U.S.A.); "People of the Western Desert” (Aust.); and S.E.M.P. (“Social Education Materials Project”—Aust.) and in view of the fact that M.A.C.O.S. and S.E.M.P. have been withdrawn from Queensland Schools;

Your petitioners therefore humbly pray that the Parliament of New South Wales will:

(1) Immediately suspend Courses and Projects such as "M.A.C.O.S.”, "People of the Western Desert" and "S.E.M.P.” from all N.S.W. primary and secondary schools and Teachers’ Colleges, and conduct an independent public inquiry into their suitability and conformity with the provisions of the New South Wales Education Act.

(2) Enforce the following guidelines in relation to all text books, courses, projects, etc., used in State schools and institutions:

(a) They should encourage loyalty and respect for God, Queen and Country, our Federal and State Constitutions and observance of the laws of the land.
(b) They should recognize the importance of marriage, family life, motherhood and fatherhood, as well as the privacy of the family and the individual student.

(c) They should avoid profanity, indecency or any encouragement of racial hatred, anti-Semitism, sedition or violent revolution against our Australian democratic parliamentary institutions.

(d) They should provide for studies in history and geography (rather than sociology) and show the importance of the Judeo-Christian ethic as our natural Australian heritage.

(e) They should teach the 3 R's, that is, the skills of reading, writing and arithmetic, so that all children receive an effective basic education for their future responsibilities.

(3) Implement a system of public preview and approval of all text books, novels, courses and projects with reasonable access for all parents and citizens before they are approved for use in schools in accordance with an approved core curriculum.

(4) Introduce a more meaningful system of testing and assessing of educational results so as to provide a more equal opportunity for all students in New South Wales.

Your petitioners therefore humbly pray that your honourable House will suspend controversial school courses such as M.A.C.O.S., S.E.M.P., "People of the Western Desert", etc., and conduct an independent public inquiry into their suitability for primary and secondary schools.

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

Petition, lodged by Mr Fischer, received.

Pensioners' Motor Vehicle Fees

The Petition of pensioners of all classes and other interested citizens respectfully sheweth:

Current car registration and compulsory third party insurance fees required by the present New South Wales regulations are a great burden on pensioner car owners.

Your Petitioners therefore humbly pray that your honourable House will give earnest consideration to a substantial decrease in these fees.

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

Petition, lodged by Mr Mason, received.

QUESTIONS WITHOUT NOTICE

Mr R. MADGWICK

Mr WALKER: On 24th September the honourable member for Mosman asked me a question without notice concerning charges laid by the Balmain police on 3rd November, 1979. I have obtained the information requested and wish to advise the House that the answers to the questions are as follows:

(1) So far as I am aware, yes.

(2) Yes.
(3) As Attorney-General and Minister of Justice I have no involvement in the prosecution of summary charges. Such matters rest solely within the discretion and the province of the Commissioner of Police. However, I have ascertained from the court records that the reason given for the adjournment was that the police wished first to proceed with another matter. I understand that the delay in finalizing that matter had been occasioned by the illness of the defendant.

COAL LIQUEFACTION PILOT PLANT

Mr MASON: I address my question without notice to the Minister for Industrial Relations and Minister for Energy. In January this year did the Government receive an offer from the British National Coal Board for a joint venture with the New South Wales Government to establish a coal liquefaction pilot plant to be built in New South Wales? Did the proposal include comments that tests carried out on Muswellbrook coal showed it to be highly suitable for liquefaction? In view of the importance of developing alternatives to crude oil, why was not any firm action taken on this offer before other States were apparently allowed to gain the advantage over New South Wales?

Mr HILLS: The British National Coal Board has contacted the Energy Authority of New South Wales with a proposal for the New South Wales Government to become involved in a joint venture with the board. I understand that on a recent visit to Great Britain the Chairman of the Energy Authority had discussions with Sir Derek Ezra, Chairman of the National Coal Board. As late as last month the Chairman of the Energy Authority of New South Wales, in discussions with the National Coal Board, pointed out that this Government, with the Queensland, Victorian and Australian governments, is inquiring generally into liquefaction. Another study is to be held with the Imhausen group, which consists of a number of private companies in Germany and the Government of West Germany. The cost of that study to the New South Wales Government is estimated to be about $500,000.

The investigations being carried out by the National Coal Board have not yet been completed. The National Coal Board is anxious to send representatives to Australia to carry out, in association with the New South Wales Government through the Energy Authority, further investigations into the system that the board has been following. A number of systems for coal liquefaction can be examined. One matter in particular that concerns the New South Wales Government is the quantity of water that would be used for each tonne of coal processed. It is estimated that for one process nine tonnes of water would be needed for each tonne of coal. If 10 million tonnes of coal were being processed annually in the Hunter Valley, a huge quantity of water would be needed. I am sure the honourable member for Upper Hunter would be most concerned about that aspect. That is why the Government did not accept willy-nilly the offer of the National Coal Board. The Government has been examining the board’s proposal in depth. Also, it is examining other proposals that have been submitted to it. As I have already said, an inquiry is being carried out by the Imhausen group.

In the energy statement that the Government issued it has indicated its willingness to spend up to $20 million on the construction of a pilot coal liquefaction plant. That matter will be pursued further when all details are available to the Government—the investigations of the National Coal Board, the Imhausen study and another study being carried out by the Australian Coal Industry Research Laboratory. I am sure that study would be known to the honourable member for Pittwater. When all that information is available—and not until then—the Government will build a
pilot plant. The Leader of the Opposition and members of the Opposition might want the Government to commit itself to the sort of usage of water that could be involved in the National Coal Board's proposal, but I am not willing to make a recommendation on coal liquefaction to the New South Wales Government until all aspects are thoroughly examined.

PENSIONERS' TRANSPORT CONCESSIONS

Mr MAHER: My question without notice is directed to the Minister for Transport. Will the Government extend fare concessions available to pensioners on public transport in New South Wales?

Mr COX: The honourable member for Drummoyne is aware that when the Labor Government came to office fare concessions to pensioners applied only on Saturdays. The Labor Government extended that concession to Sundays and later to Wednesdays. Also, pensioners are not now charged for a motor drivers licence. A number of improvements in interstate travel concessions have been granted to pensioners. I assure the honourable member for Drummoyne that concessions for pensioners are a major concern of this Government. It will certainly look to see whether further assistance can be provided.

SMALL FREIGHT RAIL SERVICE

Mr PUNCH: My question without notice is directed to the Minister for Transport. Is the State Rail Authority drastically reorganizing the small freight rail delivery service? Will that have a dramatic effect on the delivery of goods in rural New South Wales? Will it bring about the closure of a number of country railway stations and lead eventually to a loss of some 1,200 jobs in the rail system? Is this change and loss of jobs a further indication of the Labor Government's total lack of concern about the cost of living in rural New South Wales, for country people generally and job opportunities in particular?

Mr COX: I am amazed that the Leader of the Country Party should raise this question. When the coalition parties were in office they had the dubious distinction of closing down at least twenty branch lines without a whimper of protest from the Country Party. The suggestions contained in the honourable member's question are based upon press reports. An investigation has been made into ways of making the operations of the State railway system more efficient and, as the Leader of the Country Party knows, a document has been prepared. Without reference to the State Rail Authority an officer of that body handed a copy of that document to an executive of the union stating it to be the policy of the Government on the matter. That officer is no longer in the position he held at that time.

When changes are being considered by the State Rail Authority it consults community groups and the trade unions concerned. I am sure the Leader of the Country Party realizes that it is in the interests of city and country dwellers to achieve maximum efficiency in the conveyance of small parcels. The Leader of the Country Party will recall that his party's policy is to improve the efficiency of the State railways. Now he has the gall to suggest that the Government should not do anything that might make the railways more efficient and thereby reduce the cost of living of
country dwellers. He wants the Grain Elevators Board, which the coalition Government set up, to be maintained in its existing form. That most inefficient body received the backing of the coalition Government but the wheat producers of this State receive a very poor return from that body.

NATIONAL HEALTH PRESCRIPTIONS

Mr WHELAN: My question without notice is directed to the Minister for Health. Is the Minister aware of growing unease among members of the pharmaceutical industry, including pharmacists, about the recommendations of the federal Government's Ralph inquiry and report into that industry? Will the Minister tell the House what effect the recommendations contained in the report will have for patients when obtaining medications on national health prescriptions? Also, will the Minister state whether changes proposed in the report are likely to affect free pharmacy services in public hospitals?

Mr K. J. STEWART: An inquiry known as the Ralph inquiry was established by the federal Government in 1978 to examine the role of the pharmaceutical manufacturing industry and the relationships between industry viability and the pricing practices and policies under the pharmaceutical benefits scheme. The inquiry made twenty-six recommendations. The principal thrust of the recommendations was that there should be less government constraint, in so far as it affects costs, on the drug manufacturing and distribution system, particularly pharmaceutical benefits, and that, as far as possible, market forces should be allowed to operate. I have read the Ralph report and I feel that it contains signs that are extremely ominous, not only for the industry but also for the patient who obtains medication under the present pharmaceutical benefits scheme. I say ominous because the federal Government has been reluctant, this side of the federal election, to have discussions with the State health authorities and the industry about the recommendations contained in the report.

The report recommends the restructuring of the pharmaceutical industry in New South Wales where about 70 per cent of the manufacturing of pharmaceuticals in Australia is carried out. Many jobs are involved and if the recommendations of the Ralph inquiry are implemented—and, as I have said, the federal Government is most reluctant to discuss the matter—the pressure might be on manufacturers to move off-shore and import drugs from countries where labour costs are lower. But, more important, on the patient side the Ralph inquiry talks about therapeutic equivalents. This means that all medications might be lumped together under headings such as analgesics, sedatives, tranquilizers and antibiotics. At present a doctor can look up a drug and prescribe it, regardless of price but taking efficacy into account, and the patient pays $2.75 for the prescription with the federal Government meeting the rest of the cost. I do not know whether honourable members realize that there is often a wide difference in the price of approved medications. For example, the cost of some drugs used in the treatment of diabetes—such as insulin—ranges from $31.31 to $126.31. The cost of some antibiotics ranges from $3.19 to more than $20.

Implementation by the federal Government of the recommendations of the Ralph inquiry would mean that, instead of the patient paying only $2.75 for a prescription and the Commonwealth Government meeting the balance, irrespective of what drug or brand of drug has been prescribed by the medical practitioner, the reverse will be the case. The federal Government will meet a set cost and the patient for whom the drug has been prescribed will pay the balance. Taking the drugs used for the treatment of diabetes as an example, at present the patient pays only $2.75.
and the Commonwealth Government pays the balance. If the Commonwealth Government decides to implement the recommendations of the Ralph inquiry and pay a fixed initial cost, the patient could be responsible for the balance of a charge of $126.31.

In June of this year I was fortunate enough to have a study tour overseas. During that tour I visited Basel, in Switzerland, where I met the ethical drug manufacturers of that country—namely, Ciba-Geigy, Sandoz and Roche Products. Representatives of those manufacturing companies expressed great concern at the recommendations of the Ralph inquiry. They were concerned, first, about their operations in this State. Their second concern was that their activities as ethical drug manufacturers, doing research involving millions of dollars, could be seriously affected by implementation of the recommendations of the Ralph inquiry. They asked me about the likelihood of the recommendations being implemented this year, especially in view of the fact that they had already received two promises from the federal Minister for Industry and Commerce, the Rt Hon. P. R. Lynch, that a decision on the matter would be made this year. First they were told that the decision would be made in February. Later the Minister for Industry and Commerce said the decision would be delayed two months. So far no decision has been made.

I told the pharmaceutical association in Basel that as this is a federal election year they can take it as gospel that the Commonwealth Government will make no decision about the Ralph inquiry report. I advised them to be extremely careful for I felt that the recommendations arising out of the Ralph inquiry into the efficient administration of hospitals in Australia would come into effect in 1981. This will mean a complete reversal of the conditions governing the free pharmaceutical scheme. Instead of the patient paying the first $2.75 of the cost of a prescription and the federal Government paying the balance, that Government will pay the first $2.75 and the patient, even if he is a pensioner, will be obliged to pay the remainder.

CORRECTIVE SERVICES ADMINISTRATION

Urgency

Mr HEALEY (Davidson) [2.46]: I move:

That it is a matter of urgent necessity that this House should forthwith consider the following motion, viz.:

That in the opinion of this House, the Government has failed the community in its administration of corrective services and should move immediately to allay public disquiet over:

(1) The number of escapes from New South Wales prisons and the additional workload placed on the New South Wales police;
(2) The deteriorating industrial relations between the Department of Corrective Services and prison officers;
(3) The lack of adequate maximum security facilities for dangerous criminals; and
(4) The absence of worthwhile work and rehabilitation programmes and urges the Government to gain union support for improved prison industry.

It is urgent that this matter be discussed today because the people of this State are becoming increasingly concerned over the manner in which the corrective services administration bumbles on from one disaster and from one crisis to another under the
The public is concerned about the number of prison escapes that have occurred in the past year or two. It is concerned also at the lack of security in penal institutions. The public can have little confidence in an administration that offers a deal to a prison officer who is likely to face major charges or in a Minister who talks about an option but fails to give details of other available options.

The matter is urgent because the people of this State can have no confidence in an administration that seeks to have one man accept an offer in return for charges not being laid against other officers. People cannot have confidence in a commissioner who seeks to sue for defamation the staff of one of Her Majesty's gaols. The matter is urgent because the public is concerned at the Government's philosophy on detention in New South Wales prisons. The recommendations made by the Nagle Royal commission are not understood by the public, and the Government has done little to explain them. People can have no confidence in statements that prison must be not a place of punishment but one of rehabilitation, when they know nothing of the rehabilitation process.

Mr Walker: On a point of order. The honourable member has given the House what he alleges to be reasons for public confidence—or lack of it. He is not speaking to urgency or why the business of this House should be put aside so that this matter can be debated. I submit that public confidence is not a formula that goes to urgency, though it may go to the substance of the matter he wishes to debate.

Mr Healey: On the point of order. I have observed in this House on many occasions that when an honourable member has moved a motion of urgency he prefaced every sentence with the words "it is urgent because", in the hope that he will convince the House that the matter should be regarded as urgent. That is not good enough. I have tried to place before the House matters that support urgency, for example, public disquiet and lack of confidence in the prison administration.

Mr SPEAKER: Order! I accept that the issues the honourable member for Davidson wishes to raise are matters of public interest. It is competent for him to give reasons why those matters should be debated. I rule that the honourable member is in order.

Mr HEALEY: The public is greatly concerned at statements to the effect that prisons should be places not for punishment but only for rehabilitation. In this State more concern has been shown for prisoners than for their victims. The victims of criminal acts may be scarred for life either physically or psychologically. Many people just do not understand leniency in the prison system.

Mr Walker: Has the honourable member not read the brief?

Mr HEALEY: The Attorney-General and Minister of Justice implies that I have not read the brief. I wrote this with my own hand this morning. The public of this State is concerned at the poor industrial relations between prison officers and the Department of Corrective Services. It is a matter of urgent concern that this matter should be examined. There is a great deal of difference of opinion between the prison officers and the prison administration. This is causing industrial action almost every week. It is urgent that the Parliament should know the level of consultation that takes place between prison staff, executive officers and the Department of Corrective Services. It is urgent that we should know why there are so many industrial disturbances, strikes and bans within the prison system. It is urgent that we should know how the Government intends to deal with these industrial matters. Is not the Government capable of handling this relatively small group of workers within the State public service?
This matter is urgent because the New South Wales Police Association, the Criminal Investigation Branch and individual police officers are expressing concern about having to catch prison escapees. They are concerned at the huge number of hours spent in overtime in trying to catch criminals who have escaped from Her Majesty’s gaols. The police including the CIB are called from important duties to spend many hours catching criminals who have already appeared before the courts and been convicted. The police are expressing their concern at the classification system used in Her Majesty’s goals. The system seems to free many criminals who are wrongly classified. It places in medium security prisons many criminals who should be kept in maximum security gaols. All these matters are causing great concern to the community of New South Wales.

It is most urgent that the public should be given some idea of what is happening in this State. Prison officers are unhappy at the lack of maximum security facilities. This morning at Long Bay a meeting took place to discuss the reopening of Katingal gaol. The officers are concerned that violent and even mentally unstable criminals are in our prison system. Some prison officers fear for their lives. It is urgent to consider the reintroduction of a Katingal-type facility into the State system. Goulburn and Parramatta gaols are unsuitable and impracticable for intractable prisoners.

This matter is urgent because the Department of Corrective Services has promised fewer cell hours for prisoners, contact visits and the fulfilment of other recommendations flowing from the Nagle report. To implement those recommendations Dr Vinson has asked for 735 extra staff in the Department of Corrective Services. His request is unlikely to be acceded to. The report contains other recommendations which it will be difficult for the Government to honour. Prison officers fear that if the promises are not honoured the prisoners may take the matter into their own hands.

Two others matters cause concern—the closing down of Tomago, the only open prison for women, and the closing down of Milson Island. It is urgent that prison administration be debated in the Parliament to allay the fears of the public and create an air of confidence in the administration. It is felt that the Government should come clean and tell the public what its proposals are and how it is hoped to implement them. The Government should tell the prison staff and the prisoners exactly what Government policy is to be. This should be done to prevent these stumbling, bumbling disasters that occur regularly in the prison system in New South Wales.

Under the present Minister’s administration the operation of the State’s prison system has become a joke. The Minister is quite indifferent to what is happening. This matter must be debated today to ascertain whether rethinking of the present set-up and the Government’s proposals is necessary. It is urgent that the Government should persuade unions of the need for worthwhile prison activity so that prisoners may be gainfully employed. Sheltered workshops have little difficulty finding industrial and commercial firms that will supply material to enable the workshops to provide employment—

Mr SPEAKER: Order! The honourable member has exhausted his time.

Mr WRAN (Bass Hill), Premier and Treasurer [2.56]: It was good to hear from the honourable member for Davidson as until recently when he was opposed for preselection I had almost forgotten that he was a member of this House. I daresay that tomorrow the House shall hear from the honourable member for Bligh as his preselection is being opposed also. I am grateful to the honourable member for Davidson for the opportunity to say a few words about the prison system. It is regrettable that by his motion the honourable member for Davidson has done nothing to put forward a basis for constructive debate, but, rather, has ignored the fact that
the Nagle Royal commission made 252 recommendations for legislative and other changes to the State's prison system. Of those 252 recommendations, 198 have been substantially implemented. The honourable member is on weak and insubstantial ground when he refers to lack of attention by the Government to the recommendations made by the Nagle Royal commission. I point out to the honourable member for Davidson that so far as the number of escapes from New South Wales prisons is concerned, today the situation is proportionately similar to that which has existed for the past decade. Often what is dramatized as an escape is the fact that some prisoner who is well on the way to release from prison and has been placed—

Mr Mason: Stick to the facts.

Mr WRAN: It is not Christian-like for the Leader of the Opposition, who is a man of the cloth, to say things like that.

[Interruption]

Mr SPEAKER: Order! The Premier and Treasurer listened in silence to the honourable member for Davidson; I ask the honourable member to do likewise while the Premier and Treasurer is speaking.

Mr WRAN: I was so fascinated by the remarks of the honourable member for Davidson that I could not do otherwise than listen in silence. Many of what are characterized as escapes are by persons absolutely breaking faith with the trust that has been placed in them in the last few weeks of their term within the prison system, usually in logging or work camps or places like that.

[Interruption]

Mr SPEAKER: Order!

Mr WRAN: So far as adequate maximum security facilities are concerned, I remind the House that the honourable gentlemen opposite were responsible—and I mean responsible—for the greatest conflagration of all times in New South Wales prisons. Bathurst is being rebuilt and is almost finished. That prison will provide additional accommodation for prisoners. Parklea—

[Interruption]

Mr WRAN: Like it or not, it is being built. I noticed that the Labor aldermen on the Blacktown council were returned with a greater majority than ever before. Last week a 60-room maximum security unit was opened at the Mulawa training and detention centre for women. I add that that is the first maximum security institution for women opened in New South Wales since 1909. If the Opposition really wanted to discuss seriously the prison system as distinct from the fiction in which they engage, the Government would be ready to accommodate them. But I am not going to permit the time of the House to be wasted, especially when many honourable members are anxious to debate the Budget and the loan allocations, by the sort of fatuous attempt to be mischievous that we have seen from the honourable member for Davidson.

No one can deny that industrial action is being threatened by the prison officers branch of the Public Service Association. I am pleased to see that it has suggested the matter be dealt with by the Industrial Commission of New South Wales, which is the proper place to deal with industrial disputes. I am pleased also to see that the differences between the Department of Corrective Services and the prison officers are being treated now for what they are—genuine industrial disputes. Having been given the opportunity, I should like to say to the prison officers that if they wish to bring this dispute before the Industrial Commission, the Government, through the Minister for Corrective Services, will do everything to expedite the hearing. I repeat, in all
the circumstances, I do not think that there is anything genuine in the motion moved by the honourable member for Davidson, and for that reason the Government will not agree to urgency.

Question of urgency put.

The House divided.

Ayes, 32

Mr Arblaster  Mr Foot  Mr Pickard
Mr Barraclough  Mr Freudenstein  Mr Punch
Mr Boyd  Mr Greiner  Mr Rozzoli
Mr Brewer  Mr Hatton  Mr Schipp
Mr J. H. Brown  Mr Healey  Mr Singleton
Mr Cameron  Mr McDonald  Mr Smith
Mr J. A. Clough  Mr Mason  Mr West
Mr Dowd  Mr Moore  Mr Wotton
Mr Duncan  Mr Murray  Tellers,
Mr Fischer  Mr Osborne  Mr Caterson
Mr Fisher  Mr Park  Mr Taylor

Noes, 55

Mr Akister  Mr Face  Mr Mallam
Mr Anderson  Mr Ferguson  Mr Mochalski
Mr Bannon  Mr Gabb  Mr O’Connell
Mr Barnier  Mr Gordon  Mr O’Neill
Mr Bedford  Mr Haigh  Mr Petersen
Mr Booth  Mr Hills  Mr Quinn
Mr Brereton  Mr Hunter  Mr Ramsay
Mr Britt  Mr Jackson  Mr Rogan
Mr Cahill  Mr Jensen  Mr Ryan
Mr Cavalier  Mr Johnson  Mr Sheahan
Mr Cleary  Mr Johnstone  Mr K. J. Stewart
Mr R. J. Clough  Mr Jones  Mr Walker
Mr Cox  Mr Keane  Mr Whelan
Mr Crabtree  Mr Knott  Mr Wilde
Mr Day  Mr McCarthy  Mr Wran
Mr Degen  Mr McGowan  Tellers,
Mr Durick  Mr McIlwaine  Mr Flaherty
Mr Egan  Mr Maher  Mr Wade
Mr Einfeld

Question so resolved in the negative.

Motion of urgency negatived.

QUESTIONS WITHOUT NOTICE

(Resumed)

MEADOWBANK OVERBRIDGE

Mr McILWAINE: I direct a question without notice to the Minister for Transport. Does the Minister recall visiting with me the Meadowbank overbridge to inspect the difficult traffic conditions at that site? What arrangements were agreed upon between the State Rail Authority, the local council and the Traffic Authority of New
South Wales about essential work needed to improve the safety of vehicles and pedestrians using that overbridge? Can the Minister explain the delay by the State Rail Authority in carrying out that work? When will the work be completed?

