

advertising of all pharmaceuticals, including minor analgesics, tobacco and alcohol and that the co-operation of States be invited to limit all other forms of advertising not under Commonwealth control.

At page 5 under the heading "Treatment and Rehabilitation" the following recommendation is made—

The sum of \$5 000 000 should be made available immediately for distribution to the States for the provision of facilities and staff for the treatment and rehabilitation of drug dependence, including alcoholism.

Members opposite have had the temerity to say that advertising has no impact. I hope that when, shortly, the Premier announces there is to be an election, he will put this principle into effect, and we will not be seeing any Liberal Party advertising. According to them, it will be a waste of money because it will have no effect.

The CHAIRMAN: The member has three minutes remaining.

Mr BERTRAM: At page 10 under the heading "General Observations" the following statement is made—

Although there is no doubt that abuse of drugs is growing in Australia, the use of illegal drugs has not reached the epidemic proportions being experienced in other parts of the world. Drug abuse in Australia is not confined to any single age group or segment of society, and of the many drugs abused alcohol causes the greatest social problem.

Recently I quoted the actual cost to Australia in loss of production and certain other directions due to the abuse of alcohol; the figure far exceeds the total Western Australian Budget. Yet we are told that we must sit mute and do nothing—throw up our hands in complete defeatism and not set an example. Certainly, we should not follow the steps taken by other responsible Governments around the world.

I appreciate that the member for Mt. Marshall has taken the initiative to stiffen up my amendment, which I withdrew at his suggestion. It was heartening to see somebody from the Government side taking this matter seriously, and I certainly hope sufficient members in this Committee will recognise the real virtue of what he is seeking to do.

New clause put and a division taken with the following result—

Ayes—19

Mr Bateman	Mr Jamieson
Mr Bertram	Mr T. H. Jones
Mr Bryce	Mr May
Mr B. T. Burke	Mr McIver
Mr T. J. Burke	Mr McPharlin
Mr Davies	Mr Skidmore
Mr H. D. Evans	Mr Stephens
Mr T. D. Evans	Mr Taylor
Mr Fletcher	Mr Moller
Mr Harman	

(Teller)

Noes—22

Mr Blaikie	Mr Old
Mr Charles Court	Mr O'Neill
Mr Cowan	Mr Ridge
Mrs Craig	Mr Rushton
Mr Grayden	Mr Shalders
Mr Hartrey	Mr Sibson
Mr P. V. Jones	Mr Sodeman
Mr Laurance	Mr Tubby
Mr Mensaros	Mr Watt
Mr Nanovich	Mr Young
Mr O'Connor	Mr Clarko

(Teller)

New clause thus negatived.

Progress

Progress reported and leave given to sit again, on motion by Mr Clarko.

House adjourned at 10.44 p.m.

Legislative Council

Wednesday, the 8th September, 1976

The PRESIDENT (the Hon. A. F. Griffith) took the Chair at 4.30 p.m., and read prayers.

QUESTIONS (7): ON NOTICE

1. KWINANA FREEWAY EXTENSIONS

Alteration of Route

The Hon. R. F. CLAUGHTON, to the Minister for Health representing the Minister for Transport:

- (1) In respect of the letter from the Minister for Traffic to the Combined Societies for Perth's Rivers (11th August, 1976) in which the Minister states in part, "(The Societies) technical criticism of the Kwinana Freeway project contains . . . incorrect assumptions . . ." would the Minister advise—
 - (a) the most important of the assumptions he regards as incorrect; and
 - (b) the errors of fact in the Societies' document?
- (2) (a) Is it the Minister's view that details of the Kwinana Freeway extension as ratified by Parliament cannot be altered;
 - (b) have any alterations to the project as ratified been adopted or approved by the Minister?
- (3) Is it a fact that the 1989 traffic on the Narrows Bridge is forecast at 158 000 by the Main Roads Department?

The Hon. N. E. BAXTER replied:

The information requested by the Hon. Member will take some time to collate. I will forward it to him as soon as it is available.

2. FREMANTLE PORT AUTHORITY*Officers: Duty Hours*

The Hon. D. K. DANS, to the Minister for Justice, representing the Premier:

- (1) Is it correct that the prescribed normal hours of duty for "Government Officers" employed by the Fremantle Port Authority are two and a half hours per week in excess of the standard for other staff employed by the Authority?
- (2) Are these employees of the Fremantle Port Authority who are denied a thirty-five hour week by the Government a minority of the total number of staff of the Authority?
- (3) Is it correct that employees of the Fremantle Port Authority who are industrially covered by unions other than the Civil Service Association, can be paid a lower hourly rate of pay when promoted to "Government Officer" positions which supervise the position they previously held?

The Hon. N. McNEILL replied:

- (1) Yes. Government officers work 37½ hours a week, all other employees of the Authority work 35 hours a week.
- (2) Yes.
- (3) On promotion, an officer would receive an increase in his annual salary. In some cases, however, if the respective salaries were converted to an hourly rate, a marginal reduction could occur.

3. *This question was postponed.*

4. FREMANTLE PORT AUTHORITY*Officers: Sick Leave*

The Hon. D. K. DANS, to the Minister for Justice representing the Premier:

- (1) Do the majority of appointments to "Government Officer" positions at the Fremantle Port Authority come from areas where there is an entitlement to unexpired sick leave upon retirement?
- (2) Is it correct that employees of the Fremantle Port Authority who are entitled to unexpired sick leave upon retirement lose this entitlement when promoted to supervisory or administrative "Government Officer" positions?
- (3) Has the thirty-five hour week and the entitlement to unexpired sick leave obtained for employees of the Fremantle Port Authority been achieved by both negotiation and arbitration?

The Hon. N. McNEILL replied:

- (1) Yes.
- (2) Yes, if the position to which an employee is promoted is a "Government Officer" position.
- (3) Wages staff secured entitlement to unexpired sick leave by decision of the Fremantle Port Authority on June 15, 1972, and were granted a 35 hour week by Cabinet decision of the then Government on April 2, 1973.
Clerical staff were granted the same conditions in respect of unexpired sick leave and a 35 hour working week by decision of the Western Australian Industrial Commission on July 23, 1974.

5. *This question was postponed.*

6. FREMANTLE PORT AUTHORITY*Officers: Duty Hours and Sick Leave*

The Hon. D. K. DANS, to the Minister for Justice representing the Premier:

- (1) Is it correct that requests by the Civil Service Association for the Government to meet a deputation on the matter of the thirty-five hour week and sick leave rights on retirement for Fremantle Port Authority "Government Officers" been refused by the Premier and his Ministers?
- (2) Is it correct that a request by the Civil Service Association to have the matter of the thirty-five hour week and sick leave rights on retirement for Fremantle Port Authority "Government Officers" privately arbitrated on its merits has been refused by the Premier?
- (3