Mr COX: I certainly recall having the pleasure of the honourable member's company at the inspection of that bridge. For some time he has been concerned about the damage caused to it. It was at his request that I agreed to have an on-site inspection of it. Following the inspection and discussions with representatives of the State Rail Authority, the local council and the Traffic Authority of New South Wales, it was agreed that the bridge is a safety hazard. Also, it was agreed that action be taken to remove the brick parapets, replace some of the guard rail, provide a separate walkway for pedestrians, and widen the roadway. It had been hoped to complete the work by October 1980. However, it has not been practicable to achieve that target because of the problem of obtaining track possession. To ensure as little disruption as possible to rail services, it became necessary to alter the programming of the work. I am now able to advise the honourable member for Yaralla that the design of the ballustrades has been completed. The work, which will begin in late October or early November, is expected to be completed towards the end of December this year. I assure the honourable member that, because of his interest in the matter, I shall give it my personal attention.

BUILDING SOCIETIES

Mr BOYD: I direct a question without notice to the Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport. What percentage of funds accruing in the long service leave fund of the Builders Licensing Board has been directed to terminating building societies? If the figure is less than 0.1 per cent, what action does the Minister contemplate taking to make that money available for welfare housing?

Mr SHEAHAN: I do not have the precise information sought by the honourable member for Byron, but I undertake to give him an answer in due course.

GENERAL LOAN ACCOUNT APPROPRIATION BILL

Second Reading

Debate resumed (from 25th September, vide page 1563) on motion by Mr Wran:

That this bill be now read a second time.

Mr ROGAN (East Hills) [3,13]: The loan programme now being debated, as outlined by the Premier and Treasurer to the House on 11th September, is tangible proof of the capacity of the New South Wales Labor Government to deliver the goods. The sound economic management of the Government is demonstrated by this year's loan programme totalling some $2.6 billion. That is the most comprehensive and detailed capital works programme ever presented to this House. It will accelerate work on power stations, ports, roads and railways. It will mean major additions to commuting facilities, welfare housing, homesites, school buildings, hospitals, recreation facilities, and water and sewerage works. It is largely as a result of the New South Wales Government's continuing commitment to a progressive public works programme that New South Wales leads the rest of Australia in economic
activity and recovery from the effects of the ruinous policies of the former Liberal Party—Country Party Government and those of the federal Liberal Party—Country Party Government, which is led by the worst Prime Minister in this country's history. The federal Government is seeking to govern for another three years in order to pursue further its disastrous policies—policies that over five years have resulted in financial havoc being inflicted upon the working people of this country.

The New South Wales Government's loan programme of $2.6 billion is a 17 per cent increase on last year's programme. Already the number of people in jobs in New South Wales has grown by more than 110,000, or a 53 per cent increase. Almost 90 per cent of those additional jobs are in the private sector. In the past year the number of housing commencements in New South Wales rose by 25 per cent, compared with a rise of only 6 per cent in other States. Retail sales were also more buoyant in New South Wales than in the rest of Australia.

One should look at other commendable matters in the Government's programme. Like all honourable members, I receive from the New South Wales Chamber of Commerce the *Business Bulletin*, a monthly news magazine issued in New South Wales by that body. The September issue of that magazine contains an interesting article by Maxwell T. Sandow, Assistant General Manager and State Manager of the New South Wales Branch of the ANZ Banking Group Limited. That person and that organization could not be regarded as traditional Labor supporters. What Mr Sandow had to say was quite interesting. In that article he said:

> Over the past two and a half years, the New South Wales economy has recorded economic growth above that achieved nationally and by other States. NSW has led the cautious recovery in the nation's level of economic activity and has accounted for a sizeable portion of the gain in national income. The State's economy is presently on a steady and broadly based growth path and is well placed to retain its current leading position in terms of growth compared with the other States.

Further in his article in that issue of the *Business Bulletin* Mr Sandow said that the graphs which were part of the article show trends in homebuilding commencements and approvals and the number of homes in the process of construction over the past decade. Also, the charts show that dwelling commencements rose by a massive 24 per cent over the year to March 1980 and that the industry is operating at its highest level of activity since early 1974. The recovery in homebuilding has not been restricted to the metropolitan area of Sydney. The official statistics show significant growth patterns in Wollongong, Newcastle and in the rest of New South Wales. As I have said, this is not a Labor Party document. The article is written by Maxwell T. Sandow, Assistant General Manager and New South Wales State manager of the ANZ Banking Group Limited. Growth in New South Wales has occurred in spite of the federal Government's actions.

Four years ago capital payments from the federal Government to New South Wales totalled $880 million. This year capital payments from that Government will total $815 million, representing a 7 per cent reduction before allowing for price rises of almost 50 per cent in that period. The cuts in federal funding for welfare housing have been most severe. The real value of federal funds is only half of what it was four years ago. Further cuts in capital funding for hospitals, schools, urban public transport and community health have taken place, but one should be particularly critical of the federal Government for the reductions in housing funds. The honourable member for Clarence, who preceded me in the debate, had the hide to criticize the New South Wales Government for its housing efforts. He belongs to a party that
is allied to the federal Government. In view of the reductions made by the federal Government, he should not have the temerity to criticize the New South Wales Government.

The $158 million allocated for welfare housing for 1980–81 includes a special sum of $20 million of the budget funds that were announced on 12th June. This financial year the federal Government will provide only $93 million for housing or less than half the real value of the amount provided four years ago for welfare housing. That will be a blow to the 34,000 people who are awaiting Housing Commission homes. Of that $188 million, $134 million will go to the Housing Commission of New South Wales to finance the construction of 3,700 dwellings. The remaining $54 million will enable the terminating building societies to provide loans to 1,800 homebuyers. Honourable members who interview constituents will agree that that area of activity is most pressing.

On Wednesday 16th July the Sydney Morning Herald ran an article on one-parent families. A sociologist who studied fifty-five one-parent families in the Sydney metropolitan area reported on the position as it affects them. [Quorum formed.] I do not thank the honourable member for Northcott for interrupting my speech. Doubtless he is endeavouring to ensure endorsement in the preselection for the electorate of Northcott. According to the survey to which I was about to refer, single-parent families have greater housing problems and suffer more anxiety than do 2-parent families. Stress and poor nutrition add to their problems. After 18th October the future federal Government, with the Hon. W. G. Hayden as Prime Minister, will provide a radical improvement on the present position. More compassion and concern will be shown for these people than has been shown by the gentleman farmer who is now the Prime Minister of Australia.

The Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport, whose portfolio includes the Land Commission, is to be commended on his programme. The establishment of the Land Commission is an initiative of the New South Wales Labor Government. At present, 20 per cent of the land being put on the market in the Sydney metropolitan area is provided by the Land Commission at prices between 10 per cent and 15 per cent lower than other land. Young people in New South Wales who are seeking to build their first home should be thankful to the New South Wales Government for its efforts to provide them with land at a lower price.

This year the Government has set aside $227 million for capital expenditure by the public transport authorities. That sum will enable them to obtain 100 double deck suburban rail carriages and to upgrade Central railway station and 120 other stations in New South Wales. That programme will take the expenditure of the Government on improving the public transport system beyond $1,000 million. When Labor assumed office in 1976 it promised to improve the public transport system. The New South Wales Government, like all Labor Governments, honours its promises.

I have waged a battle for commuters on the East Hills line to be provided with a better train service. The honourable member for Earlwood and I were responsible for establishing the East Hills commuter council, which has done a fine job in looking after the needs of commuters on the East Hills line. About the middle of this year the council issued survey documents to ascertain the needs of commuters on that line. A total of 5,000 leaflets were distributed at stations on the East Hills line. Approximately 500 questionnaires were left at each station. At Padstow railway station 166 leaflets --- or 33 per cent of the number handed out --- were filled in and returned. The leaflets asked for information about seventeen trains that are timetabled to run between 5:35 a.m. and 2:32 p.m. Some of that information would not be
of relevance to several other stations on the line. The replies disclosed that most people were satisfied with the rail service, provided that the trains ran according to the timetable and were not cancelled. Many commuters objected to trains terminating at Riverwood. They wanted a dual line to East Hills and information about train cancellations.

Mr McDonald: What about Glenfield?

Mr ROGAN: I shall come to Glenfield in a moment. At Revesby station a total of 166 leaflets were filled in and returned. That represents 33.2 per cent of those issued. Information was received concerning twenty-three trains operating between 1.01 a.m. and 12.31 p.m. Most commuters were satisfied with the service, provided that the trains ran to the timetable. Again, strong objection was taken to trains terminating at Riverwood, and a demand was made for a dual line between Riverwood and East Hills. The information obtained from commuters at Panania station was much the same. Again a high return was received from those who were asked to complete the survey document. The comments were much the same as those received at East Hills railway station.

The East Hills commuter council would like a dual line from Riverwood to link up with the main southern line at Glenfield. The former Liberal Party-Country Party Government should have acted upon the initiative of the Whitlam Government, which offered financial assistance to undertake that work. The sum of $22.3 million was the estimated cost of the project at that time. The former State Government had to find only one-third of that sum. Virtual agreement was reached, but at that time the former Liberal Party-Country Party Government was in serious trouble because of its mismanagement of the transport system generally, and the eastern suburbs railway in particular. The former Government was compelled to redivert its one-third share of the money to other programmes. As a result the extension programme did not proceed. My constituents and residents in the Campbelltown area do not thank the former Liberal Party-Country Party Government for its actions at that time.

I ask the Government to consider the duplication of the railway line between Padstow and Revesby. Experts in this field have informed me that the cost of the programme would not be enormous but that it would result in a cessation of train terminations at the Riverwood railway station. The dual line would allow more of what are termed hop-skip services between the East Hills district and the city thus improving greatly the service on that line. I ask the Government to give the proposal due consideration.

I commend the Government for its programme of providing money for commuter car-parking facilities at many railway stations. I am pleased to say that in my electorate every railway station either has a car park or is in the process of getting one. Commuters are able to drive short distances to the railway stations and then proceed to the city by train. That is an important consideration in my area because expansion will take place soon in the Menai district. Without a train service to that area, many commuters will travel by car across the bridge at Alfrords Point to Padstow and other railway stations and then proceed to the city by train. I predict that the number of people travelling on that line will increase dramatically. The Government's programme for commuter car-parking will continue to pay dividends. The provision of a dual line between Padstow and Revesby would end the archaic practice of terminating trains at some stations on that line.

I now turn to that part of the Loan Speech that deals with water supply and sewerage services. I shall deal in particular with the programme to continue the high level of expenditure in upgrading and constructing water pollution control plants in several areas, including Glenfield, Malabar, Quaker's Hill and Shellharbour. I refer
particularly to the Glenfield plant because half of my electorate is bordered by the Georges River—a great waterway—which is, naturally, of great concern to me. In 1977 a report on Sydney's waterways was issued under the authority of the former Minister for Planning and Environment, the Hon. D. P. Landa. The document was entitled *The Quality of Sydney's Natural Waterways in Relation to its Growth*. That document presented a great challenge to the Government because, in essence, it stated that, if development continues in the upper regions of the Georges River in the vicinity of Macquarie Fields and Campbelltown, it will place at great risk the future environment of that river.

The report states that urban run-off results from rainfall on streets and other surfaces, and is generally referred to as stormwater. It is normally collected in stormwater channels before discharge to waters. Rural run-off includes indirect discharges to waters from piggeries, dairies, agricultural and pastoral land, abattoirs and stockyards. The generally held view that stormwater run-off from urban and rural areas is relatively unpolluted has recently been upset by investigations carried out in the United States of America and in the United Kingdom. Those investigations indicate that run-off stormwater can contain a substantial pollution load, particularly in the early stages of heavy rainfall. The report states that preliminary studies undertaken by the commission have confirmed earlier findings. The types of pollutants resulting from urban stormwater run-off are generally similar to those resulting from sanitary wastes and include suspended and settleable solids, oxygen demand, algal nutrients, bacteria of faecal origin, heavy metals, and pesticides.

When dealing with waterways and their general development one needs to consider sewage overflows. The discharge of sewage and industrial wastes from overflow structures in the sewerage system is a prime source of pollution of waters in the Sydney region. Almost invariably discharges occur during—and for a short time after—periods of heavy rainfall, but in many cases even very light rain will cause them. Discharges caused by stormwater enter sanitary sewers by various means, including infiltration, illegal roof water and other connections. When the sewers surcharge the excess flow passes through the overflow structures and, either directly by pipeline or indirectly by stormwater channels or surface flow, into the nearest available receiving waters.

Even though the sewage that overflows is diluted by stormwater, it still contains a high concentration of contaminants and thus heavily pollutes the receiving waters. Urban and rural stormwater run-off can cause gross pollution of waters, particularly when they are poorly flushed by land-water flows or tides. The report on Sydney's waterways said that, where practicable, development in areas affected in this way should be restricted. The report dealt also with particular areas, one being in my electorate. It recommended that, as far as practicable, urban development in the upper Georges River, the Nepean River and the upper Hawkesbury River should be restricted.

The report continued in this way:

To optimize water quality with available funds it would be better to develop the area bounded on the east by Cattai, Annangrove, Kellyville and Seven Hills, on the south by the Great Western Highway between Seven Hills and Penrith, and on the west by Penrith, Castlereagh, Windsor and Cattai.

In respect of the Georges River the report recommended:

The Georges River, particularly above Liverpool weir, is already badly affected by plant nutrients discharged from Glenfield, Liverpool and Campbelltown sewage treatment works. Arrangements designed to limit the quantities of nutrients discharged to the river should be implemented at the earliest possible time; suitable alternatives may include nutrient removal by tertiary
treatment methods, the transport of raw or treated sewage to ocean outfall sewerage systems nearby or the transport of adequately treated effluent to the lower, better flushed reaches of the tidal portion of the river.

I believe that the only way in which the problem of pollution of the Georges River can be tackled is by the construction of suitable mains to carry effluent from the Glenfield and Liverpool treatment plants direct to Malabar and then by the ocean outfall system—which is under consideration and will, I expect, be under construction in the not too distant future--out to sea where it cannot cause any nuisance. Only by those means can the pollution-free future of the Georges River be assured. Only in that way will we fulfil a long-held ambition of people being able to swim again in that great waterway.

Georges River has improved significantly as a result of action taken to avoid pollution. That improvement is evidenced by the presence of fish life in the river and the fact that people are now catching fish in the upper reaches of that stream. I should not like to see those gains lost as a result of development in that area and further up the river, particularly near Macquarie Fields and Campbelltown. The pollution of Georges River probably represents one of the greatest challenges the Government has to meet in the development of these areas. The water board should take note of this challenge. I should like to see the board make a commitment to the early commencement of the works I have described.

In conclusion, I should like to refer to the part of the Loan Speech that deals with child welfare buildings. Normally that type of construction comes within the portfolio of the Minister for Youth and Community Services. At the commencement of this parliamentary session the House heard of the death of one of our great colleagues, the former member for Bankstown, Mr Nick Kearns. Both Mr Kearns and I were deeply involved in a youth refuge in his electorate. Unfortunately, due to the actions of one person, the refuge was burnt down. However, it is now proposed to rebuild it. The local council and leading members of the community are seeking funds from the Government for the project. I am pleased to say that the new building will be known as the Nick Kearns youth refuge, and it will be a continuing testimony to the great work he did in that area. I note that the Government now intends to provide funds for this project.

Debate adjourned to a later hour on motion by Mr Fischer.

APPROPRIATION BILL

Second Reading

Debate resumed (from 18th September, vide page 1202) on motion by Mr Wran:

That this bill be now read a second time.

Mr McDonald (Kirribilli), Deputy Leader of the Opposition [3.43]: This debate on the Appropriation Bill for 1980 or, as it is more commonly termed, the budget debate, is taking place in unique and somewhat historic circumstances. With the 1980 federal election only a few days away much has been made by the various political parties in their campaigns of the question of national economic management. I have no doubt that the people of Australia, and particularly those in New South Wales, will come down favourably and strongly in support of the present Liberal Party—Country Party administration in Canberra and return it overwhelmingly next Saturday.

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I do not intend to dwell on national economic matters. However, this debate gives me the opportunity of putting before the House the reality of the economic state of New South Wales after five years of the Wran socialist Government, and in particular the reality of its failure to maintain New South Wales as the number one State not only numerically but economically. All too regrettably most people in New South Wales—and certainly the business and commercial community—are not really aware of the significance to them of the State's capital works and budget programmes. This situation is due mainly to the media over-highlighting, in the real sense, the economic consequences of the federal Budget. The position is also disadvantaged by the failure of the media to analyse intelligently, and comment upon, the economic performance and management of the Wran administration. The statements made by the Premier and Treasurer have tended to be taken as gospel without the analysis that they so richly deserve.

This is typified by the comments of editorialists and headline writers after the Budget was presented by the Premier and Treasurer. Media statements such as "Good News Budget" and "No Tax Increases Again After Five Years" were made. The failure to report the Opposition's contribution to the Loan Speech or its comments on the capital works programme is again typical of the blindness some media people exercise in their judgment of economic and financial matters in this State. The decision of the New South Wales Treasury, as directed by its political master, in appropriating the funds needed to run this State have enormous effect on our daily lives. But the confused and convoluted presentation of the accounts and the detailed figures provided are, in the main, meaningless to most people. Likewise they remain—even to many members of the Parliament—a difficult task for people who wish to give them a meaningful interpretation. The Budget has been skilfully designed to lull the people of this State into thinking that everything is going along nicely. The Government's record is presented in an unintelligible and misleading form. Moreover, an unknowing and disinterested media has taken up the Premier and Treasurer's claim that all is well, and that he has presented what he calls "a fair-go Budget".

Let the Government take notice that it will not get away with this deceit, for a growing number of concerned people in the community will not accept at face value the unsubstantiated claims made by the Premier and Treasurer about his financial management of the State and, in particular, his claim that State taxes have not increased over the past five years. This socialist Government, operating in a mixed economy, seeks to challenge the private sector to compete directly with it. The Premier and Treasurer has failed again to provide a framework for the 1980's or any strategy planning in either the Budget or his Loan Speech. He has set no guidelines and given no sense of direction to the private sector of this State to enable it to make clear management and investment decisions. This Budget is one for the Government alone. Taken together with the capital works programme, the Budget will involve this Parliament in approving the appropriation of more than $7,200 million. Moreover, that does not take into account the 400-odd statutory authorities which spend more than $5,200 million and are not accountable to this Parliament.

The programme devised by the Government will ensure potential economic bankruptcy for New South Wales. As I said in the budget debate last year—and the situation has not changed since—the Premier and Treasurer is hellbent on an economic programme of continued bureaucratic and government departmental growth. It is a programme promulgated by socialism and directed to increasing government centralized development at the expense of the private sector. It is a programme which provides no incentives, no challenge, and no general strategic economic plan from which the private sector, particularly the business and commercial community, can gain any real assurance. It is a programme which fails to recognize the significance

Mr McDonald]
and importance of the market-place and that we are involved in a mixed economy. Though it is clear that there is no real economic strategy by the Government, its stratagem is clear.

I shall deal later with the various estimates presented to the Parliament in this Budget and with the comments in the Auditor-General's Report, in particular. But why the stratagem of pretending to budget for a deficit while seeking to accumulate a substantial surplus? This Budget is obviously geared for a State election next year. That election is due to be held within twelve months from the date of this debate, but it will probably be held earlier. The real deceit of the Premier and Treasurer in this his first Budget—although he has been really the guiding hand behind the four previous budgets that his administration has brought down—has been in the manipulation of the deficits. I predict that there will be a conversion of the false deficit projected in this Budget of $4,490,000—as there was in the previous year and the year before that—into a real surplus. I am willing to predict that this surplus will be close to $100 million rather than the forecasted deficit. We shall see that, as the Government continues to bleed the public dry by the use of harsh and repressive taxes again this year, it will at last respond to the Opposition's pleas to give the taxpayers some of their own money back by way of election promises in what could be a last and vain bid by this Machiavellian Premier and Treasurer to retain the Treasury benches.

The Premier and Treasurer has developed the manipulation and the shunting of money, particularly through the Treasurer's Special Account and the Unauthorized In Suspense Account into a financial and economic art form. For example, the Treasurer's Account, which is available to the Premier and Treasurer to distribute funds in whatever manner he sees fit, without restraint or restriction by the Parliament, has increased its appropriation in the past three years from $22 million in 1978–79 to $35 million last year and to $47.5 million in this Budget. For the benefit of honourable members, the reference to the $35 million is to be found in clause 27. The payments that went into what is described as the Unauthorized In Suspense Account—which are payments made during the financial year without parliamentary appropriation—were $85 million in the year ended 30th June, 1979, and $127 million for the financial year just completed. Those payments are detailed in clause 28 and in the report of the Public Accounts Committee which is appended to the Auditor-General's Report. I mention that for the benefit of honourable members who may have had some difficulty in trying to determine where these amounts are recorded in the bill, in the Auditor-General's Report and in the Budget. We shall therefore see again this year a significant movement of money through the Unauthorized In Suspense Account as the Premier and Treasurer wheels and deals and makes promises to satisfy his attempt to retain office in this emerging election year.

It is only over the past few years that the tactics of this Government with regard to the financial management of the State have become clear. In 1977–78 the estimate of Consolidated Revenue Fund receipts and the actual sum received were as close as $2 million out of a total sum of $3,926 million. However, in the 1978–79 year, receipts were up by $62 million. The significant items were stamp duty up $36 million, death duty up $8 million and pay roll tax up $7 million on the estimates. For the financial year just concluded, the receipts were increased over and above the estimate by $110 million. That sum was made up mainly of increases in stamp duty of $54 million, in death duty of $4 million, in payroll tax of $14 million, in racing tax of $8 million and in mining royalties of $13 million. For that reason I am willing to forecast that there will be a cushion or available surplus of receipts during the present financial year of at least $100 million, which will be available for electioneering gimmicks.
My point has perhaps even greater validity when one examines the deficits budgeted for by this Government and actually obtained from 1976–77 to the present time. Again the manipulation of the figures and the shunting of money through special accounts has been developed by the Premier and Treasurer to the maximum degree. In 1976–77 the deficit budgeted for was $27,951. According to the Auditor-General, the deficit turned out to be $456,448, a relatively close sum. The following year the Government budgeted for a deficit of $415,628; the actual deficit was $696,825. The next year, 1978–79, the Government budgeted for a deficit of $2,060,927, but the records reveal that it was only $603,049. It was at that point that the cheating nature and the deception of this Government came to the fore. The reason for that result is simple.

The financial year ended 30th June, 1979, should have shown a surplus of almost $38 million. But what the Premier and Treasurer chose to do—as revealed in the Public Accounts Committee report for that year—was to make a stupid attempt to hide the overall surplus by making use of the Unauthorized In Suspense Account to channel back $38 million into the Hospital Fund. The reason for that overt act, which the Opposition highlighted so strongly last year, was that the Premier and Treasurer was attempting to cover up the excessive tax grab which the Government had made, particularly from small businessmen and young home buyers through additional stamp duty revenue. The next financial year—that is, the one just concluded—the Premier and Treasurer decided to adopt an entirely different tactic. Having been found out, as he was, in the previous year, the Premier and Treasurer decided to budget for a deficit of more than $31 million, knowing full well that again there would be surplus revenue, mainly from stamp duty and the like. In the past financial year this surplus revenue totalled more than $83 million.

The result of all this was a fairly cute trick, for though the Government budgeted for a deficit of more than $31 million, by reducing it to the amount stated in the Auditor-General’s report—$3.54 million—it attempted to give the public the impression that it was a fine economic manager. Had it not been for the fact that at the annual conference of the Australian Labor Party in June, just prior to the close of the financial year, the Premier and Treasurer decided to act up big and hand out some $30 million—-I shall explain the significance of that sum in a moment—this year the surplus would have been $26.5 million. He made use of the unauthorized in suspense provisions and, in a grand gesture to the Labor fraternity of Sydney, decided to allocate $20 million for housing, $6 million for special apprenticeship initiatives, and $4 million for special welfare assistance programmes. Those details are contained in the Auditor-General’s report at pages 47 and 48.

Mr Pickard: Is this last year's money or is it new money?

Mr McDonald: It is part of an attempt to use the money twice, as the Sydney Morning Herald editorialist pointed out recently. My point is that last year and the year before massive surpluses were shunted round to try to give the impression that the Government was bringing the Budget in on line or at least close to target. I have gone to some length to highlight the artifice of the Premier and Treasurer in these movements of funds, for the Opposition does not intend to remain silent during the current year. It will draw the public's attention to these shameful financial manipulations. The money that the Premier and Treasurer is manipulating belongs to the people. It is their increased taxes that are being abused in such a shameful and disgraceful way.

It must be understood clearly that New South Wales taxpayers are paying dearly for the obsessive and greedy prejudices of the Premier and Treasurer. They are the most highly taxed in Australia and are forking out now the equivalent of more than
$50 a week in State taxes alone. The people of New South Wales, particularly the pensioners and family breadwinners, should demand now of the Premier and Treasurer the $3 a week income tax reduction that was promised by the Australian Labor Party. How does the Premier and Treasurer reconcile his conflicting positions as federal President of the Australian Labor Party and also as New South Wales Premier and Treasurer? If there is no conflict he should state truthfully that he has been given the power by the Commonwealth to provide the extra $3 a week take-home pay for New South Wales taxpayers, to which he is committed.

Last Friday I called upon the Premier and Treasurer to introduce into the State Parliament today, prior to the federal election, a bill to provide personal income tax rebates to taxpayers in New South Wales. As the Premier apparently will not take up my challenge he clearly shows that he is shallow and shifty over State taxes and as well he has backed down on his binding commitment to the federal Labor Party and to its parliamentary leader, the Hon. W. G. Hayden. The people of New South Wales could have had the Labor Party's promised $3 a week income tax cut as from this week. But far from the Premier and Treasurer calling upon the Prime Minister to come clean on State income taxes as he did on the evening of 8th October, he should have the honesty to tell the people of this State that he, as the federal President of the Australian Labor Party, will not deliver Labor's guaranteed $3 a week income tax cut in New South Wales.

While on the subject of taxes, let me give the lie to another statement made by the Premier and Treasurer on 8th October when he said that the abolition of death duties in New South Wales is on target. This, of course, is blantly untrue, and nobody could take his word on this subject. I am certain he could find any excuse. The Japanese have a phrase for it—changed circumstances. He used it the year before last to break his promise and commitment on this subject. Similarly, there is no guarantee that death duties would not be imposed by a federal Labor government. In any case, the Premier and Treasurer as federal president of the party, contrary to the statements he made on 8th October, is duty bound to introduce a capital gains tax, a resource rent tax and a wealth tax.

No matter how the Premier and Treasurer might squirm and attempt to get away from the reality of current Labor Party policy, the simple fact remains that Labor is a high tax party. That applies not only nationally—and God forbid that it will ever be given the opportunity to ravish Australia as it did between 1972 and 1975—but also clearly in New South Wales. The role of the Wran administration as a tax grabber has been right on cue in New South Wales as far as the socialists are concerned. Though the Premier and Treasurer might croak and fidget and try to wash his hands of the federal Labor Party's commitment to increase taxes, he can not ignore the statements he made as Leader of the Opposition in September 1975 in his shallow claim to assist small business in particular. He said:

I shall repeat that payroll tax is an imposition of the State Government; land tax is an imposition of the State Government; high third party insurance premiums are an imposition of the State Government; heavy motor vehicle registration fees are an imposition of the State Government; rates, whether they be water rates or local government rates, are an imposition of the State Government . . . let us see what we can do.

He went on to say:

Relief in a real sense is in the State Government's hands . . . there must be some relief especially for small businesses.
Let us see what this pontificating high prince of the Labor Party has done over the past five years about providing taxation relief in New South Wales for business and the community at large. As leader of Australia's high tax party he has ripped the guts out of business and torn the heart and soul out of young couples, particularly those seeking to buy houses. His unrelenting grab has caused State taxation revenue to increase, in the five years since he came to power, by $1,201 million, or just on 80 per cent.

Mr Egan: That is not true.

Mr DEPUTY-SPEAKER: Order!

Mr McDonald: The sophistry of the claims made by the Premier and Treasurer in September 1975 in this Parliament have now, regrettably, five years later become all too clear. There has been no relief in payroll tax. In fact, it has risen by $359 million, or 69 per cent. Stamp duties have jumped by more than $308 million, or 141 per cent. Land tax has increased by $35 million, or 36 per cent; racing revenue has increased by $48.5 million, or 74 per cent; licence fees have increased by $76.8 million, or 71 per cent; and poker machine taxation has jumped by $47 million, or 57 per cent. The projected increase in revenue from taxation from mining revenue for the five years is $81 million, or 255 per cent. Receipts for services rendered and general miscellaneous receipts will rise by more than $220 million.

I remain absolutely astounded that the public of New South Wales seems un-convinced that the socialist regime in this State has been able to appear to get away with the bland statement that it has not increased taxation in the past five years. Even as late as last Friday on the John Laws radio programme the Premier and Treasurer said: "Five budgets, no increases in budgetary taxes". I shall deal now with a specific taxation item, legalized gambling which this year will cream off nearly $350 million. This represents a rise in State taxes of 85 per cent in the past five years. It means that families in New South Wales are now paying out on average $7 per week in taxes to the Government just for the pleasure of gambling. Gamblers of New South Wales who contribute so significantly to swelling the Treasury coffers will lose untold millions of dollars to the operators as well. Worse still, there is no real measure of what these people are shelling out to illegal starting price bookmakers and casino operators, whose annual turnover is estimated at more than $2,000 million.

The biggest growth in gambling taxes over the past five years has been from poker machines, Lotto and TAB, while lotteries and bookmakers' tax and soccer pools have been virtually static. In fact, the total level of gambling taxation receipts has risen from $189 million in 1975–76 to an estimated $350 million this year. This year's estimates are made up of revenue from lotteries of $39.7 million which will have increased by a little over $2 million in the past five years; poker machines to $130 million, which will have increased from $82.4 million; and Lotto of $55 million. It must be remembered that Lotto did not exist in 1975–76, but I repeat that this year a figure of $55 million is coming in tax from that direction. The revenue from soccer pools is $8 million, whereas five years ago it was only $5.2 million. Racing taxation from bookmakers and racing clubs this year is estimated to be $12.1 million or a rise of less than $1 million in the past five years, whereas from the TAB the taxation take will be $101.8 million, a significant increase from the receipts in 1975–76 of $54 million.

The turnover or cash flow in legalized gambling is phenomenal, with subscriptions this year estimated to be, lotteries $110 million, Lotto $137 million—a guessmate—and soccer pools $25 million. The big money turnover, however is in racing where bookmakers will handle $1,000 million and the TAB more than $1,300 million.
But not only do poker machine players contribute $131 million to the Government in taxes, they contribute also more than $525 million to the registered clubs of New South Wales out of a total estimated turnover of more than $5,000 million. The opportunity for organized crime to muscle in to get a piece of this action is all too obvious, let alone the development of the practice known as skimming poker machines. The proposed changes to the Gaming and Betting Act on which Treasury officials have worked to give police sweeping new powers over poker machines in clubs is to some extent not unexpected. But I believe it probably would go only part of the way towards looking at the whole question of gambling revenue in this State where the turnover far exceeds the $4,600 million we are debating in this bill, and may even go close to the total annual cash flow through the State's accounts which is, I understand, more than $14,000 million.

I have highlighted the massive increases in State taxation in the past five years but I want to reiterate the point, as I did in my speech on the capital works programme, that the level of Commonwealth payments to New South Wales over the same five-year period since 1975–76 has actually increased by $1,303 million or 47 per cent. Though there have been reductions in specific purpose payments, as I detailed in my speech at that time, what must be remembered and not ignored or disregarded, as the Premier and Treasurer chooses to do constantly, is the fact that in the past five years the level of general revenue funds from personal income tax sharing has increased by $892 million or 94 per cent out of the total of $1,303 million to New South Wales.

[Interruption]

Mr McDONALD: What this means to the thickheads on the other side of the House, who are not willing to accept what I say, is that in the past five years New South Wales has received in increased taxation, or from its own raising, or in uncommitted funds from the Commonwealth, more than $2,100 million. The fact that New South Wales has chosen to neglect housing and relegate it to the lowest of all priorities is purely and simply because the Wran administration does not care about housing, and particularly welfare housing. The greatest indictment that will be served on the Wran administration when it comes to face the electors next year will be the scandal of the rise in price of land and housing in the past five years. Additionally, it will be haunted by its failure to reduce the Housing Commission queues where this year the number of families seeking houses has risen from 29,000 to 34,000, and the Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport says that by the end of this year it will be as high as 40,000.

Mr Sheahan: That is right, at the end of the financial year—and it will be all your fault federally.

Mr McDONALD: I shall not bother to refute that intervention. We dealt in a previous debate with the high cost of housing and land. The people of this State will make their judgment when the election is held. This year is the first report of the new Auditor-General, Mr Jack O'Donnell. It must be pleasing indeed for members to note that the tradition established and the comments of the previous Auditor-General, Mr Bill Henry, have indeed been continued and developed further by Mr O'Donnell.

Before I deal with a number of the matters raised specifically by the Auditor-General, I wish to make reference to some of the general comments in the Auditor-General's statutory report, and particularly those relating to accounting and reporting standards. As the Auditor-General says, in recent years there has been broadly an evolution of two main issues with regard to increasing public questioning on the form and content of public sector accounting. The first is whether there is a need for a different form and presentation of the public accounts themselves. The other is the
extent to which commercial accounting standards are relevant to the financial reporting of statutory authorities. It is pleasing that the Government has responded to the need for change and the presentation of the financial information for both the capital works programme and the Budget speeches have, indeed, been significant this year though they still do not yet go far enough. I am pleased to see present the Under Secretary of the Treasury and to know of his involvement in these matters. His preparedness to receive further comments on this subject has been enlightening to members on both sides of the joint select committee.

The confusion to members and the public alike on the source of funds, apart from their application, was typified by the Auditor-General’s comments when he drew attention to the Health Commission of New South Wales at page 234 of his report. Last year the commission obtained its $1,242 million from ten separate sources, including the Consolidated Revenue Fund, General Loan Account, Gaming and Betting (Poker Machine) Account and the federal Government. In my speech on the loan estimates and capital works programme, I paid particular attention to the work being carried out by the Joint Select Committee upon Public Accounts and Financial Accounts of Statutory Authorities. It is pleasing that the Auditor-General drew specific attention to this joint committee’s activities and its progress report of March this year. It is pleasing and encouraging that the Auditor-General supports the recommendations of the joint committee that there should be a more powerful and effective public accounts committee. The Auditor-General said:

The present situation where the committee cannot initiate inquiries and is virtually limited to references by the Auditor-General or Minister of—

any question which may have arisen in connection with the public accounts

is too restrictive.

In his conclusion at page 354 of his report, in endorsing the interim recommendation of the joint committee, the Auditor-General said:

The Public Accounts Committee have greater powers to access and study matters coming under notice through the audit process.

The views of the members of both the public accounts committee and the joint select committee are probably well summed up by the following words expressed by E. L. Normanton:

Without audit no accountability; without accountability no control; and if there is no control . . . where is the seat of power?

Though in recent weeks the joint select committee has had the great benefit of extensive and far-ranging discussions with the Under Secretary of the Treasury, as a result of a direction by the Premier and Treasurer, the fact remains that the report of the working party of officials from Treasury—which has been completed for some time and is based on terms of reference similar to those of the joint select committee—has not been made available to the joint select committee. Further, the strategic task force which was put together supposedly for the 1979–80 Budget, as recommended by Professor Wilenski, has at last completed its work. In May of this year the chairman reported to the Premier and Treasurer on developments to that date. Similarly, this report has not been made available to the joint select committee, though the Auditor-General is aware of its contents, as he reported:

It is apparent that consensus has not yet been reached on important questions of principle and of control.

Mr McDonald]
I wonder what those words "principle" and "control" really mean in the issues that exist between those who wrote the report, the Premier and Treasurer and the powers behind him. No doubt honourable members will find out the meaning of those words. The Auditor-General reported further on the interim report produced by the working party of officials and said:

A number of recommendations were included but these were constrained by the knowledge that no substantial changes could be made in the form of the public accounts unless and until changes, if any, required in the Budget process were settled.

The Auditor-General was a member of that working party of officials and he is obviously aware of its recommendation, but again the joint select committee has been denied access to this report. Unless the Premier and Treasurer is willing to release these reports to the joint select committee in so far as they relate to its terms of reference then honourable members can conclude only that the Premier and Treasurer is far less interested in the reform than one might have otherwise hoped or believed. The Auditor-General further reported that to date the main activities of the joint select committee have concentrated on the public accounts of the Treasurer and, with regard to the statutory authorities, neither the parliamentary committee nor the working party of officials has progressed very far. What is interesting and important is the fact that the Auditor-General, pending further progress from the parliamentary select committee or the working party of officials has, to his credit, taken the initiative on the question of public sector accountability.

For the benefit of honourable members I draw attention to appendix 1 of the Auditor-General's Report commencing on page 359, which details the basic information he will require now to show a true and fair view of the financial position and the results of operations, particularly of statutory corporations. Apart from improvement on the form and content of the accounts, the Auditor-General makes a significant point on what he describes as the timeliness of public sector financial reporting. As the Auditor-General said, accounts which are not presented within six months of the end of the financial year are of limited use and are too late for effective correction of undesirable financial trends. The Auditor-General stressed that the accounts of statutory authorities should be to hand within two months of the close of the accounting period. At least the Builders Licensing Board and the Land Commission—maybe because of the new Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport—after being heavily criticized by the Auditor-General in previous years, this year got their accounts in on time.

It is disgraceful that a number of other significant statutory bodies have not had their accounts to the Auditor-General in time to be audited. These include: the Government Insurance Office; the State Superannuation Board; the Planning and Environment Commission; the Albury-Wodonga Development Corporation; the Bathurst-Orange Development Corporation; the New South Wales Film Corporation; the Homebush Abattoir Corporation; and the Dairy Industry Authority. The audits of the financial statements of these authorities have not been completed and the figures quoted are not necessarily final. This failure to produce the information on time, or, as the Auditor-General says, the need for timeliness, is unacceptable. It is to be trusted that the Auditor-General's direction of 1st September as to the timeliness of presentation of the accounts, will be heeded by these and all other authorities when finalizing next year's results. Otherwise, they should be the subject of the strongest condemnation from the Auditor-General and from the Parliament.

Regrettably, the Auditor-General continued his critical comments on the two largest spending departments, education and health, which takes up almost half the moneys available for appropriation from the Consolidated Revenue Fund. It is
disturbing that the Auditor-General needs to draw attention to what he describes as weaknesses in the accounting systems and control at the regional offices of the Department of Education. The central accounting functions at the department's head office displayed weaknesses also. The Auditor-General makes reference also to what he describes as a serious lack of control over input to the teachers' payroll system. It is to be expected that these serious criticisms by the Auditor-General will be corrected by the Minister for Education in overseeing his administration.

The Auditor-General is similarly critical of the Health Commission of New South Wales on its lack of control at its regional offices which has, as he says, led to irregular practices by officers of the commission. One trusts that the attention of the Minister for Health has been drawn to these continuing criticisms of his administration and that he will ensure that there is an improvement before the end of the next financial year. The most serious comments relate to continuing widespread failures of the Department of Corrective Services to observe the established practices and procedures. The Minister responsible for corrective services has failed to come to grips with the criticisms of the former and present Auditors-General.

The continuing excessive amounts of overtime that have been spent in the Department of Corrective Services, as detailed in the investigation of the Public Accounts Committee are, to say the least, highly unsatisfactory. In his report on the Royal Commission into New South Wales Prisons Mr Justice Nagle was critical of the effects of working unduly heavy overtime and, in spite of the increased numbers of prison officers that have been put on, it is almost unbelievable that last year there was an amount of $1.9 million in excess of the budgeted overtime figure of $9.75 million which was similar to the excess of $1.7 million over the $6.6 million in 1978–79. Prisoners still leap over the walls or tunnel under the fences. Prison officers are working double shifts and are continuing to be not as responsible to their task as perhaps they should be. The fact remains that the Minister for Corrective Services has failed to come to grips with criticisms of the financial administration of his department. The Public Accounts Committee and, no doubt, the Auditor-General will be watching the performance of this department with a great degree of interest during the current year, particularly to see whether the Minister responsible really gains control of his department.

In his statutory report and general comments the Auditor-General referred to the report Directions for Change for which the Government commissioned Professor Wilenski. This document highlighted in a most clear way many of the problems in what the Auditor-General describes as discovery and analysing the total cost of Government activities and initiatives. These problems arise because elements of expenditure relating to a particular function may occur in any or all of the three Treasury funds, namely, the Consolidated Revenue Fund, the General Loan Account and the Special Deposits Account. Pages 20 and 21 of the Auditor-General's report contain a comparison with the previous year for both the Consolidated Revenue Fund and the General Loan Account. Last year the estimated expenditure from the Consolidated Revenue Fund totalled $4.01 billion, which included the expenditure of the various departments, special appropriations for governmental services, and the net payments on account of loan liability to the Commonwealth. This year the estimated expenditure for these items has increased to $4.63 billion.

Before dealing with some of the details of the individual departmental expenditures, about which some of my colleagues will be making more detailed submissions, I wish to highlight some of the aspects of the special deposits accounts, the accounts of the statutory bodies and the public debt and loan operations covering the loan liability to the Commonwealth. As at 30th June, of the total outstanding loan liability, $4.63 billion was domiciled in Australia and $36 million overseas.

Mr McDonald]
An emerging factor, as I stressed in my speech on the General Loan Account Appropriation Bill when referring to the capital works programme and highlighted also by the Auditor-General's comments, is the growth of direct overseas borrowing by statutory corporations and, in particular, the Electricity Commission of New South Wales.

Honourable members will recall that I drew the attention of the House to the fact that the Premier and Treasurer in his Loan Speech emphasized the need for $33 million this year as part of the accelerated electricity development programme. The Premier and Treasurer failed to state that this formed part of a further $1,981 million over the next ten years and, though not yet approved by the Loan Council, forms part of a total programme of $6,315 million. Of course, the Auditor-General does not have the responsibility for looking at commitments the Government may have embarked upon, nor at their consequential economic effects on the Government and on consumers. He does, however, make the important point that in considering the public debt commitment, "It is important to note that the figures shown in the public accounts relate only to the central loan transactions of the State and do not include direct borrowings for activities conducted through statutory corporations".

The Auditor-General highlights the fact that major loan raisings in the last financial year were effected by the Electricity Commission of New South Wales in the sum of $192 million: the Metropolitan Water Sewerage and Drainage Board in the sum of $130 million; and the Department of Main Roads in the sum of $70 million. Of particular importance is the fact that in that year the Electricity Commission raised from overseas loans totalling $104 million. This direct borrowing by statutory authorities in particular, as part of the Commonwealth's 1978 approved infrastructure guidelines, shows clear signs that it will overtake the loan liability to the Commonwealth. This is a subject upon which the Auditor-General may make increasing comment in subsequent reports.

I turn now to the special deposits account. Of special interest is the Freeways and Urban Arterial Roads Account which in 1978–79 had $40 million in it. This was reduced, first to $26.6 million, and as at 30th June this year had been wiped out. The ambulance services fund account is of interest also because of the significant and amazing increase from $12.5 million in 1979–80 to $21.32 million, as proposed in item CS on page 65 of the Budget allocation of the Minister for Health. Last year, as detailed in the report of the Public Accounts Committee, this item was under-approved by $2.5 million, owing mainly to a significant decline in contributions from the public, which were down by $2.6 million on the expected receipts. The Auditor-General is quite critical of this aspect in his comments on the Health Commission when he highlights the fact that at 30th June there was about two months' delay in updating the computer records of ambulance fund contributors. Although apparently there has been some improvement in the position, it has not been possible to estimate the loss of revenue arising from these delays.

Although it is not the appropriate time for me to dwell on the subject of contributions to the ambulance services fund, I have personal knowledge of a most tragic example of the failure of that fund to service properly one of the contributors to it which became evident following the death of the mother of a friend of mine. I understand that other honourable members have knowledge of similar problems. Some close examination should be made of the way in which funds are contributed and of the belief of some persons that by their making contributions they are in a better position than those who do not contribute. On 1st January the Minister for Health decided to increase by 25 per cent the subscriptions to the ambulance services fund, excluding pensioners. No doubt this increase has contributed to the falling-off in subscrip-
Last year the gaming and betting poker machines account showed an incredible increase of $120.7 million, representing a rise of 11.8 per cent. This year the amount to be paid direct to the hospital fund from the proceeds of poker machine taxation will increase to $131 million. Justifiably, the club movement has expressed great concern about the Government's restrictive attitude to the licensing of 10c and 20c poker machines. Although concessions have been made to clubs, which effectively reduce the licence tax payable, the Opposition considers that the Government should do a lot more in this direction. The Gaming and Betting Act was amended to provide for refunds to clubs of poker machine taxes in proportion to the expenditure by them on community welfare, but only two clubs have received refunds, amounting to virtually the nominal sum of $28,098. That is the amount that the Treasury was willing to give back to clubs by way of rebate for their undertaking community welfare projects. Perhaps that aspect will improve during the coming year. The Treasury should improve its performance by speeding up the processing of the many applications that must be before it.

I turn to another account called the western Sydney area assistance scheme account, which received much publicity from the Government. This account was established in 1978 to provide grants to local government councils and community groups in the western Sydney area to enable them to carry out projects to meet a range of socio-economic needs with particular emphasis on innovative projects that are youth-oriented.

Mr Wilde: A most worthy scheme.

Mr McDonald: The honourable member for Parramatta probably does not even know what happens with the scheme. In typical fashion one finds that out of the $1 million that was provided from consolidated revenue there remained at the end of the year a balance of $820,000—no doubt because the honourable member for Parramatta was such a poor negotiator or failed to represent properly the interests of his constituents. For some inexplicable reason, but probably to consolidate his voting block in the Bankstown electorate where there was an 11 per cent swing against the Government at the recent by-election, the Premier and Treasurer proposes to provide a further $1 million for this scheme. Although $820,000 remained in the fund at the end of the financial year, the Government proposes to provide a further $1 million. The Government's failure to promote this scheme with the councils in the western areas of Sydney is typical of its failure to promote special schemes to provide youth employment and employment generally, about which I have already made public comment.

The Government's extreme sensitivity to my legitimate criticism is understandable. This year a further $9.5 million has been provided to the Treasurer, in addition to the $6 million announced by the Premier and Treasurer at the June Labor conference as part of his $30 million hand-out. It will be interesting to see next year how successful the Government has been in promoting these schemes and, more important, how many extra young persons have been employed. The constant statements in the media about the Government's grand schemes and new stadiums being built are not important. The important thing is the results that will be achieved, for the Government must be accountable for its failure to perform effectively in selling the schemes.

I shall deal now with the accounts of statutory bodies and various public authorities. I shall refer first to the Department of Motor Transport. The statement of the department's receipts for the year ended 30th June, 1980, shows that it received $68.8 million, of which $65 million came from fees for registration and licences. Interestingly, the cost of administering the collection of those fees was some $42 million. The departmental statistics show that at the end of the last financial year
3045 755 motor vehicle registrations were in force and 2980 397 drivers' and riders' licences were on issue. Though the Wran Government purports to trade as a low-tax Government—an artifice, as I believe I have demonstrated earlier—the Motor Vehicles (Taxation) Bill which was introduced in this House by the Minister for Local Government and Minister for Roads will increase motor vehicle taxation rates by 30 per cent from 1st November this year, and commencing from 1st July 1981, will also provide for the future automatic indexing of those rates in line with rises in the cost of road-works. In my assessment that will mean that this year the Government can expect to grab at least an additional $10 million in motor vehicle taxation, and in the following year can expect to grab probably more than $25 million extra.

Mr Caterson: It is milking the public.

Mr McDonald: The Minister responsible for this milking of the public, the grab from the motorist, blamed the federal Government for the huge increase in motor vehicle taxation. That is ludicrous, but typical, for in recent years it has been a characteristic feature of the deceitful Wran administration to blame unpopular announcements on an alleged lack of federal funds. The Government did that when it reneged on its promise to phase out death duties. As I have said earlier, there is no guarantee that the Government will not again resist from its commitment. It did so last year when the Minister for Health announced details of the Government's rationalization programme, and when announcing the cutbacks in expenditure on the State's school building programme. As I emphasized when debating the capital works programme, there has not been a shortfall in federal funding for roads. The amount allocated for that purpose for 1980–81 maintains direct funding by the federal Government in real terms.

When the Minister for Local Government and Minister for Roads complained about the level of federal funding he did not say that there had been a dramatic rise in untied grants to the State Government and to local authorities in New South Wales, as I outlined earlier in this debate. The massive increases in untied funds available to New South Wales have provided the Government and its local authorities with greater flexibility to allocate money to the areas that the Government considers to be in greatest need. As I have said time and again, if the Government wants to allocate more money for roads, housing, schools, ports or whatever, it is purely and simply a question of priorities, as over the past five years it has had available to it more than $2,100 million additional uncommitted funds.

The results of the Rural Bank of New South Wales for the last financial year show a significant increase of more than $20 million in net profit, or a rise of 110 per cent on the results of the previous year. Of that amount 50 per cent is required to be provided to general resources, and 50 per cent—or $10,048,000—to the Treasurer of New South Wales. I do not intend to comment on the performance of the Rural Bank.

[Interruption]

Mr DEPUTY-SPEAKER: Order! There are far too many interjections, all of which are disorderly but some of which are most disorderly. I intend to take firm action if they continue.

Mr McDonald: I shall not comment on the performance of the Rural Bank or on the direction given by the Treasurer that much of the $14,000 million which passes through the State's accounts annually be passed through that bank. The changes in structure of the State Superannuation Board and the Government Insurance Office of New South Wales no doubt have had a lot to do with the improved position of the Rural Bank. The Government Insurance Office of New South Wales
is required to present statements in three divisions: life assurance; third-party motor vehicle insurance; and general insurance. In the division dealing with general insurance, last year the surplus was only $722,000, compared with the surplus in the previous year of more than $20 million. The major factor in the retrogression of $30 million to an underwriting deficit of $7 million in workers' compensation was occasioned by the benefit taken in 1978–79 from a once-only credit adjustment estimated at $18.5 million when the Government business was converted from a fully funded basis to virtually a pay-as-you-go basis. However, there was a significant improvement in the underwriting result for the general accident section of $11.5 million, owing mainly to motor vehicle insurance, and a reduction occurred in the deficit for third-party insurance in the Australian Capital Territory.

In the past five years the Sydney Cove Redevelopment Authority has received little attention or proper examination by the Parliament. The total funds employed by the authority have now aggregated to more than $75 million, but the accumulated deficiency, including the deficiency for the last year of $4.8 million, has now reached $22 million, which is a cause for concern. According to the report of the Auditor-General, those deficiencies reflect, in the main, continuing problems in bringing redevelopment to a stage where income from rents will be sufficient to service capital debt charges. No doubt the disgraceful performance by that authority, which under the Wran administration has increased its accumulated deficiency by nearly 300 per cent, was the reason for the announcement on Friday by the Minister for Planning and Environment that the authority is to increase rents in The Rocks so that they will move closer to market levels. However, pensioners and residential tenants will still be given special treatment.

It is amazing that the State Superannuation Board, which last year had an income of more than $416 million, did not have the accounts audited. Therefore, the results as reported are not necessarily final at this stage. At long last, after years of criticism by the Auditor-General of the Builders Licensing Board for its failure to produce accounts on time, the board has corrected that deficiency, but the accounts of the long service payments fund for the year 1978–79 remain qualified to the critical degree detailed at page 222 of the Auditor-General's Report. The Sydney Cricket Ground Trust, now under the chairmanship of the Minister for Industrial Relations and Minister for Energy, recorded a surplus of $297,000 in the past financial year. That was almost identical to the surplus recorded in the previous year.

Income from members' subscriptions and entrance fees increased by 20.5 per cent, to $902,000, yet recently a further hike in members' fees, from $50 to $80, was announced. On the face of it, from a member's viewpoint there seems to be little justification for that 60 per cent increase in fees following upon the previous increase in fees on 1st October, 1978. Surely it would have been more logical to have increased the income from sporting bodies. Sporting bodies have contributed only $280,000, including a paltry $64,000 by the New South Wales Rugby Football League. It would have been fairer for those sporting bodies to have increased significantly their contributions than for the trust to slug members for the second consecutive year.

Without doubt the result that concerns me most in the Auditor-General's Report on the accounts of statutory bodies is that of the Homebush Abattoir Corporation. Though the accounts for 1979 and 1980 have not yet been prepared and submitted for audit, the preliminary accounts show a loss of $6 million, which will increase the net deficiency of the corporation to more than $22 million. As the Auditor-General reports, the corporation is now in the difficult position of needing to borrow to meet ordinary current outgoings and requires Government financial support to carry on.

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In this situation a survival plan, evolved by a joint Government-union working party, is awaiting acceptance by all parties. Annual income has increased by only $2 million over the past four years, and annual interest on borrowed funds has increased by $1.2 million. The rise in costs is such that unless the corporation can reverse the progressive deterioration in operating results, it will need to increase its rate of borrowing merely to service the charges on existing loans.

The Government should come clean with a full statement to the Parliament about its intentions for the corporation and the so-called survival plan because, as honourable members will note from the Public Accounts Committee Report, the corporation received additional funds of $6,745,000 as special funds from the Treasurer's head office account. This amount was in addition to nearly $3,700,000 for debt charges made available by the Government to assist abattoir councils at Wagga Wagga, Newcastle, Blayney, Moree, Guyra and Forbes. In other words, more than $10 million was handed out last year. No doubt significantly more will be handed out this year. Parliament and the people of New South Wales have a right to know in full, despite the recent decisions taken at the Newcastle abattoir, just how far the Government is willing to go to prop up such abattoirs instead of letting the private sector take over.

I shall now deal with resources development and its implication for the cities. In my speech on the capital works programme and in other statements I have made in this House, and outside it, I have expressed my great concern that this Government and, for that matter, the federal Government over-emphasized that the so-called resources development boom will be our saviour for the 1980's and beyond. It is regrettable that the Wran Government has failed to produce a strategic plan for its intention to commit the State to massive borrowing programmes for infrastructure provisions. No green paper, let alone a white paper, has been prepared on the subject. Parliament and the community at large remain generally or even totally uninformed about the economic and social implications of what appears to be an uncontrolled and unco-ordinated programme in areas like the Hunter Valley.

I, too, share the concerns of the Australian Institute of Urban Studies expressed in its recent summary report after three years of studies on the cities. That body is concerned that the resource based bonanza may present a real risk and that the State Government may be tempted to do nothing about or defer action on those emerging urgent urban issues. Already, after five years of the Wran administration, it is becoming clear that the Government has neglected urban areas and taken the risk that Sydney, in particular, can be left to fend for itself, at least until the expected profits from resource development start flooding in. That assumes, of course, that resource development does result in benefits to urban areas.

Already we are seeing signs of what the neglect of the urban areas of Sydney has meant. There has been an increased distortion of the land and housing market. During the past 18 months, land prices for development allotments have virtually doubled in most Sydney areas. Increased demands have been made for wage and salary increases to offset urban deficiencies. Examples of such demands were witnessed recently at Parklea. The neglect of urban areas has brought a reduction in public sector housing. The Government continues to fail to address itself to the increasing queues of families wanting and needing welfare accommodation. Longer journeys to work in increasing congestion are necessary because of the Government's failure to complete the inner urban freeway programme. Inefficient inner urban rehabilitation, and increased remedial expenditure on welfare, particularly evident in the western suburbs, are other results of the neglect of urban areas.
Though the Government has moved to appoint a co-ordinator for the Hunter Valley, the State would have been far better served if the Government had established the equivalent of the Queensland Co-ordinator General's Department, because co-ordination in government is meaningless unless it is co-ordination in the pursuit of known objectives. If there is to be co-ordination in urban management between levels of government and between agencies of government, the basic economic and social policy objectives affecting urban development must be known and be supported by the dissemination of the information and research from which they have been derived. That has not happened in New South Wales.

Also, it is regrettable that the federal Government has not assumed its responsibility for the impact of its economic and social policy objectives and the impact of its agencies upon urban development within New South Wales. As the Australian Institute of Urban Studies report says, if there is to be co-ordination within the State, clearly the Government is obliged, within the context of national economic and social objectives, to formulate urban management objectives and to subsequently monitor them. The report says:

Clearly there is little prospect of State funding requirements for metropolitan development being met sympathetically by the Commonwealth or attracting a firm forward commitment in the case of developments requiring long lead times unless New South Wales formulates and communicates rational metropolitan objectives to which the Commonwealth can respond.

Similarly if State metropolitan objectives are not known or determined then how can the Commonwealth monitor its own impact on the cities?

These points were effectively brought together by the all-party committee of the federal Government in 1978 in a report entitled The Commonwealth Government and the Urban Environment. Regrettably, the response from the Commonwealth to this report has been very low profile indeed. What must be clearly understood is that the course that New South Wales is embarking upon, with a concentration of its capital commitments to supporting resource development, means that such development requires the direct participation of only relatively few people. As the Australian Institute of Urban Studies warns, a too rapid expansion of extractive resource development evokes the spectre of increased urban unemployment in increasingly neglected urban areas, all of which in some degree are already inadequately or improportionately provided with economically efficient and socially adequate urban facilities.

For years I have been warning of the emerging accommodation crisis in Sydney in particular. The Government has failed to take up the challenge or respond. It seems increasingly clear to the Opposition that one of the major issues on which the State election will be fought next year will be that of the housing crisis. The fallacy of this Government's preoccupying itself in the utilization of the Land Commission of New South Wales, which it created, as its major arm for its urban strategy in New South Wales, is typified by the fact that with more than $55 million in funds employed, the commission has failed to keep the price of land down. All that the commission can do is produce sales of little more than 1 000 lots a year out of a total market demand of well in excess of 20 000.

The Land Commission should divest itself of much of its undeveloped land and act as a wholesaling agent to enable the private sector to take over the proper and effective development of urban land. It is absolutely despicable that the Housing Commission should be so sorely deprived of funds this year. Had the procedures of this House permitted it, the Opposition would have moved an amendment to the

Mr McDonald]
Budget so that the Treasurer could have provided, as he did in previous years, under section C22 of the accounts, for at least $20 million and probably closer to $40 million in additional funds for welfare housing.

The Government trumpets loud and long about its sale of Crown land allotments, but it is clear from the Government's failures in this area over the past five years that a complete redirection and change of policy is needed. For example, in every year since 1976–77 the actual receipts from Crown land sales have been significantly lower than estimated. In 1976–77 the Government estimated it would receive $11.2 million. It actually obtained $8.5 million. The following year receipts were estimated at $14.4 million. The Government actually obtained $9.8 million. In 1978–79 the estimate was $15.5 million, and the amount received was $11.6 million. In 1979–80 the estimate was $24.9 million. The Government received $18.4 million. This year the budget estimate is $34.5 million. What a performance that was. Perhaps the Under Secretary of the Treasury or even the Auditor-General should look a little closer at the estimating of that department.

Apart from those gross errors of calculation and assessment, the Auditor-General's Report fails to tell us exactly how many homesites were developed and sold by the Crown for residential purposes. This ad hoc, unco-ordinated approach to urban development and the Government's failure to recognize the role and responsibility of the private sector and to provide it with sufficient incentives, not only to keep the price of land down but also to ease the crisis of accommodation, are a disgraceful indictment of an administration that I genuinely felt would have been more sensitive to and responsive to the need to provide efficient and effective urban management. What is needed is a system of metropolitan budgeting which, in turn, would be an integral part of the financial measures needed to determine the right priorities between expenditure on resource development and the needs of cities.

An approach such as the Australian Institute of Urban Studies suggests would involve the assembling of an accurate total picture of State finances embracing all departments and authorities in mutually comparable terms. Effective management of the cities would be served by facilitating the switching of funds between functionally oriented departments, in order to achieve specific programme objectives. Review and monitoring should be undertaken of the extent to which, and the reasons why, a pre-commitment of available funds within the total State expenditure occurs.

There is little doubt that part of this approach would involve a proper revelation of the total resources at the disposal of the public and semi-public authorities, as well as assessing the financial needs of specific programmes before expenditure is frozen by capital and recurrent budgets which have been developed by traditional means. In that way a potential catastrophe in the Hunter Valley could be avoided, or on the other hand, a sell out of the urban needs of Sydney. It would also avoid the gross under-pricing of electricity and the over-eagerness of the State Government to pay for specific resource infrastructure from public funds. If the Queensland example were followed for exporting industries, the total cost would be borne by the investor and not the State.

Having reviewed the Auditor-General's Report, commented on expected expenditure, levels of taxation and the bill, and made reference to the failure of the Budget Speech to provide any forward direction, I turn to the Opposition's economic plan for recovery and growth in New South Wales. Social justice has been abandoned by the Wran Government in its insatiable and greedy grab for more and more taxes. Wide-ranging tax cuts, particularly for young home buyers and small businesses, should have
been the central component of the Budget but, regrettably, that is not so. Rather than crying poor mouth, demanding more money from the Commonwealth and threatening to put up State taxes even further, as the Premier and Treasurer has done during the current federal election campaign, this Budget should have eased the tax burden, particularly on the poorer members of the community.

Last year taxpayers in New South Wales were forced to pick up the tab for nearly an extra $100 million in taxes over and above those detailed in the Budget. More than $54 million of these extra taxes was grabbed from excess stamp duties, much of which was from the penalty tax or loan instrument duty of 1.5 per cent on all loans costing more than 14 per cent per annum simple interest. Small businesses and young homeseekers have had to bear the brunt of this massive and iniquitous tax grab from which the Government, for years now, has refused to grant relief. There is, therefore, clear discrimination by the Government against classes of borrowers.

Those who have to borrow at more than 14 per cent, whether or not they offer security, have to pay the initial loan duty of 1.5 per cent. The tax is extremely regressive, with the burden being placed on the most disadvantaged. That is clearly socially undesirable. The burden must be eased and redirected. If a young couple were to buy a home for $48,000, the loan duty would amount to more than $630. The loan duty on a $4,000 personal loan would be $60. A small business purchasing equipment with a loan of $40,000 would face payment of $600. If a loan of $30,000 were sought to build a house, the tax payout at commencement would be $450. On the purchase of a car for $7,000, with a loan of $4,000, indirect taxes, including loan duty and sales tax, are a staggering $2,185 or more than 31 per cent of the cost of the vehicle.

In New South Wales, for the year ended December 1979, bank loans in excess of 14 per cent interest were approximately $500 million for personal loans, $300 million for Bankcard, and $75 million for major trading bank allowances. Added to this there were finance company loans of more than $1,400 million. This means that more than $34 million in loan duty was paid out to the Government on these borrowings. The total stamp duty on loan instruments and securities will probably be more than $50 million this financial year. Because the Stamp Duties Office is interpreting the Act harshly and in view of the gross inequities that are occurring, cogent reasons of both principle and practice exist for the total abolition of the taxing of financial transactions.

The Government should exempt all loans under $50,000 from attracting the 1.5 per cent loan duty and increase the level from which any loan duty should apply from 14 per cent to 16.5 per cent. By refusing to take such action on my earlier requests on this subject and those of the Leader of the Opposition, the Government has been shown to be totally insensitive to the needs of small business and the little people. It is unfairly taking advantage of the increased cost of loan moneys that has escalated over recent years.

Balanced funding is required to sustain economic growth. The Wran Government has a role to play in the economic recovery of New South Wales, but it is domineering, controlling and squeezing rather than encouraging and stimulating activity through the private sector. Economic recovery can come only through the private sector, not the public sector. Yet, early in June the Premier and Treasurer said his Government "maintains and has applied the doctrine of squeezing the private sector to let the public sector grow". That is evidenced by the massive escalation in State taxes of more than $1,100 million over the past five years. For the co-ordination
that is needed, particularly for the urban areas, the Government should prepare a 3- to 5-year investment plan to give incentive and encouragement to labour and capital. That would lead to stabilized economic development.

The plan should apply to four areas. Those areas are the building and construction industry, the tourist industry, rural development and reconstruction, and the mining and energy industry. Incentives to the private sector to stimulate proper economic growth and ease unemployment levels should include, but not be limited to, the waiving of stamp duty payable for first home purchases up to $75,000; the elimination of land tax for all new construction projects, particularly those of a residential nature; exemption for all loans under $50,000 from attracting the 1.5 per cent loan instrument duty; increasing the level from which any loan duty should apply from 14 per cent to 16.5 per cent; applying pressure on the Commonwealth Government to provide full taxation depreciation allowances on all new construction projects of a residential nature; a percentage of mining royalties to pass automatically into energy research; a reduction in licence and registration fees for vehicles powered by non-petroleum sources; increasing the payroll tax exemption level from the present limit of $72,000 to $180,000; and waiving all payroll tax for all new apprentices taken on in the next five years.

Such a 3- to 5-year strategy is what is needed now for New South Wales to regain its rightful position as the number one State economically. Without it New South Wales will continue to wallow in the mire of ad hoc limited social welfare hand-outs, by continuing increases in taxes that inhibit positive and real economic growth.

Debate adjourned on motion by Mr Wilde.

GENERAL LOAN ACCOUNT APPROPRIATION BILL

Second Reading

Debate resumed from an earlier hour.

Mr FISCHER (Murray) [5.11]: To return to this Chamber and to the New South Wales Parliament as the member for Murray, following the by-election held on 13th September, is indeed a privilege. It was a privilege also to be elected on 13th February, 1971, as member for the electoral district of Sturt. I thank the electors of Murray for their resounding vote of confidence. I thank the many people who helped my campaign throughout the electorate, including such good people as Wynne Hawkins, Jim Small, Joan Bull, and also my parliamentary colleagues and many others who contributed to a successful result.

The transferring of seats within one parliamentary term is not easy. The Parliamentary Librarian has informed me that this is the first time in the history of New South Wales that a member of the New South Wales Parliament has transferred to an adjoining seat mid-term. Last century a member resigned to be Agent-General in London but became involved in litigation before he could leave the country. As a consequence it was decided not to proceed with his appointment as Agent-General. Later in that parliamentary term a by-election was held for a seat which was not adjoining—it was in the Illawarra area—and he was duly elected to that seat. My election mid-term is a history-making event. It was not easy and, of course, it was brought on by a State redistribution conducted under a Labor Government formula, which will result in the abolition of not one but six country seats, including the electoral
district of Sturt. Nevertheless, it is my privilege to represent the electors of the five subdivisions of the electorate of Murray. I again express my thanks to those electors for their vote of confidence.

I take the opportunity also to pay tribute to the previous members for Murray. The seat was first formed 121 years ago, in the year 1859. It is interesting that the first member for Murray was a Mr John Hay. Subsequently the town of Hay was named after him. For many years members of great calibre have served the Murray electorate. They include Mr Robert Landale, who succeeded Mr John Hay about the middle of last century, and Mr R. T. Ball, who had the privilege of being elected to this Chamber with a margin of one vote. That is of special interest to me, because my great grandfather, who was the Speaker of the Victorian Parliament at the turn of the century, had two claims to fame. One was that he was elected to Parliament with a margin of one vote when he stood for the seat of Gippsland. I hope that I never have that claim to fame. Second, he was a very fiery Speaker in the Parliament. I do not ascribe to that parliamentary office either.

Murray has been represented by a long series of members. Mr Joe Lawson represented the electorate for forty-one years. For the vast majority of those years he was a Country Party representative. I pay tribute to his work during the four decades that he represented the electorate. He was succeeded by his daughter, Mrs Mary Meillon, who was my immediate predecessor. I pay tribute to her work for the electorate of Murray and the interest that she took in many schemes in the area.

As I have said, transferring seats is not easy. In fact, the Parliamentary Electorates and Elections Act is deficient in that it does not provide for the specific situation where a member of the Legislative Assembly is resigning to contest a by-election in an adjoining seat—or any other seat for that matter. The Act leaves it very much in doubt when a member should resign when taking that course of action. I took the opportunity, quite properly, to seek the formal opinion of the Chief Electoral Officer for New South Wales. Quite properly he referred the matter to the first law officer of the State and to other persons. He wrote to me saying that it was a legal matter and he would not give any additional advice. As a consequence—but taking the only correct action—I resigned from this Parliament one clear day before submitting my nomination for the electoral district of Murray. I repeat, the Act is completely deficient on this aspect. Legal opinion is that I could have remained the member for Sturt until midnight prior to the close of nominations. Other legal opinion is that I could have remained the member for Sturt until midnight before polling day. I was not willing to test that legal opinion. I took correct and proper action, which has since been reflected in the votes of the electors of Murray. Nevertheless, the Act should be amended to prevent this confusion in similar circumstances.

So it is that I embark upon my second career in the State Parliament, on this occasion as the member for Murray. My objectives remain similar to those that I stated in my maiden speech to this House in August 1971. I will provide full-time representation for all the electors in my electorate. I will cover all the policy issues pertaining to that area. I will carry out my duties to the best of my ability and I hope to provide a breakthrough with a number of problems in the electorate. In my maiden speech I mentioned my policies and priorities on conservation, education and transport. I do not deviate from those priorities. They have been my concern for the past decade in this Parliament and I have worked for those objectives. I should like to develop them specifically as they apply to the electorate of Murray. I am concerned about decentralization. A setting-off point would be the transfer of no less than four New South Wales Government departments now located in Northern Victoria. They should be transferred immediately to a place in the Wentworth shire in the south-west of New South Wales to provide effective administration for that area. The Government
gets a little too keen when it provides decentralization to the extent that New South Wales misses out on four government departments, which are now situated in Mildura. When one examines the practicalities of that, one can see that there was no reason for it. My concern about that matter was reflected in one of the first questions I placed on the Questions and Answers paper.

Matters pertaining to tourism are also of concern to me. There is a need to promote the Murray Valley not only in Melbourne and Brisbane but also in Sydney through the facilities that are provided by the New South Wales Department of Tourism. Tourists should be attracted down the Sturt Highway, through the Riverina, into the electorate of Murray so as to build up the New South Wales tourist industry. Desalination and drainage are important priorities for the electorate of Murray. I shall deal with them in more detail at a later stage.

Avoiding isolation is another policy area. The electorate of Murray is totally oriented towards Melbourne and its media outlets including newspapers, radio and television. Indeed, the further west one goes in the electorate of Murray the more total is the orientation towards Melbourne. But in the extreme western parts its orientation is towards Adelaide, which is by far the closest capital city to that part of the electorate. The result is a lack of New South Wales information flowing through to the area, and a lack of government activity. A vacuum is created by the Melbourne orientation. I shall seek to overcome this by a number of practical steps as I set about the task of representing the electors of Murray.

Perhaps I should take this opportunity to outline the exact composition of the electorate. The existing electorate of Murray, consisting of the five subdivisions of Balranald, Berrigan, Deniliquin, Moama and Wentworth, stretches from Jerilderie and Tocumwal along the Murray River to the South Australian border. It was within those boundaries that the recent by-election for Murray was conducted. The moment writs are issued for the next general election, the boundaries will be altered. The new electorate of Murray will be much enlarged, with 31,000 electors. Its area will stretch from within sight of the suburbs of Wagga Wagga, east of The Rock, through Corowa and the South Australian border. It will consist of the seven subdivisions of Balranald, Berrigan, Corowa, Deniliquin, Lockhart, Moama and Wentworth. The electorate will have more population than many of the metropolitan seats represented by members on the Government side.

The Government has said it will provide additional assistance to country members representing vast areas such as mine. That remains to be seen. One of the greatest difficulties confronting me is travel within the electorate. Regardless of the size of an electorate a member must attend all the functions he can, to which he is invited. That is so with any country member, no matter on which side of this House he sits. Country members attend more functions in their electorates than do many metropolitan members. I am told that one or two metropolitan members close up shop at 5 p.m. on Friday and forget about their electorates until they turn up again at 9 a.m. on the following Monday. At times of elections that may be different. In a country electorate a member’s work is never ended; it is a seven-day-a-week job. There is a case for country members to receive additional assistance. One might have to travel as far as Goodnight, Gol Gol and Grong Grong, with considerable distance between, to attend functions to which one is invited. With the time span available to get to and from parliamentary duties in Sydney from a country electorate office—in my case in Deniliquin—the difficulties can be easily seen.

The electorate of Murray is made up of a number of towns related to the Riverina area. Deniliquin is quite a large town which is experiencing some growth and is becoming a light industrial centre as well as a subregional capital. The second largest...
town is Finley, which is on the Newell Highway and thus benefits from some tourist development and associated activities. A host of other towns in the electorate benefit from the waters of the magnificent Murray River and other river systems within the valley. The well-known Riverina saltbush plains predominate throughout the area.

The western land zone has a wide variety of industries, of which I shall mention some. The great woolgrowing industry of the Riverina includes the Merino stud industry, which has developed over two centuries for Australia’s economic well-being. The rice industry has high levels of employment, particularly in the mills at Deniliquin and elsewhere. The wheat industry, both under irrigation and under dry land conditions, is found within the electorate. Unfortunately, this year those dry land conditions are extremely dry. A highly intensive horticultural industry is to be found in the area. Industries connected with citrus and dried fruits are situated mainly in the Wentworth and Sunraysia areas. Industries relating to fishing and a wide range of other activities also flourish. Tourism has done much for towns along the Murray River, especially those with registered clubs near the Victorian border. Those clubs provide a great deal of employment. It is hoped the Victorian Government will never legalize poker machines for, if it does, that will seriously affect the areas with clubs along the Murray River.

I appreciate that the matter under consideration by the House this afternoon is the Loan Estimates. That is a most relevant subject to the Murray electorate, for many of the problems of that area, by luck, are dealt with by the Loan Estimates. Those problems include drainage, irrigation and water storage construction. But no greater problem faces the Murray electorate than salinity. Do honourable members realize that it has been assessed by independent analysis that each year not less than 1.1 million tonnes of salt passes from Victoria and New South Wales to South Australia in suspension in the waters of the Murray River? To that South Australia adds another 400000 tonnes of salt, making a total of 1.5 million tonnes of salt each year at a point where the Adelaide water supply is taken out of the Murray River system. Many farmlands in that area are becoming waterlogged with a salt-saturated solution. That affects the growth of pastures and crops and, in turn, affects animals. Indeed, in some places it has affected the well-being of humans. It is interesting to note that the Loan Estimates provide a specific allocation concerning salinity. I welcome that allocation because a great deal of work is necessary to overcome the massive problems that exist along the Murray Valley.

In 1977 the Deputy Prime Minister and Minister for Trade and Resources, the Rt Hon. J. D. Anthony, made a 3-day tour along the Murray Valley. He went out of his way to examine the salinity problem and discussed it with local organizations in New South Wales, Victoria and South Australia. He finished his tour at a meeting in Adelaide which eventually commissioned the Maunsell report. That report provided an interesting assessment of the salinity problem along the Murray Valley and made a series of recommendations, some of which were extremely controversial. Nevertheless, for New South Wales some of the report’s specific terms led to excellent work at Wakool, with additional projects under consideration. The Loan Estimates provide a further sum of $6 million for the construction of the Murray Valley salinity control works. This will allow the completion of the Wakool project, the first of its size in the southern hemisphere, where subsurface waters are intercepted and pumped through an aggregation of evaporation lake systems to a commercial salt farm which extracts the salt from the water and thus reduces the cost of the whole scheme’s operations. That salt will be sold to commercial and industrial users in Melbourne and Sydney.

The Wakool project represents merely a first step. A great deal more needs to be done, not only on the New South Wales side of the border but also on the Victorian side where experts say the major part of the problem originates. I pay tribute
to all those who have been involved in getting the projects moving and up to the stage that they have reached. I refer in particular to the Wakool project. I strongly support the efforts of those persons. I shall continue my representations in relation to the projects at Wakool, at Laidley and at other places throughout the Murray electorate. I have raised a number of matters which relate to my position as Opposition spokesman on water resources and forests. I suggest that we need to plan carefully for the use of all water west of the Great Divide in New South Wales. What happens in the electorates of Barwon and Castlereagh has a great bearing on what happens in the western part of the electorate of Murray, in South Australia and elsewhere. We need a strategic plan based on a careful examination of the yield and use of water through our storage system. We must make the best use of that water by quality controls to prevent salinity developing throughout the western half of New South Wales.

Salinity is a massive problem about which it is easy to be glib. However, if a strategic plan is not developed along the lines I have indicated, we can say goodbye to the wealthy, prosperous and productive Sunraysia district, the city of Adelaide and the great portion of South Australia served by the Murray River. Though that river has been accurately described as nothing more than a great drain for southeastern Australia, it has to be better than that. We must take action to deal with the great problem of salinity before it is too late. One wonders whether it is not already too late when one and a half million tonnes of salt go past the Adelaide pumping station annually.

In addition to a plan covering all waters west of the Great Divide in New South Wales, a number of other practical steps should be taken. I shall mention one such step, which is not referred to in the Loan Estimates. I want to stay completely within the standing orders, so I say only that I believe this step should have been included in the Loan Estimates. I refer to the augmentation of the Menindee Lakes scheme, in the federal electorate of Riverina and the State electorate of Broken Hill. That area borders on the Murray electorate. The Menindee Lakes scheme was built by a Labor Government. I give that Government credit for proceeding with the scheme at that time. Though the scheme was designed to have a capacity of 2 million acre feet, during the course of construction the key regulator blew out. Consequently the scheme was completed with a storage capacity of only 1$\frac{1}{2}$ million acre feet. It was never completed to its original design size.

I advocate the building up of that storage to its original design size of 2 million acre feet. That work could be done at comparatively little cost. The additional half-a-million acre feet of yield could be used to provide extra water to the parched properties in the Wentworth area; the greater proportion could be used to improve the quality of water in the area. This would eliminate the problem met by irrigators pumping in the Wentworth area, who suddenly find that the leaves on their orange trees have dropped to the ground because of salinity in the water and that salt sludge comes through and cannot be broken up. That is another positive step which could be taken to alleviate the water problems along the Murray Valley. That step is only one of many that should be considered by the New South Wales Government, the Victorian Government, the South Australian Government and the federal Government.

I was delighted at the boost given to our national water resources programme in the recent policy speech delivered by the Leader of the National Country Party, the Deputy Prime Minister and Minister for Trade and Resources, the Rt Hon. J. D. Anthony. The work being carried out under the national water resources programme is of benefit to the whole of Australia and particularly to New South Wales. It provides a blueprint for much needed further water storages. I shall tell the House the real story about major water storage construction in this State. There has been a very careful switch of priorities by the Water Resources Commission. It has switched its
priorities from major storage construction west of the Great Divide to that glorious part of the State, the Hunter Valley. I have no objection to that so long as it is in addition to storage construction west of the Great Divide and not in place of it. The dams that are being planned and built in the Hunter Valley are for industrial purposes rather than for irrigation. The Water Resources Commission is being duped into building dams for electricity and aluminium smelters instead of for primary producers, for flood mitigation and for conservation and irrigation in the Hunter Valley and elsewhere.

It is high time that the Government looked again at its priorities. It is time that the Minister for Lands, Minister for Forests and Minister for Water Resources, in particular, demanded that new dams in the Hunter Valley are built entirely at the cost of the Electricity Commission or the users of the electricity rather than at the cost of the irrigators in the Hunter Valley and elsewhere in the State. The Government should get on with the job of building the Windamere Dam. I am pleased to see listed in the Loan Estimates an allocation of $8.5 million for that purpose. I await with interest the expenditure of that money. The Government should get on with the job of building the Cudal Dam in the new electorate of Lachlan. That is a project the National Country Party has supported on many occasions. The Government should also get on with the job of building the Split Rock Dam in the electorate of Tamworth. The honourable member for Tamworth has given his support to that project. With the honourable member for Barwon, he has been instrumental in obtaining from the federal Government an allocation of $500,000 towards the construction of that dam. We now look forward to the State taking some action to build the Split Rock Dam before it is too late in terms of the water needs in that area.

The State Government should get on with the job of building the Lake Mejum storage at Narrandera. That storage will be a help to the electorate represented by the Minister for Lands, Minister for Forests and Minister for Water Resources. It will supplement the water available to the Murrumbidgee irrigation area, the Coleambally irrigation area and other places to the west of those areas. Finally, the Government should get on with the job of increasing the capacity of the Menindee Lakes scheme to its original design size of 2 million acre feet. That would help to improve the quality of the water in that storage area, which is becoming increasingly saline because of the size of the exit from the scheme. It is so narrow that when a flood occurs in the Darling River there is no opportunity to change the water in the Menindee Lakes system.

I invite the attention of the Minister for Lands, Minister for Forests and Minister for Water Resources to the crisis point that has been reached in relation to the irrigation licensing system and the method of allocation of water in New South Wales. At present controversies exist in almost every valley of the State about the restriction of irrigation and the policies and practices of the Water Resources Commission. The Minister can no longer afford to ignore the situation. He must make decisions and take action before it is too late and before a situation of almost civil war occurs in some of the valleys between those who have allocations and those who do not have them. Unfortunately, a great deal of the trouble is being caused by the drought, for which no Minister can be held accountable. But a particular Minister and the Government can be held accountable for the way they deal with the drought situation. It is about time that the State Government became more genuine than it has been in the past in dealing with the drought situation.

In conclusion, I point out that I am delighted on this occasion to have been able to maintain a tradition set by the honourable member for Lismore when he made his maiden speech in 1965 without notes. In 1971 when I made my first maiden speech in this Chamber I did so without the use of notes. Though this is not strictly speaking
a maiden speech, I am delighted to have been able to make it without notes. I look forward to hearing the maiden speeches of the honourable member for Bankstown and the honourable member for Ku-ring-gai. I assure the electors of Murray of my positive, active and full-time representation on the floor of this Parliament.

Mr McCarthy (Armidale) [5,40]: I congratulate the honourable member for Murray on his second maiden speech. I was not present in this House to hear his first. The Government was faced with a number of difficulties even before the General Loan Account Appropriation Bill was drawn up. At a meeting on 26th and 27th June, 1980, at the invitation of the Commonwealth, this Government submitted its borrowing programme for the current financial year. It is history now that the Commonwealth rejected many of the State's proposals. For its borrowing programme New South Wales was allocated $820 million. Victoria received $1,175 million, Queensland $934 million, South Australia $480 million, Western Australia $1,030 million and Tasmania $100 million. It can be seen that, having regard only to this State's production and population, it should have received a far larger allocation to enable it to borrow and carry out necessary public works.

The federal Government rejected two projects that would have accelerated electricity development and the electrification of the Sydney–Port Kembla railway line. Both proposals involved 6-year programmes. This State's development plans have been greatly impaired by the Commonwealth's refusal to allow New South Wales to borrow the funds that it needs for its long-term development programmes. It was not the first time that the policies of the New South Wales Government have been eroded and corroded by obstacles that were placed in its path by the federal Government. In this the Commonwealth Government has been aided and abetted by members of the Opposition in this House. This attitude is regrettable, particularly at a time of economic downturn when the State Government is doing its best to decrease unemployment. In the past four years the Government's job creation programmes have increased employment opportunities for 150,000 persons.

The honourable member for Murray mentioned three dams that he would like to see constructed. One was the Split Rock Dam. He said that he admires the water resources policies of the Rt Hon. J. D. Anthony. He added that the New South Wales Government should do a little more towards the development of those dams. Moreover, he said that the Commonwealth Government had offered the State $500,000 to commence construction of the Split Rock Dam. It was obvious that the honourable member was unaware that the New South Wales Government had already indicated that it was willing to spend $2 million to commence the construction of that dam and that it wanted another $2 million from the Commonwealth Government to enable it to do so. Though residents of the Namoi Valley, who will depend on water from that area, would be extremely grateful to this Government and to the Commonwealth if the funds were made available, the Commonwealth is not willing to come to the party. It is abrogating its responsibilities to the people of New South Wales, and in particular to those who live in rural areas.

Whenever members of the Country Party travel through their electorates and when they are in touch with the news media they tell everyone that only they can represent country electors. That is a fallacy. The New South Wales Labor Government has done much more work in the interests of the country people of New South Wales than the Country Party has ever done. Soon the stage will be reached when their numbers in this State will be decimated as they have been in almost every other State except Queensland. The Commonwealth Government allocated $85 million to Queensland for the construction of the Burdekin Dam. One wonders why. Probably it was the forthcoming federal election that made the federal Government decide that
such a large sum of money would be well spent in that area. The Commonwealth Government is disregarding the interests of the people in the Murray region. It is certainly disregarding the wishes of the people represented by the honourable member for Murray. Because of the production generated by the use of water from the Burdekin Dam, there will be competition between the people using its water and the people of the Riverina. The people in two areas will be producing the same commodities. It is likely that neither area will remain profitable.

That is the sort of programme that the honourable member for Murray admires. His admiration of the Rt Hon. J. D. Anthony causes him to have a mental blockage in assessing the need for works in various parts of Australia. I doubt that many of his constituents will thank him when farmers in the Burdekin region enter into competition with them. The people of Tamworth and the Namoi will not thank the Commonwealth Government for the $500,000 that it allocated to New South Wales for the Split Rock Dam project. It is obvious that, in addition to the $2 million that New South Wales is providing for the initial work in that area, an additional $2 million will be required from the Commonwealth Government. The Split Rock Dam will probably cost in the vicinity of $50 million but the Commonwealth Government has offered the State only $500,000. A sum of $3.4 million has been appropriated for soil conservation in New South Wales. That work will be in the vicinity of major water storages such as the Glennies Creek Dam, the Pejar Dam and Yarraman Creek.

The other works to which I shall refer are at Warialda, Campbelltown, Bathurst, Armidale and the Wellington Area Office. The figure of $3.4 million is part of the total sum of $9 million to be spent on soil conservation in New South Wales. Earlier this year I spoke in this House on matters concerning soil conservation and emphasized that the Soil Conservation Service of New South Wales was carrying out a magnificent job in conserving Australia's most precious resource, its soil. The figure of $9 million to be spent by the New South Wales Government is in stark contrast to the commitment of the Commonwealth, namely, a sum of $3 million on soil conservation for the whole of Australia. Surely the Commonwealth must get its priorities straight. The federal Government and the honourable member for Murray seek to give the impression that only they can represent people in rural areas. The country people of New South Wales have been conned by the federal Government, and particularly by members of the Country Party in this House.

I shall deal now with rural bank agencies. An allocation of $10 million is being made to meet the various needs on farms relating to water supplies and soil conservation schemes as a result of the drought in New South Wales. Following the prolonged drought we are experiencing, a great deal of assistance will be required. In respect of farm water supplies the Government is sending drilling rigs around the State, thus giving some relief to those on the land who are short of water. The Rural Industries Agency, which has been allocated $1.5 million, is designed to help people on the land to weather the drought and to assist them to deal with drought conditions. I have great admiration for the work of this agency. New South Wales is fortunate to have its services.

I wish to make brief reference to the Country Industries Assistance Fund, which has an appropriation of $11.6 million. The development of industry in country New South Wales depends largely on assistance from this fund. The payroll tax concessions, which are met from this item, provide real assistance for many small businesses that have developed in the New South Wales country areas. Moreover, funds given to existing country enterprises for further development are also of great assistance and are appreciated by those who receive them.
Recently the Minister for Industrial Development and Minister for Decentralisation notified me of three firms in my electorate that are to receive loans under this fund. Those firms are Romac Engineering, which will get $49,500; New England Trusses Pty Limited, which will receive $91,800; and Neva-Part Engineering, at Walcha, which is to get $61,200. Though those may not seem to be large sums compared with the total of the appropriations now being debated, they are necessary to develop many small firms in the country, to enable them to expand, remain viable and provide additional employment. The Country Industries Assistance Fund also helps large industries with decentralization and development funds. I have spoken to the Minister for Industrial Development and Minister for Decentralisation about a large project planned for the Woolbrook area, not far from Walcha. The project involves a pulp mill that will probably be one of the largest industries in the north of the State. It will draw more electricity from the New England electricity county council network than is currently drawn in the whole New England network and it will use more electricity than any other industry north of the Hunter River. That is the kind of project that is to be funded by the State from these appropriations.

I shall deal briefly with education in my area. Armidale is an educational centre. Education enterprises in the area are dependent on Government funding. In the past year a number of schools have been built within my electorate. A new school is being constructed at Uralla. A completely new school is being built at Dorrigo at a cost of about $1.5 million. That magnificent school will replace the original school built in 1886. Many schools in my electorate need an injection of funds. Recently I was pleased to travel to Walcha with the Minister for Education. On that occasion the Minister agreed that a new primary school should be built in that area. At Tenterfield, which is to be part of the new Northern Tablelands electorate, the Minister announced that a new primary school would be constructed at a cost of about $1.5 million. A number of other minor works were also agreed upon and the Minister announced that the Government would fund those projects. It is important that we should have those new school buildings. Some of the original buildings have been in a state of neglect for years and it is disgraceful that the former Government allowed them to remain in that state: they should have been demolished years ago. Earlier today honourable members heard a good deal about Katingal prison. In my view, many prisoners would not even go into some of the schoolrooms at Tenterfield because they are in a shocking condition.

Mr McCarthy: There are three other topics in the Loan Speech about which I should like to talk. The first, which is of major concern to people in country areas of New South Wales, concerns the Government's road programme. The speech reveals that the Department of Main Roads will receive $554 million, which is an increase of $73 million, or 15 per cent, over last year's expenditure. Roads connecting towns in country New South Wales are of extreme importance. The federal Government's allocation for road grants is $197 million. This is in stark contrast to the $1,205 million that New South Wales motorists pay to the federal Government in petrol tax. It is in stark contrast also to the $3,500 million paid to the federal Government as a surcharge on oils. The State Government is faced with a massive task in servicing the road programmes throughout New South Wales, particularly in country areas. Last Saturday I officiated at the opening ceremony of a small bridge, located within the shire of Uralla, which cost $225,000 to construct. Within that shire there are probably thirty bridges all of which from time to time need to be renewed or repaired. The annual cost of bridge renovation and construction throughout New South Wales would run into many millions of dollars.
It is apparent that the New South Wales Government will come nowhere near meeting its obligations to country people in road works and bridge building programmes. The State Government will require much more money to carry out these works. The total sum of $4,525 million received by the federal Government for petrol tax and surcharge on oils should, to a large degree, be returned to the State to enable it to meet the needs of country areas. The condition of many roads in my electorate is deplorable, despite the fact that the local government bodies do the best they can to service the roads. Because of the constraints placed upon the State by the federal Government, it is difficult for the Government to carry out these major works. It will be necessary for the federal Government to allocate a fairer share of loan money to New South Wales to enable important works to be performed.

I wish to talk briefly about the construction of the new Parliament House and offices. I congratulate those involved in overseeing this work. I congratulate also those who initiated the project. On the main floor of the new building is a Tukidale carpet. This is a matter upon which I approached Mr Speaker, as in country New South Wales there exists a young carpet wool industry. I impressed upon Mr Speaker the importance of having Australian wool carpet on the main floor of the Parliament House building. I am sure that all honourable members are pleased to see encouragement given to our growing carpet wool industry. The carpet is an enhancement to the building.

Another matter about which I wish to speak—of importance to country people and appreciated by them—appears under the heading of cultural and recreational facilities. Many country people are disadvantaged by the lack of sport, recreational and cultural facilities in their areas, and they appreciate grants made from this appropriation to provide those amenities. The people of Glen Innes are appreciative of the contribution made by the State Government to the cost of the construction of sport and recreational facilities in that town. The Government's contribution was $20,000 and the total cost $40,000. The same might be said of the people of Walcha, where new squash courts are to be established. The $35,000 contribution for this project made by the State Government has been much appreciated. The Government has a good programme of capital works, which is certainly much better than one might hope for when one considers the constraints placed upon the States by the federal Government. I have no doubt that next year New South Wales will again have a good capital works programme. I regret that the federal Government would not agree to the other allocations asked for by New South Wales when the Premiers met with the Prime Minister in June of last year.

Mr HATTON (South Coast) [7.38]: I am pleased to have the opportunity to speak to the General Loan Account Appropriation Bill and commend the Government for the presentation of the bill. The Premier and Treasurer said that it gives more details of the State’s capital works programmes and a detailed account of the works to be undertaken by each department and the course of funds flowing to each department. This is a breakthrough and a trend I should like to see extended. In all matters of finance there is a need for a type of approach, such as that taken in a freedom of information bill, so that the taxpayer knows exactly what is happening to each dollar that is collected.

I wish to speak on a number of matters that affect the electorate of South Coast. I choose housing to be the most important need. A home is the foundation for families and society generally. It provides stability, a sense of purpose and a feeling of belonging to a community. As a result of high interest rates and the small allocation by the federal Government for welfare housing people are denied the opportunity to acquire a home. I condemn the denial of the right of an individual to work
and thus feel a useful member of society. The provision of work is a basic responsibility of all governments. In the circumstances the New South Wales Government has done an excellent job in providing housing, for which I pay tribute to the former Minister for Housing and the present incumbent of the housing portfolio.

The Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport has a dynamic and sympathetic approach to the difficult task of providing homes. In the electorate of South Coast, and in Bomaderry and Shoalhaven Heads, which are small parts of the Wollondilly electorate, some 426 people require welfare houses. This involves 67 aged persons and 220 other persons, including families, in Nowra, Bomaderry and Shoalhaven Heads; 11 aged and 26 other persons in the Milton-Ulladulla area; 10 aged persons and 25 other persons in Batemans Bay; and 9 aged persons and 13 other persons in Narooma. As yet there is no housing programme for Bermagui but 9 aged people are registered for accommodation. Shortly a small unit will be built in that area. Bega has 6 aged persons and 30 other persons waiting for accommodation. In total, 112 aged persons and 314 others are awaiting housing accommodation. Many persons in the Moruya and Batemans Bay areas have not put their names on the waiting list as they consider they would wait too long for a home. One has difficulty persuading them to apply to have their names included on the waiting list for welfare housing. In the circumstances that I have given I find it difficult to understand why only $93.4 million has been made available by way of Commonwealth grants.

Mr Sheahan: That is not all grants; some of it is by way of loan.

Mr HATTON: It consists of $38.8 million by way of grants and $54.6 million by way of advances. The State's allocation and revolving funds amount to $93.4 million with local authorities borrowing $1.2 million. About 35,000 applicants are on the waiting lists for Housing Commission homes. By June next year that figure is expected to be 40,000. Yet only 1,600 homes are built each year by the Housing Commission. This is a tragedy of national proportions. I commend the State Government for its special allocation as revealed by the Budget of $20 million in an endeavour to boost the construction of welfare housing. The lack of proper housing is heartbreaking for the many people living in caravans and unsatisfactory accommodation. The plight of these people can be appreciated only by a member of Parliament taking an active interest in his electorate and encouraging people to speak about their problems.

In many communities single parent families loom large among those requiring accommodation. For example, some 40 per cent of the children attending the Sanctuary Point school come from single parent families. A similar percentage will be found in other areas on the South Coast and on the Central Coast. Though young families and elderly people live in unsatisfactory and low-standard accommodation, in particular in Nowra, where people pay high rent as a result of the subsidized rents paid for naval personnel, the area has many unemployed building tradesmen. Nowra has 670 unemployed young persons. It has more than 1,000 unemployed older persons. The number of males unemployed in the Nowra area is 1,212, with 559 unemployed females, giving a total of 1,771 persons, including 72 unemployed building tradesmen. I deplore that the area has unemployed building tradesmen at a time when citizens require homes. Bega has 247 unemployed young males, 226 unemployed young females, 824 unemployed older males and 202 unemployed older females, making a total of 1,499 unemployed persons, including 17 building tradesmen.

I should like to refer to the loan works programme applicable to local government. A distressing feature of recent years is the shortage of long-term loan money. When I first came into local government some fifteen years ago 45-year loans were
available. The time over which a loan was repayable was reduced first to 25 years, then to 15 years and now it is repayable over 10 or 12 years. In high growth areas where there is a need to plan for the future ratepayers cannot meet the loan repayments as a result of high interest rates. Whichever political party gains office following the federal elections next Saturday it should adopt the same approach taken by the Chifley Government which required those engaged in financing to allocate direct to local government reasonable amounts of money at reasonable interest rates. Thus those who derived benefit from the growth and expansion of the community also contributed towards them. Much work must be done in local government, such as the provision of local roads, parks and recreation areas, sporting facilities, kerbing, guttering, footpaths, beach protection and a multitude of other works. I hope that the Commonwealth will initiate a job creation programme and show a better attitude towards the provision of low interest loan funds for local government, so that it can initiate programmes to assist the unemployed.

In a recent debate in this House on the federal Government's policies, no mention was made of education for the 1980's. Insufficient funds are being allocated for education. The cuts in funds by the federal Government are nothing short of criminal. Nevertheless, the State Government has been able to reduce class sizes. The complexity of school curricula is increasing. More social problems are being thrust into the education field. More academic and technical problems require solution. There is a further requirement for retraining, bridging courses and additional facilities to meet the explosion in arts and crafts and leisure courses. These call for greater capital expenditure and the provision of ancillary staff and technical equipment, particularly for technical education.

The Bomaderry Technical College, which was built in 1947, is a disgrace. The college must be improved. I have made a detailed submission to the Minister for Education about this college. I make a plea for the early allocation of funds for that project. A technical college at Bega was promised some years ago and has been the subject of many detailed submissions. Yet no funds have been made available, I suspect as a result of a trend towards centralizing technical colleges in Goulburn and Wollongong. I appreciate that as the complexity of technical education increases some facilities must be centrally located or they will not attract the necessary capital funding, equipment and skilled staff. Nevertheless one must take into account the problem of transport for those attending trade courses. I refer to students from Bega and Cooma who are expected to travel to Goulburn. Students are required to travel also from Moruya, Narooma, Batemans Bay to Nowra or even to Wollongong. One must recognize the problems that this travel creates to apprentices and their parents. I should like a trades course in building added to the courses available at the Moruya Technical College.

The facilities at Milton Technical College should be expanded to cater for the explosion in the number of students wishing to learn arts and crafts and home courses. I am pleased to receive an assurance from the Minister for Education that a high school is to be built at South Nowra. I hope that it will be a community school that will take in primary pupils and provide a fully integrated education system running from primary through to year 12. Until that additional school is provided, Bomaderry and Nowra high schools will each have a school population of 1 400 pupils. The South Coast is a growth area and must be recognized as such.

Batemans Bay urgently needs a second primary school and within the next five years will need a high school. Those needs should be foreseen and catered for. Extensions to the Bega primary school were promised in 1970 but have not been carried out. Bega has a slow growth rate yet its primary school has a large number of demountables. I should give credit to the Department of Public Works for the excellent Mr Hatton]
restoration work carried out on the historic part of the Bega Primary School and for the planned improvements to the Nowra high school, Batemans Bay primary school, Bega high school and the excellent work done on the new Narooma High School. Credit should be given also for the many small improvements that have been carried out to schools in the electorate. The excellent work done by the department frequently is not recognized. Particularly I should thank the Wollongong office of the Department of Education for the assistance given to me directly and for the many projects undertaken by the department in the South Coast electorate.

The Government should consider introducing a college education system and make use of private enterprise facilities for specialist training, because the education system will not be able to keep pace with advances being made in the micro chip, computer and electronics industries. Better use must be made of school facilities—perhaps to the extent of twenty-four hours a day—so that early school leavers might receive specialized retraining and adult retraining can be made more professional and efficient. In regard to health, at an early date loan funds should be allocated for the next stage of improvements to the Bega hospital. Bega is a particularly isolated location and the summer influx of tourists creates many problems. The Bega hospital does a valuable job and has a highly trained staff for the size of the area that it serves. The hospital deserves better treatment than it has received in the past. It is important that the programme of projected improvement to the Bega hospital should proceed in full and no cuts should be made in the available funds.

I emphasize the urgent need for funds to be provided for community health programmes. The federal Government must be heavily criticized for its attitude to community health. The concept of community health was developed under the Whitlam Government—though of course it existed before that time—to keep people out of hospital and reduce costs. Along the 150 miles of the South Coast are scattered many villages. The community health centre at Huskisson serves the communities of St Georges Basin, Erowal Bay and Hyams Beach in conjunction with the health facilities at Sussex Inlet. There is a community health centre located at Nowra. The community health centre at Batemans Bay, together with the community health centre at Moruya, serves Batehaven, Broulee and Mossy Point. The Narooma community health centre services Dalmeny, Kianga, Narooma, Cobargo, Quaama and Bermagui, the centre at Bega serves Tathar and there is a small centre at Bemboka. The Culburra community health centre, located just outside of Nowra, sets the pattern that should be adopted in the future. That community health centre has accommodation for a doctor and a community nurse. Also, it runs a bus purchased with funds raised by community efforts. It is not an ambulance but in an area that has a paucity of public transport the bus is used to pick up patients from such places as Currarong, Callala Bay, Callala Beach, Orient Point, Greenwell Point and Pyree and bring them to the centre. An increasing number of retired people are moving to the South Coast, and the community health services and transport are extremely important to them.

Tourists put a tremendous strain on the facilities available in the community. The number of doctors, ambulances and other services must be increased in peak periods. First-aid centres should be established, perhaps on a temporary basis, specially to cater for the tourist population in coastal resorts. Ambulances should be stationed near the first-aid centres. I pay tribute to the navy personnel based at HMAS Albatross near Nowra. On many occasions the navy helicopters have been used to save lives. Without the use of the helicopters the other emergency facilities in the South Coast electorate would not cope with problems created by bushfires, floods and the many accidents that occur on the extremely tortuous highway. The needs of the tourist
population place a heavy strain upon hospital facilities in Shoalhaven, Batemans Bay, Moruya and Bega. There is a need also for more modern ambulance facilities, and for paramedics. Consideration should be given to providing transferable crash wagons and paramedics who could move from one area to another. I appreciate the shortage of such facilities throughout the State, but those that are available should be able to be transferred to meet needs created by population movements, as are police and ambulance officers. It should be possible to transfer paramedics to some of the isolated locations where the winter population would not sustain that type of service but which attract hoards of people in summer.

Of all the services dealt with in the General Loan Account Appropriation Bill, in this time of drought water supply has shown itself to be the most critical. The present drought is the worst on record in Bega for more than 111 years and for more than 100 years in such places as Batemans Bay and Moruya. In the past I have emphasized that peak supply demands place a burden upon the water supply because of the insufficiency of mains sizes. Treatment plants, pumps and storage areas all must be geared to the peak demand. There has been a considerable input of funds to improve the water supply in the South Coast electorate. I refer specifically to the $32 million scheme for the Nowra area which will serve communities between Berry and Cunjurong Point; some $7 million that will be spent in 1980–81 will bring to $14 million the total spent by 30th June, 1981.

I commend the Deputy Premier, Minister for Public Works and Minister for Ports and his officers at Port Kembla for their co-operation in dealing with the many severe water problems that are experienced in Shoalhaven shire, Eurobodalla shire, Batemans Bay, Mumbulla shire and particularly in Bermagui. The loans programme will provide only $72.2 million, half of which will be contributed by the State. The federal Government has not allocated any capital funds to assist in alleviating water supply problems, and yet the State, federal and local governments encourage tourism. The influx of tourists has an enormous effect on the peaks in the usage of roads, electricity, water, sewerage, health and police services. We should have a national policy to provide loan funds to meet demands on these services. In dozens of villages on the South Coast in some periods of drought there has been no water supply at all. Householders have paid between $15 and $70 for 1000 gallons of water. That is an impossible burden for persons on fixed incomes. I have written to the Minister for Local Government and Minister for Roads requesting that he investigate this matter with a view to subsidizing the cartage of water.

A new strategy should be devised for fixing water and sewerage rates. It will be impossible for people on fixed incomes to pay the rates that will be charged in these areas. Services in Batemans Bay have experienced tremendous stress. Surveys have been carried out in the sand dunes at Broulee and Bermagui, and also in the swamp areas of Bermagui. The water supply in that area has been inadequate for a considerable time. The expense of the Brogo Dam project is too heavy for the people of the townships of Cobargo, Bermagui, Quaama and Beauty Point to bear. New strategies must be devised. The expensive nature of the Tathra and Bega water supply link would place an impossible burden upon residents of an area where local government and water rates are up to $400 a year.

We must learn a lesson from the prevailing drought. If the water supply fails, employment on farms and a multitude of jobs associated with the tourist industry will go by the board. The drought is nothing short of a disaster. It does not take much imagination to appreciate that because of the poor water supply there is a danger of fire spreading uncontrollably. We should develop a form of water supply strategy. If the Brogo Dam had not been built the problems in the Bega area would have been far more serious. A dam should be constructed on the Tantawanglo River for farm

Mr Hatton]
water supplies, and a better system of farm water storage should be implemented. Low interest loans and grants should be available to encourage farmers to plan for future droughts. We need a national strategy, national funding and a national approach to the whole problem. In the six months from the end of March to the end of September $6 million has been spent in the Eden Pastures Protection Board area alone and $1.2 million has been paid out for freight costs, $600,000 of this coming from the State. I imagine a significant portion of that amount goes directly to the federal Government through its fuel parity pricing policy. Yet that Government did not give one cent in drought assistance. It has offered only loan assistance.

For the whole of the coast, more than $2 million has been allocated for this emergency. In my view that money could have been much better spent on loan incentives in good years. One cannot avoid the expenditure this time, but one must learn a lesson. After sufficient time has elapsed for those people to recover from their indebtedness, they should be encouraged to undertake water and fodder conservation programmes by offering them loans at low interest rates. Drought relief should bear some relationship to a farmer's effort and planning relative to the resources, climate and the property at his disposal. Otherwise drought assistance might be given to those who simply run out of money first. They are not always the most deserving.

It has been said that farmers are always looking for a handout. Consider the mining industry subsidies for iron ore and bauxite, and the subsidized rates of electricity for refining aluminium. I am disappointed that the New South Wales Labor Government has allowed such subsidized rates to aluminium smelter companies. I am disappointed also that the preferred rates given to those companies are kept secret from the taxpayers of New South Wales. This is quite wrong. Even if the preferred rate were near the Victorian standard of 1.75 cents per unit, it would be much lower than it ought to be in terms of conserving our energy resources. Of course, in New South Wales I am referring mainly to coal.

I now move on to the matter of roads. Once again we have not got a national policy. Just as we do not have a meaningful national policy on drought, water resources and energy, we do not have a national policy on roads. That is a shocking situation. Though the federal Government receives between $3 billion and $4 billion, it allocates only $195 million for all of this State's roadworks. The federal Government stands condemned for its New South Wales allocation for roadworks. I am grateful for the work done on the South Coast. An amount of $11.3 million has been allocated for the Shoalhaven River bridge and East Street highway deviation. Of that amount $3 million is to be spent in the 1980–81 financial year. Some excellent work has been done. I commend the Divisional Engineer and his staff at Bega for the work done between Bateman's Bay and Mogo and north of Narooma. I am impressed by the clearing, improving of bitumen edging, passing lanes and visibility. The Princes Highway between Nowra and Milton is in urgent need of attention. It is a disgrace. It must be an urgent priority. Trees on that stretch of road are too close to the carriageway, which is narrow and has damaged bitumen. It is a winding, tortuous track with few climbing lanes. Areas such as Myrtle Creek and the Conjola bends are positive death traps.

The New South Wales State Government increased its allocation to roads by 15 per cent. Despite a massive increase in revenue from its fuel parity pricing policy, the Commonwealth Government's contribution increased by only 11 per cent. That allocation will not keep pace with inflation. That will be felt particularly on the South Coast where there is no alternative to the use of roads, where there is no railway and no other form of transport. The total funds allocated to the Department of Main Roads are $554 million, $262 million of which comes from motor vehicle taxation.
I am given that reason consistently when I ask for reductions in registration fees for pensioners. Yet $1,000 million is being spent to upgrade State-owned public transport systems. South Coast contributors to that system get very little direct benefit from it as they enjoy none of the facilities. Queensland and Victoria allow reductions in registration fees to pensioners: why not New South Wales?

The federal Government, which has between $3 billion and $4 billion fuel tax income but neither a national roads policy nor a national transport policy, should be looking at the question of the funding of more efficient, more comfortable public transport services. If it is sincere about discouraging the use of private motor vehicles and saving fuel, one would have thought that it would have given public transport services a national priority. Rising fuel costs tend to isolate people living in villages on the South Coast. They are worried about the social, medical and financial consequences of the steeply rising petrol prices. Their concern will be reflected in the federal election on Saturday. This is a bitter point, felt keenly by people in my electorate, which does not have a network of Government-owned transport. Some access roads as well as the Princes Highway need urgent attention. They include the Cobargo to Bermagui road, the Burrier road, the Mumbulla Mountain road, and Forest Road to Currarong. I could mention a considerable number of others.

I thank the Deputy Premier, Minister for Public Works and Minister for Ports and his staff for the new wharves and fishing facilities at Greenwell Point and Bateman's Bay. I thank him also for the improvement to Bermagui Harbour and for the construction of a mooring wharf there and boat harbour atBatman's Bay and the excellent job done with Ulladulla Harbour. This year an allocation of $50,000 was made to complete that work. There is a need for boat harbours at Currarong and Jervis Bay. Currarong needs to shelter boats from northerly winds and being close to the Sir John Young banks, which is a fishing ground, it has the potential to sustain a reasonable sized fleet. Jervis Bay has three sites suitable for a boat harbour, and I know there will be a demand for funds for such work. There is a great need for launching ramps all along the coast. A large number of boats use that area. Those that pay registration fees to the Maritime Services Board and excessive petrol tax to the federal Government receive little benefit in return. Professional fishermen are hard hit by the petrol tax; they receive no benefit. A need exists for more boat launching ramps to cater for the influx of tourists and for resident boat owners.

I commend the Government for its coastal engineering policy on beach protection. The coastal engineering branch has done an excellent job at Tathra. Work is needed at Vincentia, Mollymook as well as Tathra. I am pleased to see the State's fishing vessel Kapala is to be replaced. More funds are needed for fishing. A bigger fisheries budget is necessary. More money should be allocated for sport and recreation. Although $500,000 was requested for projects on the South Coast, only $14,000 has been allocated this year. The State Budget provision is only $2 million. This is something to which greater priority should be given, so that gymnastic, swimming centres, surf club buildings and the like can be provided.

Mr SPEAKER: Order! The honourable member has exhausted his time.

Mr WHELAN (Ashfield) [8.8]: I and other members on this side of the House are delighted to have the opportunity to address the House on the capital works programme for the ensuing year. Of course that programme is issued in the light of savage federal Government cutbacks that have been highlighted since the June 1980 Premiers'
Conference. Before proceeding to debate the bill before the House I should like to say that one of the most lack-lustre performances ever seen in this Parliament was given today by the Deputy Leader of the Opposition. Opposition members must be disappointed that the honourable member for Kirribilli, who may be the Opposition's fifth leader in five years, showed ineptitude and lack of initiative. All he can do is scream. He did not make one constructive criticism of the Government's loan programme.

Mr Caterson: Be spoke on the Budget.

Mr WHELAN: I know he was speaking on the Budget, and in doing so he had carte blanche to attack the Government on the Budget, but he failed to make any credible criticisms. After the federal elections there will be plenty of former used car salesmen who will be unemployed former Liberal Party politicians——

Mr J. A. Clough: The Labor Party will not win the elections.

Mr WHELAN: I am sure it will. The citizens of Australia will take into consideration the savage cutbacks made in New South Wales. The capital works programme shows that the objective of the State Government is to strike a balance between the development of industry in New South Wales and the provision of essential community services. No enduring improvement in the quality and availability of community services will occur unless economic growth is maintained. Though mine is an inner city electorate, I was delighted by the development proposed for the Hunter Valley, Port Kembla, Lithgow and Cobar. That development augurs well for the future of New South Wales. Considerable employment will be provided in those four areas. Expansion will be to the limit of the State Government's ability, notwithstanding the financial constraints imposed by the Commonwealth. That is a great plus for the State Government.

At the most recent Premiers' Conference the State Government was granted approval for loan borrowings of $820 million over the 5-year period from 1981 to 1986. New South Wales is the most highly industrialized State and has the greatest number of residents and employees. Western Australia, Queensland and Victoria were granted approval for borrowing more capital funds than the amount sought by New South Wales. This State wanted about $2 billion to assist in the accelerated provision of electricity in the four areas I have mentioned. The Prime Minister refused the application made by the New South Wales Government for an additional $1.8 billion and informed representatives of New South Wales that they must agree to help pay for the electrification of the railway line from Melbourne to Sydney. The Prime Minister did that for political reasons. He did not do it for the benefit of the unemployed in New South Wales, or for the benefit of the State. Surely a State should be able to determine the development it will undertake, in order that it might reap the benefits that flow.

Notwithstanding the parsimonious approach of the Prime Minister, New South Wales will proceed to greater development. This is the fifth successive year in which reductions in federal capital payments have been made. Four years ago capital purposes payments totalled $880 million. On the basis of normal inflation one would expect capital payments from the federal Government to increase. Instead of those payments being more than $880 million, they are a meagre $815 million. Though that represents a reduction of 7 per cent, when allowance is made for inflation, improved wages and other considerations, New South Wales is worse off by about 50 per cent.
The honourable member for South Coast, who preceded me in the debate, pointed out how New South Wales had been badly treated in federal Government cutbacks on road funds. I shall take that matter further shortly. A council in my electorate sent me a letter asking me to do what I could to help it to get a fair share of the main roads funds. According to the Loan Speech, an increase of 15 per cent in expenditure on roads will occur in 1980–81. The amount allocated for roads is $554 million. That money comes basically from State revenue, not from the federal Government. Funds provided will be increased by a mere 11 per cent to $197 million. Honourable members will agree that that is an insignificant sum when compared with the $1.5 billion that will be paid this year by the motorists of New South Wales to the federal Government. The average motorist in New South Wales pays $10 a week in federal fuel tax and car sales tax. Only $1.30 a week is returned to New South Wales for road works.

I am pleased that the Government's programme for capital works involves capital expenditure in two areas that I shall mention. Until 1st May, 1976, the electorate of Ashfield had been represented by the Liberal Party for thirty-three years. Within the first three years of its term of office the Government gave to the people in that electorate twice as much as the former Liberal Party–Country Party Government had given. When the Minister for Planning and Environment was Minister for Education he was responsible for the purchase, at a capital cost of $1 million, of almost an acre of land for the Ashfield Boys High School. In his present portfolio he has been involved in the purchase of land for use as passive open space to improve the quality of life of citizens in the electorate of Ashfield. I mention the purchase of the Ashbury brick pit at a cost of $1 million and making available land in Hercules Street, Dulwich Hill. That area will soon become part of the electorate of Ashfield. It is now represented by you, Mr Deputy-Speaker, and doubtless you will be as delighted as I am to know that the Government has arranged for the release of land owned by it for passive recreation purposes. The Minister for Planning and Environment has allocated $27,000 for redevelopment of the area in which there is a large population. The nearby school has been crying out for recreation facilities for years. It took a Labor State Government to do that.

The Western Suburbs Lawn Tennis Club has been granted $15,000 to install synthetic flexipave tennis courts at Pratten Park. Those tennis courts are famous. Not long ago I looked at the honour roll. In 1928 the winners of the titles were two celebrated Australian tennis players, Hopman and Crawford. Members of the amateur tennis club, which does not have licensed premises, have worked assiduously to maintain the courts. The club has looked for a grant from the State Government. Fortunately for the club in 1976 the Labor Party won the election. This year, the Minister for Sport and Recreation, Minister for Tourism and Assistant Treasurer granted $15,000 for two of the six courts to be made synthetic courts. I have mentioned the grant for Hercules Street and the grant of about $33,000 for the hardcourts in Pile Street, Marrickville, opposite Marrickville oval. That is also a first for the local area. I know that the grant made by the State Government will be appreciated.

I was quite disturbed by the lack of federal funding for capital works programmes for main roads. The nation's number one highway, the Hume Highway, which begins at Parramatta Road, Ashfield, runs through my electorate. It should have at least a carriageway befitting such a highway. The Department of Main Roads has had a capital works programme for my electorate while I have been a member of this Parliament and probably even since I was born. Because of the federal Government's [Mr Whelan]
cutbacks the expansion of the inner section of Liverpool and Parramatta roads not only might be deferred but also the road might not be widened to provide an adequate carriageway. The constituents of Ashfield have been waiting for decades for additional capital funds to improve the network of roads round this densely populated area. At last we have received a grant of $84,000 from the State Government to extend Frederick Street, Ashfield, through to the highway to ensure that traffic is diverted from the main residential area and that it travels into the city along the route beside the waterway.

If there is to be a continuation of cutbacks in federal funding, as there has been in the past five years, the people in the Ashfield electorate will be affected. When they go to the polls next Saturday I want them to remember that there has been a threat of cutbacks in funds for road programmes and improvements to residential areas. The State Government has not been able to give Ashfield, Marrickville, Burwood and Canterbury councils—the four councils in the Ashfield electorate—sufficient funds for these programmes. The blame can be fairly and squarely sheeted home to the federal Government.

I thank the former Minister for Planning and Environment for the allocation of funds to purchase additional open space. However, I should like to see such purchases accelerated. The electorate and municipality of Ashfield has the least open space in the State for such a densely populated area. The cost of purchasing land in the area is almost prohibitive, but such a programme should be started now. I am not suggesting that over three years we should buy up every available block of land and turn it into a park. I am talking about a progressive 10-year programme or even a 20-year programme to provide sufficient open space within the Ashfield electorate, as has been done in some of the blue ribbon tory belts on the North Shore. Surely the electors of Ashfield have the right and privilege to enjoy parkland space and recreation.

Earlier I mentioned a note that I received from the mayor of Ashfield, Mayor Herman, asking me for assistance following a council resolution about federal funding cutbacks for roads. The Local Government Association is aware of such cutbacks. Council passed the following resolution:

That the local federal and State members of Parliament be asked to obtain information and subsequently advise the council on the question as to whether or not the allocation of funds for new road construction in Australia is particularly urgent in relation to other priorities, in a time of inflation and unemployment, and in particular whether there is in fact any substantial surplus from the petrol tax dollar after all the myriad costs associated with new roads have been taken into account.

The council is saying to me, as the local member of Parliament, "Please tell us why the parsimonious federal Government has refused to allow part of the fuel levy tax to be allocated for the benefit of local council."

The federal colleagues of honourable members opposite have reduced the amount of funds accruing to the State Government for roads. The Commonwealth has held on to $1.4 billion of the oil levy that it takes from New South Wales motorists. The people of this State get back $196 million or 14 per cent of the fuel tax collected by the federal counterparts of honourable members opposite. Honourable members opposite are trying to defend the federal Government. The residents of New South Wales will not agree that they are being well and truly treated. We are being cheated and fleeced by the federal Government. I have said that on more
than one occasion in this House. If the federal Government did not collect so much money, it would be bankrupt. As I have said, it collects almost $2 billion in oil levy taxes. A quarter of the total federal budget of about $8 billion comes from the oil levy tax.

Quite rightly the Ashfield council has pointed out the costs that it incurs in motor vehicle and driver's licence administration. The council outlines the further costs: a proportion of hospital emergency and ward costs; road police and safety administration; Department of Motor Transport costs and expenditure; road maintenance; council maintenance; damage caused to persons and property; damage to assets or other property caused by road vehicles colliding with animals, and so on; loss of revenue, including rates associated with the engrossment of land; third-party person and property insurance and other insurance costs associated with vehicles; and existing and planned road construction costs. I know what the answer to Ashfield council is. I shall take great delight in telling it that it is because of the meanness of the Prime Minister. He is the most parsimonious man that this nation has ever seen. He is the worst example of an insular Victorian.

Mr Caterson: The honourable member will not get any votes on that issue.

Mr WHELAN: The honourable member says we will not get any votes on that argument. The people of New South Wales will flock to the polls on Saturday and get rid of the influence over the federal Government of the members of the Victorian Club — those who run Australia. Some people say the farmers run Australia, but about fifteen members from the Victorian elitist club run Australia. Members of the Opposition would not get into that club, but Mr Fraser and all his hoes are members of it. They only look after the Victorian group.

At the Premiers' Conference held earlier this year the general purpose capital funds allocated to New South Wales were down by $20 million. That is not of significance to members opposite because they are not interested in the schools in their electorate or in sources of funds to improve public transport, roads or hospitals. I shall tell the Ashfield municipal council that they are not interested. New South Wales has less funds for its capital works programmes because the parsimonious Prime Minister, whom honourable members opposite defend, was responsible for reducing the amount of Government borrowing at the Premiers' Conference. The honourable member for Baulkham Hills opposite will not tell the aldermen on the Baulkham Hills council that. His council should pass a resolution condemning the federal Government for the residents of Baulkham Hills will be worse off because of the policies of the Prime Minister, whom he supports in this Parliament. I should like to see where he stands on this matter. I shall not stand on the street corners at Ashfield to say this but I shall take great delight in moving up to Baulkham Hills where the people need a decent member to stand up for them. Does the honourable member for The Hills support totally the federal Government's capital works cutbacks in the school dental scheme, in pre-schools, in rural adjustments and in housing? Perhaps the honourable member for The Hills could not care whether people are thrown on the street. There are 30,000 people without adequate and proper shelter in this State.

Mr Caterson: What has the State Government done about that?

Mr WHELAN: I shall tell the members of Ashfield municipal council that during the past six years the federal Government has deliberately ignored that council's road needs and those of all the people of this State. Despite continuing increases in
traffic volume, since 1976 federal road grants have decreased. The federal Government has failed to heed the cry of the people and the representations of the Premier and Treasurer of this State. Also it has ignored its own Bureau of Transport Economics, which has recommended that the New South Wales share of total road grants be increased from 32 per cent to 38 per cent. Why has there been this progressive cut-back? The fuel tax is not going into municipal roads, rural roads, Victorian roads or even national roads—the federal Government has been using it to balance its budget.

In 1980–81 the Commonwealth Government collected from the road users of this State $1.4 billion in fuel tax and it has returned $196 million of it, or 14 per cent, for roadworks. The honourable member for The Hills can bet everything he has on the fact that next Monday, despite vehement denials to the contrary, the fuel tax will rise again. The honourable member for The Hills is suddenly quiet because he knows that if next Saturday the people are duped, as they were at the federal elections in 1975 and 1977, into returning the Liberal Party and Country Party to government, the fuel tax will rise. In 1975 and 1977 the coalition Government promised the people that it would arrest inflation, but that has not happened.

Mr Caterson: Inflation has been reduced from 17½ per cent in 1975.

Mr WHELAN: Any cure for inflation that the coalition parties might have rests solely upon an increase in unemployment. I have seen what the fiscal policies of the federal coalition have done to young people and to the many constituents who have come to my electoral office seeking help in their search for housing or accommodation. I have even seen the effect of federal policies on people who have been trying to get artistic grants. No money has been made available to them.

Mr Caterson: The State Government has done nothing about that.

Mr WHELAN: People who have artistic merit ought to be given some financial encouragement, but this terrible federal Government has done nothing except take money to balance its books. It is little wonder that people have lost heart. Clearly the federal Government will increase the cost of petrol to the consumer by 2c or 3c a litre if the people of this State are silly enough to vote for them on Saturday. The federal Government will go into 1981–82 with a deficit of approximately $3 billion. It will not raise that money by closing tax loopholes or by any means other than increasing the oil levy to maintain its policy on price parity. The motorist will meet the bill, not the multinational oil companies.

The mayor of Ashfield, Alderman Lewis Herman, sent me a letter asking whether I could explain to the council he capably represents why the State Government may be unable to provide capital grants. The answer is simple; the federal Government ought to hand back to the people of this State the other 86 per cent of the money it has collected as fuel tax—the $1.2 billion that it has used to bolster its accounts, to keep the savage Victorian Club going and to deprive the people of this State so as to make second-class citizens of them. But as the honourable member for The Hills well knows, the day of reckoning is at hand this coming Saturday.

Surely the Prime Minister that members of the Opposition applaud and love understands that it is in the national interest to have better roads for all the community—not just for the Victorian Club elite but to assist in saving lives, and to improve social security, productivity, tourism and opportunities for recreation. Better roads
are sought also by people who see a need for improvements in the defence planning of this country. The only thing we have heard from the paranoid Prime Minister during the federal election campaign is that the floating dock from Russia is a socialist plot to build the first Russian war vessel in Hobart. Whether he believes it or not he should realize that road improvement is capital intensive. It could go a long way to relieving unemployment, especially in rural areas.

I shall be interested to hear the contributions of Country Party representatives about the plight of young and middle-aged people who would dearly love a job, whether it would involve working on the roads in a country town or building a better road system so that farm produce could be transported to the city more easily. The honourable member for The Hills should talk to the Prime Minister if he chooses to defend him on this aspect, because the federal Government is robbing the people of this State of $1.2 billion. Members of the Opposition have done nothing about that. The federal Minister for Transport told a group of local government representatives that he had had great experience in local government—he had represented the people of a town called Boomi that is in the local shire. More people live in one of the streets of my electorate than live in all of Boomi. He said that he favours the financing of more roadworks but he is afraid that no more money is available for that purpose as it is already committed. Let me say again that if by Monday it is established that the people of New South Wales have made a mistake by placing their confidence in the Fraser Government, we shall see petrol prices in New South Wales rise by \(2\text{c} \text{ a litre}\) in order that the Government might continue to attempt to balance its books.

Mr PARK (Tamworth) [8,38]: The honourable member for Ashfield criticized the Deputy Leader of the Opposition and he criticized the federal Government for retaining funds received as a result of its fuel parity pricing policy. The Deputy Leader of the Opposition proved conclusively that the New South Wales Government has adequate funds and is in a happy financial situation. It is simply a matter of priorities. That is what I shall look at briefly tonight. The capital works programme, the Budget and the Auditor-General’s Report together provide an opportunity for members of this House and the public to evaluate the performance of the Government and to gauge its priorities. Many items in the capital works programme are referred to only briefly or in general terms, and honourable members await the release of further details of these items. This applies particularly to programmes in country areas.

Reference was made in the Budget Speech to the strong industrial growth in the Hunter Valley, and at Lithgow, Cobar and Port Kembla. The Government is placing great emphasis on the development of the coal industry and increased generation of electricity. In the private sector, coalmining projects worth $600 million that are being developed in the northern field will begin production within three years. Mention was made also of projects in the western coalfields worth $180 million and in the southern coalfields worth $120 million. These projects will result in considerably greater coal production in the next two years.

There are, of course, vast coal reserves in the Hunter Valley and we shall see tremendous development in that region in the foreseeable future. On 25th September, 1980, an agreement was signed by Agip Australia Pty Limited, the Australian Coal and Shale Employees Federation—which is affiliated with the Miners Federation—and Wambo Mining Corporation Pty Limited for the exploration, development and exploitation of coal deposits near Warkworth in the Hunter Valley. In about 1974 the Miners Federation was granted a lease at Nymboida by the previous Liberal
Party-Country Party Government. The lease is almost mined out. The present Government has granted in its place a new lease in the Warkworth area. It should prove an interesting venture. I wish the consortium well. It is an experiment that I hope will lead to much better industrial relations in the coalmining industry.

There are vast deposits of coal also in the Boggabri area. As a result of the electorate redistribution that will take effect at the next State elections, that area will become part of the Tamworth electorate. These coal deposits are of high quality and include both steaming and coking coal. Broken Hill Pty Company Limited, which has one of the leases in the area, has announced that it will proceed to develop the reserves there, and in the next few years considerable development will take place in that area. I shall now refer to the economy of the companies involved in the coalmining industry. In 1979–80, 21.87 million tonnes of coal, worth almost $700 million, were exported from this State. Only six of the thirteen exporting companies made a profit and of those six companies, four were barely profitable. The average sale price of the exported coal was $31.50 a tonne, ranging from a low price of $22 a tonne for steaming coal to $45.50 a tonne for high quality coking coal. The coal industry has estimated that the New South Wales Government received about $4.56 a tonne and that the profits of the coal companies were less than $1 a tonne. It is estimated also that within the next fifteen years the demand for export coal from New South Wales could rise to between 90 million and 100 million tonnes annually.

If New South Wales is to capitalize on the forthcoming coal boom, new infrastructure such as railway rolling-stock, new railway lines and coal loaders will be needed in advance of the demand. The industry has suggested that a new coal loader is needed at Newcastle. The present capacity of that port is about 15 million tonnes annually. That capacity will be increased by harbour deepening that is being carried out and by modifications that are being carried out to the existing coal loader. By late 1982 these changes and improvements will increase the capacity of the port to well over 20 million tonnes annually. When I spoke in the Address-in-Reply debate I mentioned the plan of the previous Liberal Party-Country Party Government to develop a coal loader at Botany Bay. I shall make further reference to that later.

Let me say that New South Wales is not guaranteed an automatic share of the increasing world demand for coal. A number of factors will have a bearing upon that matter. These include the cost competitiveness of New South Wales compared with Queensland, and also compared with established coal exporting countries such as Canada, South Africa and the United States of America, and new exporters of coal such as China, Russia and Colombia. They include also the infrastructure requirements of which I have spoken, direct and indirect taxation levied upon coalmining companies, industrial unrest which has occurred to a high degree in the past year or so, the provision of more deep water port facilities than we have at present and, finally, the availability of skilled manpower.

All of these factors must be considered carefully. Though the price of steaming coal is expected to rise considerably over the next two years, the costs involved—some of which I have mentioned—may well erode the additional revenue. Recently the Government announced that coal royalties would be increased from $1 to $1.70 a tonne. Reference has been made to the possibility of freehold rights being changed or taken away. One wonders whether the taking away of freehold rights will apply to coal only or to all minerals. It is worth noting that about half the companies involved in the coalmining industry own the land on which they operate. As the New South
Wales Government is making large profits from the coal industry through royalties, transport and loading arrangements, it should be able to provide better transport and loading facilities.

Last January I visited Singapore, the fourth busiest harbour in the world. The quick turnround of ships in that port was amazing. Some weeks ago I was in Port Kembla. I noticed seven ships standing off the port, at considerable cost, waiting for the chance to enter the port and take on coal. I understand that during the last long weekend twenty ships were standing off Newcastle. The slow turnround of ships at our loading points is a major factor in increased shipping costs and will be taken into account by countries wishing to import coal from Australia in the years ahead.

To meet the increasing demand for electricity the Government is planning to develop three new power stations—Bayswater in the Hunter Valley, Mt Piper near Lithgow and Eraring on Lake Macquarie. Between 1982 and 1988 when those three power stations are commissioned, the generating capacity of New South Wales will be increased by about 70 per cent. About half of the increased demand for electricity will come from domestic consumers and the other half from industry and commerce. The three power stations, which will all be coal fired, will require approximately 15 million tonnes of coal a year.

The deepening of Newcastle Harbour will allow ships to load up to 75 000 tonnes. At present the limit is about 60 000 tonnes. On completion of the next stage, at about the end of 1982, it is expected that ships entering Newcastle Harbour will be able to load about 120 000 tonnes of coal. Because of the likely increased demand the Government should be contemplating action that can be taken to allow the limit to be increased to 150 000 tonnes or more. Though that might be beyond the practical capacity of Newcastle, in other ports loads of that magnitude are realistic and will soon have to be considered seriously. On completion of the coal loader at Port Kembla by 1982 the loading capacity of all of the State's ports will be about 38 million tonnes a year or almost double the present capacity. That will still be far short of the possible increased demand that will occur over the next fifteen years.

It must be remembered that the increased demand for coal will not be confined to coal for export. I have already mentioned the large quantities that will be required by power stations and consumers. The demand for coal in New South Wales will probably increase at about the same rate as one hopes the demand for export coal will increase. Again I stress the need to consider the construction of a loader at Bunnerong in Botany Bay. In the speech that I delivered during the Address-in-Reply debate I mentioned that coal is sent by rail from Lithgow. That practice will continue as coal reserves in that area are developed. Coal that will be railed from the western fields to Port Kembla will pass through Tempe, which is only four miles from Bunnerong. Then it must be transported a further fifty miles to Port Kembla. If a loader were built at Bunnerong it would be a short haul from Tempe. The capital works programme provides for the Port Kembla facilities to be increased so that they can handle about 14 million tonnes annually at a total eventual cost of about $136 million. Provision is made also for $16 million to be spent on upgrading the small coal loader at Balmain to a capacity of 4.5 million tonnes a year. Without a coal loader at Botany Bay it will be difficult for this State to meet the projected demand that I have mentioned will occur within the next fifteen years.

The Electricity Commission, which is now involved in the coal industry, is concerned with underground mines. Mention is made in the capital works programme of the fact that this year the commission will spend $38 million, mainly on developing
two underground mines, one at Myuna Bay, the other at Cooranbong for the Eraring power station. By the time those two mines are fully operative, the cost will be about $120 million. One wonders why private enterprise could not have been given the task of developing those mines, thus enabling the Government to spend that $120 million in other cost areas. When dealing with the transportation of coal, one should emphasize the need for the State to develop rail systems that can cope both with export coal and coal that is to be moved to power stations and other outlets in New South Wales. Recently the Premier and Treasurer opened the new development at Ulan, which is needed by the State and will serve it well.

I believe that the Government should confer more with the industry. A vast part of the Hunter Valley has restricted rail facilities that are expected to serve large areas of New South Wales. Some new mining areas, such as at Boggabri, are a long way from industry and all kinds of infrastructure developments will need to occur before mining operations can be carried out in those places. In general, unit trains in New South Wales are limited to a net load of about 1 200 tonnes. In the Newcastle area trains can cope with net loads of up to 2 300 tonnes, and indeed they are doing so. However, in the future we shall need to envisage trains pulling net loads of more than 5 000 tonnes. Overseas one finds unit trains handling net loads of 10 000 tonnes.

Mr Fischer: That is being done in Queensland.

Mr PARK: In Queensland, as the honourable member for Murray says, some unit trains can carry loads far in excess of any we can handle in this State. One problem is that New South Wales has relatively limited rail facilities; it does not have the loop lines to cater for long unit trains. That matter needs to be examined urgently. There are a few other mining matters that I should like to mention. I wish to refer to the Elura lead-zinc mine at Cobar. That mine, which will cost about $170 million, will be in production by about 1982. That important development, together with the further development of the USA copper mine, will add greatly to the industrial output of the Cobar area.

I wish now to mention an industry that was the subject of a question I asked the Minister for Industrial Development and Minister for Decentralisation recently. I refer to the possibility of a titanium metal industry being established in New South Wales. I hope that it will be possible to establish that industry. I hope also that the Government will support the four companies concerned in the sand mining industry who wish to produce the necessary base mineral. There is a developing and lucrative market for titanium. If it is more profitable for New South Wales to develop that industry and to sell the titanium metal rather than the basic product, that is what should be done.

I wish now to deal with the Londonderry centre. The sum of $2.7 million has been allocated to this area of mineral resources, mainly to enable physical and mechanical testing facilities to be established. The idea is to test the equipment used in mining operations in general, and particularly in the coal mining industry. This is an important consideration. We are all aware of the fact that a number of accidents have occurred in the mining industry, particularly in coal mines. We are aware also—or we should be—of the importance of safety, particularly in underground mines. Last Sunday three young men were killed in the CSA copper mine 8 kilometres north of Cobar. I am sure that the House extends its sympathy to the widows and
families of those young men. We must do everything possible to ensure that, so far as is humanly possible, accidents are eliminated in the mining industry. We must determine whether the safety rules are being observed. If not, steps must be taken to ensure that they are observed.

Mr SPEAKER: Order! The honourable member has exhausted his time.

Mr CATERSON (The Hills): I wish first to add to the words of welcome that have already been expressed to the new member for Murray, who formerly represented the Sturt electorate. We are delighted to see him back with us once more. I am sure that in the future he will have a wonderful contribution to make to the work of this House. I wish to take this opportunity to speak on a number of matters affecting my electorate and my constituents. I think it must be said that in this bill there are no benefits or developmental possibilities for the people of The Hills. This Labor Government is concerned with vote-catching. All its policies are directed not to what is good for the people of this State but to the political advantage that it can derive. The Government directs its money towards marginal seats and to strengthening, if it can, the seats of those whose continued presence in this House is extremely doubtful.

In parrot-like fashion the Premier and Treasurer attempted to berate the federal Government. Almost every Government supporter, who has taken part in this debate, has followed the same line. Tonight the honourable member for Ashfield, in a fairly incoherent way, spent most of his time electioneering for the forthcoming federal election. The honourable member would have done better on a street corner in Ashfield or in some other part of his electorate. Next Saturday will prove that the people of this State are tired of a show-pony Premier and Treasurer and of his attempts to blame anybody he can for the blundering, squandering and inefficiency that occurs in this State. Today the Deputy Leader of the Opposition demonstrated that this Labor Government, through milking and stripping the public of this State, now has a superfluity of money available to it. I propose to refer specifically to how the residents of The Hills electorate are being affected by this inefficient, miserly, biased and vote-grabbing Government.

Mr Day: They are poorly represented; that is their real problem.

Mr CATERSON: They are well represented, and the people of The Hills know it.

Mr Day: Why does the honourable member say his constituents are well represented?

Mr CATERSON: I have said—and I shall say it again in simple terms so that the Minister for Industrial Development and Minister for Decentralisation can understand it—this Government is not concerned about the Bankstown electorate or other areas where Labor has a majority. It is not concerned with the electorates of Kirribilli or Ku-ring-gai, where the Opposition has a big majority. The Government is not concerned with The Hills, where it knows that it has no show. The Government is interested only in vote-grabbing and spending its money to retain in this Parliament persons like the Minister for Industrial Development and Minister for Decentralisation, who has a tenuous hold on his electorate. That is where the money is going, and if the
Minister listens I shall show clearly how this is so. The sum of $32 million has been set aside for the Land Commission. That money could be better spent. The birth of the Land Commission was heralded with the usual fanfare of trumpets and baloney that flows from the Premier and Treasurer's public relations machine. It was said that the Land Commission would put on the market cheap blocks of land, but this was another myth. The Land Commission has bought 300 acres of the Glenhaven release area in my electorate. I had the opportunity of speaking with the chairman of the commission about this land. I asked him whether the commission intended to provide the public with cheap land. He replied clearly that this was not the intention of the Land Commission. He added that the commission was a moderating influence in the land market only and was not set up to provide persons with a capital gain of $10,000 or more. The sale of land is an area that should be vacated by the Government and left to private enterprise.

Mr Day: Does the honourable member mean to leave it to the thieves?

Mr CATERSON: The Minister for Industrial Development and Minister for Decentralisation talks about thieves in private enterprise. The Land Commission is thieving from the residents of the shire of Baulkham Hills rates that private developers should be paying. The commission is thieving land tax that private enterprise would otherwise be paying.

Mr Day: The commission manages to compete with private enterprise.

Mr CATERSON: Of course it can compete because it is not subject to the same charges. The people of my area—in fact all the people of New South Wales—are subsidizing this infamous Land Commission that was established to provide cheap land, although the chairman claims that its role is only to moderate the price of land. I turn now to roads. The electorate of The Hills enjoys—if that is the right word to use—no public transport. Persons living in The Hills depend upon private bus services and their own motor vehicles. Though private bus operators provide a good service, they are constrained by two factors: first, unlike public transport, they receive no direct or indirect help from the Government. Each week every family in The Hills contributes $6 or $7 to the public transport system, which they seldom use. The second constraint on private bus operators is that, because they depend on their services to make their living, they must operate at a profit.

Most persons living in The Hills electorate use their own cars to travel to and from work. The 1976 census revealed that more than 90 per cent of residents of The Hills, who worked outside the area, travelled to work in their own motor vehicles. There are two main road entrances to The Hills; one is by the Castle Hill Road and the other by the Windsor Road. It is disappointing to see how little is being spent on those two main arteries. At present Castle Hill Road is being widened to four lanes, but the work is being carried out at a slow rate. In the next twelve months just over $100,000 will be spent on this development. If honourable members know anything about these things, they will realize that $100,000 will not provide much road in hilly country. Windsor Road—as it goes through to Baulkham Hills—should be a 6-lane highway, but that is probably only a pipedream.

I am pleased to see that the North Parramatta by-pass from Windsor Road to Old Windsor Road, including a bridge over Toongabbie Creek, has been included in the loan programme. Although that proposed road is not in my electorate, it will help
substantially the citizens who live in The Hills district. The proposed bridge is in my electorate and I am pleased that money will be made available for it. I assume that there is a typographical error as there are two bridges to be built over Toongabbie Creek, one at Johnston's crossing and the other at Pye's crossing. The area is subject to frequent flooding and honourable members may recall that over recent years many persons have lost their lives when proceeding along Oakes Road.

I am disappointed that no mention is made of extending the North Parramatta by-pass along Old Windsor Road, which for many years has been nothing more than a waggon track. The little reconstruction work that has been carried out was funded by Blacktown and Baulkham Hills councils. I applaud the Government's intention to reconstruct Windsor Road and provide four lanes between Baulkham Hills and Kellyville, which is a continuation of work commenced in 1979–80. Expenditure on this work in 1980–81 will be $1.4 million. I hope that a substantial part of this sum will be made available this year. However, this will not be an answer to the traffic problem that exists right throughout The Hills area. Some twenty-three or twenty-four years ago the Castlereagh expressway was first talked about and planned. Over the years much land was acquired for the expressway. I am informed that, although this expressway has not been dropped from the Government's plans, it has been given no priority and the people of the area will be lucky to see its construction within the next twenty years. This is a great pity as anyone who knows the area will appreciate that it suffers from a substantial traffic problem. Much of the traffic in the area passes through the village of Castle Hill; it is not local traffic but vehicles proceeding over the Blue Mountains, mainly by way of the Bells Line of Road.

If the Castlereagh expressway construction is not to proceed for some years, which I would regret, ring roads should be provided to enable a reasonable traffic flow in an area that is almost totally dependent on privately-owned motor vehicles for its transport. The Loan Speech discloses that some $227 million is to be provided for public transport. Unfortunately not one cent of this amount is to be spent—or I suppose can be spent at this stage—in The Hills electorate. Surely the area should receive special consideration by the Government's providing adequate main roads.

I wish to refer next to the problems of schools in my electorate. The Government stands condemned for its lack of planning and slowness in providing education facilities for the increased number of children in the electorate. The Hills district is one of the fastest growing areas in Sydney—indeed, in Australia. Each week the shire of Baulkham Hills, which forms a substantial part of my electorate, approves the construction of housing and additions to homes to the value of $2 million. This is equivalent to $100 million a year and demonstrates the great rate of expansion of the area. This does not take into account the Glenhaven land release area, which will have over 3000 houses and approximately 12000 people, or the West Pennant Hills valley, which will have between 3000 and 3500 houses with a population of 12000 to 14000. Notwithstanding this proposed expansion there is no plan to provide major roads. Further, little is being done to provide the other services that the Government is required to make available. I shall return to the question of schools after I have referred to some other problems in The Hills electorate.

Mr Caterson]
Castle Hill is the administrative centre of the Castle Hill police district, which covers an area from close to Parramatta, to the Blue Mountains and the sources of the Colo and McDonald rivers. The only accommodation for the centre of this busy police district is an old house with temporary buildings in the centre of Castle Hill. Some sections of the district’s police force, such as the highway patrol, are based at Windsor, which is some 15 miles from Castle Hill. Castle Hill requires urgently a proper police station that will cope with the immediate needs of the area and the increased workload that will result from the population growth over the next five years. I understand that land at the corner of Castle Street and Pennant Street, Castle Hill, is in the process of being purchased. I am disappointed that the land will be barely sufficient to accommodate a police station to serve present needs let alone those of the expanded area over the next five or ten years. I ask the Premier and Treasurer, and the Minister for Police and Minister for Services to consider this problem. This growing area requires proper facilities for its police.

I note also in the Loan Speech that $7 million is being allocated for the prison at Parklea, about which I have spoken previously in this House. The Premier and Treasurer stands condemned for his action in proceeding with the construction of the Parklea prison. The Premier and Treasurer, in his election speech in 1976, said that there would be no more confrontation with the people, that the Government would discuss problems with them. He said also that the Government would not impose its will on the people but would talk with them. The opposite happened in respect of Parklea. Some years ago the Rt Hon. E. G. Whitlam said at Castle Hill that an airport would be located at Galston. Similarly the Premier and Treasurer told the people of Parklea that they would have a maximum security prison located in that area. The Premier and Treasurer and the Government have been high-handed in their treatment of the people who live at Parklea.

I am extremely disappointed at the lack of interest shown by the present Minister for Education, and by his predecessor, in the schools in The Hills electorate. Jasper Road Public School is a 24-classroom school which has an enrolment of almost 1,500 children. The school is able to function only because the former Masonic school, located opposite Jasper Road Public School, has been vacated and through the goodness of the authorities of the Masonic school and of the Baulkham Hills shire council which has purchased the Masonic school site. More children from Jasper Road school are accommodated in demountable buildings on the Masonic school site and in the old Masonic school buildings than are accommodated in the official Jasper Road school. That set of circumstances has been brought about by the delay in securing land and constructing the Quarry Creek school, which I understand is now to be known as the Matthew Pearce school, named after one of the pioneers of the Baulkham Hills area. The building of the school has been delayed for almost four years and the school will not be opened until 1982.

The delay in opening the new school has put an enormous strain on the facilities of Jasper Road Public School. I have instanced only the Jasper Road school, but most of the other schools in The Hills electorate are bursting at the seams. Castle Will Primary School has more than 1,300 students; Crestwood school is crammed with children, and a similar situation exists at North Baulkham Hills. Similar comments would apply to every school in my electorate, including the high schools. I understand that the new Crestwood high school is to be a fully demountable school and will open in 1981. That will take some of the pressure off Baulkham Mills High
School and Model Farms High School. The demountable building is to be transported holus-bolus from North Richmond where it was used as the Colo High School and before that by two other high schools. That will be a wonderful acquisition for the area. Students will no longer have to cram into the existing high schools which are inadequate to cater for the number of students wishing to attend the schools, and will be able to attend the demountable school. I hope the department has begun planning to build a permanent high school at Crestwood.

At the beginning of every year problems arise as insufficient demountable buildings are available in the area to enable schools to cope with the expanding population. Each year children are either not able to start school or must be accommodated in substandard buildings because the department has not been able to supply in time and in sufficient numbers demountable buildings to enable the schools to open properly. I do not suggest that it is uncommon in New South Wales, but some schools in The Hills district have twenty or more demountable buildings located in school playgrounds. Each year the number is increasing.

I make a plea to the Minister for Education to provide funds for an assembly hall at the important Baulkham Hills High School. Almost 1 100 students attend the school and at present only a small proportion of the students can be adequately accommodated in the small multipurpose hall when the weather is inclement or on prize-giving occasions. For some years land has been available and plans prepared for the construction of a technical college at Baulkham Hills. No provision has been made in the Loan Estimates for such a technical college and I ask the Minister to give consideration to that matter.

The Hills is an historic area. The Castle Hill rebellion, one of the most historic events in Australia's history, occurred in the district. That incident was greater in magnitude and in numbers than the Eureka Stockade rebellion. It all began at the convict settlement at Castle Hill. Efforts are being made to preserve that site for future generations. The land is owned by the federal Department of Administrative Services, but a lot of research must be done by the New South Wales Government so that precise areas might be defined. The persons involved with the project have experienced some difficulty in obtaining funds, and perhaps the Minister for Planning and Environment might be able to assist them. The site should be preserved, for it is an historic area with a colourful past. Residents of The Hills district are anxious that something should be done to preserve that site.

I wish to speak about many other deficiencies in the Loan Speech. The Hills district hospital was promised by the former Liberal Party-Country Party Government and would have proceeded but for the change in government. The present Government has taken no action to acquire land for that purpose. Some thought has been given to where the hospital should be located, and various sites have been inspected. The council and the Health Commission of New South Wales have agreed upon a suitable site, but that seems to be as far as the matter has proceeded. I intend to speak to this matter in the budget debate and shall refer to the allocation of funds for Westmead Hospital and the policy of the Health Commission and the Government on major hospitals as opposed to minor district hospitals.

Mr SPEAKER: Order! The honourable member has exhausted his time.
Mr J. A. CLOUGH (Eastwood) [9.38]: First, I shall refer to comments made by the honourable member for Armidale who joined in the chorus of his colleagues in making continued demands for further funds from the federal Government. In his speech the Premier and Treasurer claimed great credit for a buoyant and better capital works programme. In that claim he was supported by an editorial in the Sydney *Morning Herald* of 15th September, 1980, which declared that the Government’s spending on its capital works programme increased by 17 per cent. The whining complaints of Government members remind me of *The Fiddler on the Roof*; on the one hand it is this and on the other hand it is that. In other words, Government members want it both ways. They have a Dr Jekyll and Mr Hyde approach; on the one hand they claim recognition and approbation for their great deeds of financial management and achievements, but on the other hand, when the Opposition or anybody draws attention to the Government’s neglect and shortcomings, they chorus the line that all deficiencies and failures are due to the wicked federal Government.

The honourable member for South Coast complained about the lack of a national roads programme. That is a simplistic overstatement. There are by consensus, and sometimes specifically, joint co-operative arrangements between the federal and State governments. Under the federal system, that is perhaps as good an arrangement as might be obtained in the circumstances. My colleague the honourable member for the Hills made reference to the Castlereagh expressway. I join in his exhortations for reconsideration of that matter. I understand that the Government still has frozen in kitty some $26 million which was earmarked for freeway construction. I should like to know the Government’s intentions for that reserve, which to my knowledge is still sitting there after 12 months, with the Government unable to make up its mind what to do with it. As a result of the lack of attention to the Castlereagh expressway congestion has occurred at the Epping Bridge overpass. Traffic banks up from all points—north, south, east and west. Another crossing north of Epping is urgently required. This is recognized by the National Roads and Motorists’ Association which states that such a crossing is absolutely necessary and can be built at a comparatively reasonable cost.

From time to time I have taken up the matter of consolidation of the Eastwood Primary School. I still make the appeal. The consolidation has been acknowledged as being necessary by the Department of Education. Of course, it is the old story of there not being funds available. I do not agree with that story. If I were the Treasurer and I had the money that this Government has, I could make the funds available tomorrow. What is needed is better planning, better management and a better use of Government funds. I should like to suggest an alternative to the consolidation of Eastwood Primary School. Carlingford primary school, which is a kilometre or two west of Eastwood Primary School, has considerable surplus land compared with Eastwood primary school. It also has a number of vacant classrooms following a decrease in population. I am of the opinion that, instead of consolidating Eastwood Primary School it would be a good idea to consider phasing it out over a period and developing a proper consolidated primary school at Carlingford where there is more land available. I say that with something of a heavy heart as Eastwood
Primary School is a great school and one of which I am very proud. In my time as a member of Parliament it always had good teachers and staff and provided good quality students to high school. However, it is badly situated, being in the heart of the Eastwood commercial area. Therefore I suggest that my proposal is worthy of close examination.

The *Daily Mirror* of 12th September, 1980, reported that the State road programme for 1980–81 would be $554 million. The honourable member for Ashfield complained about that. He said that the federal Government had given only a measly amount. The honourable member for South Coast also mentioned that matter. The amount of $197 million is not a bad slice of a $554 million cake. It is in excess of 30 per cent. With a federal system of government and the sovereign New South Wales Government raising money from various sources, that is a good contribution from the federal Government. The Commonwealth payments to the States are set out in the Budget presented by the federal Treasurer. Though the 1980–81 estimates are not all here, table 79 of Budget Paper No. 7 shows local governmern tax sharing entitlements and other expenditure for 1978–79 as $336,281,000. For 1979–80 the amount was $387,431,000, an increase of 15 per cent. Unfortunately the amount for roads is not shown in table 79 but the Premier and Treasurer has said that the Commonwealth's contribution to road grants is $197 million, so that fills in the gap.

I shall now refer to local government tax sharing entitlement payments by the Commonwealth Government to local government authorities. In 1976–77 the local government tax sharing entitlement was $140 million. In the 1980–81 estimates the entitlement rose to $300 million. That is an excellent increase. I do not think that local government, to which the honourable member for Ashfield referred so often, is doing too badly. The federal Government is showing a caring interest, not only for local government but also for the roads programme and the entire capital works programme of New South Wales. The same publication, at table 81, shows payments to the States on loan council borrowings. In 1979–80 the general purpose amount was $6,673,310,000. The amount allocated for specific purposes was almost $5 billion, giving a total of $11,379,371,000 for 1979–80. For 1980–81—this gives the lie to the claim that the State Government has not been treated fairly—the general purpose grant was $7,334,150,000. The specific purpose grant brought the total to $12,561,901,000, a considerable increase over that for the previous year.

It ill behoves Government supporters to say that the State is being starved of funds by the federal Government. The Government cries wolf whenever it is short of funds. The State Government says it could do much if it were not for the federal Government. When it wants to make the picture look good and wishes to tell the people how well off they are under the Wran Government it puts the boot on the other foot and says what a wonderful job it does and how much it has provided. When chided about shortcomings or deficiencies the Government cries wolf and says that the problem is the fault of the wicked federal Government.

Some years ago in my electorate about 17 acres of land at Marsfield was earmarked for use by the Department of Education. Since then it has been declared to be no longer required by that department. The land is now in the hands of the

*Mr J. A. Clough*]
Minister for Housing, Minister for Co-operative Societies and Assistant Minister for Transport. He has called for propositions from interested bodies suggesting how the land might best be developed. My concern stems from the visit earlier this year by representatives of the Council of the Municipality of Ryde and myself to the Minister. At that time the Minister's officers predicted extraordinarily heavy population development there. This is a good residential area and ought not to be injuriously affected in any way. I hope the Minister will give further consideration to developing the land in keeping with the amenity of the neighbourhood and thus protect the residents of the area.

From time to time the Government tells us that it has spent, and is spending, large sums of money to improve the State's transport services and to update its rolling-stock. It says also that it is improving and extending its permanent way and signalling systems. In my electorate rolling-stock has not improved. Those who frequently use the rail services have informed me that it is worse, but that could be tolerated to some extent if only the trains would run on time. I ask the Minister for Transport to ensure that the Government's promises to improve rolling-stock and to provide better suburban carriages are honoured. If that is done, my constituents will have a better service all round and a better timetable.

I wish to deal with a document that came to my hands from the Teachers Federation. Probably that document has been received by other honourable members. The Teachers Federation made a synopsis of the State Budget and the Estimates for 1980–81. In this matter I shall speak about the capital programme. As the House is debating the Loan Estimates I shall not touch upon recurrent expenditure. The document from the Teachers Federation is signed by Barry Manefield, president, and Jennie George, general secretary. It gives a summary of the estimates for capital expenditure on education in New South Wales in 1980–81. Attention is drawn to the growth in the total capital programme, which is 16.97 per cent, near enough to the 17 per cent to which I adverted earlier. Education capital is $191.5 million, a growth of 7.64 per cent, but the education shortfall is $16.58 million.

The document goes on to give a number of other indicators about Commonwealth contributions for schools and betterment payments and reveals a State Government shortfall of 16.97 per cent or $8.16 million. That last figure was broken down to show that the State Government payment for schools was $113.5 million, and the shortfall of 16.97 per cent was $6.973 million. State payments for technical and further education were $12.5 million and the shortfall of 16.97 per cent was $1.18 million. The total is $8.16 million for State Government payments for schools and technical and further education with shortfalls of 16.97 per cent.

On behalf of those who were good enough to send me this document I suggest to the Government that close attention should be given to this matter. I recognize there is difficulty in providing for a capital works programme at present in the State of New South Wales because of fluctuations in population densities. I was interested to note recently in Alexandria, one of the last places I should have thought this would have taken place, a new high school was being built in Buckland Street. That really surprised me because I had understood that inner city school populations were diminishing.
Other statistics were sent to me yesterday by the Catholic Education Commission. They revealed that in Fairfield, in perhaps what might be described as the south-western part of the Sydney metropolitan area, enormous development is taking place and population growth by the year 2000 is expected to be so great as to be worrying the commission. If that is occurring with independent schools, it must be occurring with State schools in that area. In this debate I do not wish to discuss education per se, whether it be in independent or State schools. I am a product of both. I should only like to see the best possible education system in use. The Government is not attacking the problem by the throat, as it should. It must look at things differently and do its sums in a different way to bring about a better education system in New South Wales.

In conclusion I appeal to the Government to look at its finances carefully and come up with better and alternative submissions for their use. The finances shown in the last Commonwealth programme of payments to and for the States, and in the Commonwealth budget brought down earlier reveal that the New South Wales State Government is not short of funds for capital works. Indeed, if it says it is, it is short-sheeting the people of New South Wales. There are ample funds in the New South Wales Treasury, combined with approved borrowings and facilities for further borrowing, to carry out all the requirements asked of it in so many quarters, and without any great difficulty.

Debate adjourned on motion by Mr Brewer.

ADJOURNMENT
Barrenjoey Peninsula Ambulance Services

Mr COX (Auburn), Minister for Transport [10.1]: I move:

That this House do now adjourn.

Mr SMITH (Pittwater) [10.1]: I wish to raise a matter of great concern to the people of the Barrenjoey peninsula. I refer to three recent incidents with the ambulance service in that general area. They were all emergencies. The first, on Saturday, 4th October, was a call to Wollombi Road, Bilgola Plateau. The ambulance was activated at 5.10 a.m. and arrived at the house at 5.25 a.m. That was a fast trip, but the patient was dead on arrival at the hospital. On Monday, 6th October, another emergency call about a person who had collapsed was received by the ambulance at 5.17 p.m. The ambulance got the patient to Mona Vale hospital at 5.43 p.m., 26 minutes after it left the station. The third case was on Wednesday, 8th October. The call was received at 4.47 p.m. to go to Barrenjoey Road, Avalon, where a girl had been thrown from a horse. The ambulance arrived at Mona Vale hospital at 5.16 p.m., 29 minutes after the call was received.

The point I make strongly is that the Pittwater electorate, which is the largest electorate in the area served by the Central District Ambulance Service, does not have an ambulance station within its boundaries. The closest ambulance station is at
Nanabeen in the electorate of Wakehurst, about 10 miles from Palm Beach. To get from the ambulance station to the top of Bilgola Plateau in a quarter of an hour an ambulance must travel at high speed. I know that ambulance drivers are fine drivers and that they take their life in their hands every time they do a trip like this. I am grateful to them for the work that they do. But in cases of cardiac arrest and other emergencies, the essence of survival is time. It is vitally important to get the patient to hospital in the shortest possible time.

Many elderly people live in the Palm Beach area. To take them to hospital an ambulance has to leave Narrabeen and travel to Palm Beach and back to Mona Vale, a distance of almost 20 miles. The area of which I speak has a large population. An influx of people occurs during the summertime, particularly on Saturdays and Sundays, when there could be between 100,000 and 150,000 people in the general area. They must rely entirely on the service from Narrabeen ambulance station. The only reason that we have not had a major tragedy in the area or more serious problems is that during the summer months the Wales helicopter is available during daylight hours at weekends to cope with emergencies, which it has done on many occasions.

A large amount of pleasure boating takes place on Pittwater. If an accident occurs on the water, additional travelling time is necessary to get the victim to hospital. Having spoken to ambulance officers in the area and examined the Budget Papers and the General Loan Account Appropriation Bill, I understand that no money has been allocated for the construction of an ambulance station at Avalon Beach. That is the logical place for it. It should be capable of accommodating three vehicles. I understand that the council has purchased a suitable site, which was formerly a Caltex service station. That is the site that the officers to whom I have spoken would like. It would not cost a great deal of money to get the station into operation. An amount of $3.9 million has been allocated in the General Loan Account Appropriation Bill for capital works for the ambulance service, including new stations and equipment. I should like to know why some of that money cannot be used in my area. It is one of the high priority areas for this type of service. I understand that a new ambulance station is planned for Engadine this year. I do not want to deprive Engadine of it, but in my opinion Avalon has a higher priority than Engadine because a greater number of people would be served by an ambulance station there. It is more difficult to get an ambulance on to the peninsula than to Engadine. Engadine can be serviced by Sutherland, which is close by. Another ambulance station is located at Helensburgh.

Narrabeen is an ideal centre for the location of an intensive care ambulance. If an ambulance station were built at Avalon, victims of accidents occurring in the summer could be cared for. Although, as I mentioned, the area has the benefit of a helicopter, its use is restricted by the topography. There are many places at which a helicopter cannot land, for there is a good deal of bush and trees around the houses and the terrain is steep. The only places on which helicopters can land are the beaches and reserves. Those places are suitable for attend accidents that occur on the beaches, but elderly people live in some of the houses that are built in the steeper parts of the electorate.
I put it firmly to the Government that this matter requires urgent attention. I have heard reports from other areas that the State's ambulance service is deteriorating under the present system. The Auditor-General's Report intimates that the service is in financial straits and that the Government has been obliged to inject extra money into it. The fact that subscriptions have fallen off is cause for concern. I hope this will not affect the construction of an ambulance station at Avalon. It is important for the elderly people of my electorate that an ambulance station be provided on Avalon Parade on the site of the former Caltex service station.

Mr K. J. STEWART (Canterbury), Minister for Health: I agree with the honourable member for Pittwater that perhaps an ambulance station is desirable at Avalon. I am sure that the Health Commission of New South Wales has evolved a priority order and that Avalon will eventually be reached in that order. However, I am surprised that the honourable member has mixed up ambulance contributions with the construction of ambulance stations. One matter relates to contributions in regard to Consolidated Revenue and the other to loan funds. I am sorry that I have to teach the honourable member a lesson in Government finance, but he should know that one cannot build an ambulance station out of maintenance funds or revenue because such a matter is dealt with in loan funds. That is the simple lesson I offer the honourable member tonight.

I ask the honourable member, Why is Engadine important in regard to Avalon? The priorities have been determined, region by region, by the Health Commission of New South Wales. Engadine is within the southern metropolitan region and would have no reference to the northern metropolitan region in which Avalon is located. I am sorry to say that I do not know what priorities the Health Commission has for Avalon.

If we examine the instances given by the honourable member for Pittwater, we see that on 4th October a call was made at 5.10 a.m. and answered at 5.25 a.m., 15 minutes later. That is not too bad, no matter where the ambulance is located. On 6th October a call was made at 5.17 p.m. and answered at 5.43 p.m., 26 minutes later. That is not bad either having regard to the peak hour traffic in that part of the metropolitan area at that time of the evening. On 8th October a call made at 4.47 p.m. was answered at 5.16 p.m., 29 minutes later. One wonders whether the honourable member for Pittwater has not been too demanding. No matter where an ambulance station is located, it will always be some minutes away from somebody. Does he suggest that ambulances should be stationed within five minutes of everybody in the Sydney metropolitan area?

The honourable member would not know this, but I must tell him that I spent a holiday in his constituency in September. I was holidaying at Avalon beach when my 17-year-old son suffered an asthma attack. My wife and I took our son to Mona Vale Hospital. We left Avalon in my car and reached the hospital at 5 a.m., 12 minutes after we left Avalon. I wish to place on record the wonderful service given to my son at that hospital. The honourable member for Pittwater appears to have exaggerated the situation. I do not accuse him of exaggerating the position beyond the emotions of those
who would like to have an ambulance station in their vicinity. However, the times he has instanced are not beyond the times it takes to receive and execute similar calls in other parts of the Sydney metropolitan area. I shall ask the Health Commission of New South Wales to give me some details as to the priority of an ambulance station at Avalon and I shall furnish that information to the honourable member. However, I must emphasize that my personal experience only four weeks ago, at 5 a.m., was that it took me 12 minutes to drive my son to Mona Vale Hospital from Avalon beach.

Motion agreed to.

House adjourned at 10.15 p.m.

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QUESTION UPON NOTICE

The following question upon notice and answer was circulated in Questions and Answers this day.

TITLE OF "REVEREND"

Mr MOORE asked the Attorney-General and Minister of Justice—

Does he propose to regulate the use of the title "Reverend", in order to prevent bogus self-ordination for fraudulent purposes?

Answer—

No. I do not intend to regulate the use of the title "Reverend per se by legislation or otherwise.

Although the use of the title is traditionally associated with members of the clergy, it would be impracticable to legislatively define a person authorized to use the title "Reverend". The title "Reverend" is generally accorded to a person by the members of his or her religious community or peer group in recognition of the respect and position that person holds within that community. The community-held views as to what type of organization constitutes a religion are divergent. Accordingly, it is difficult to formulate a definition of "Reverend".
In addition, the main issue is not the use of the title, but rather the use of the title for a fraudulent purpose. In this regard, provisions already exist within our criminal justice system providing for the punishment of persons who engage in illegal activity, including persons who falsely personate with intent to fraudulently obtain any property.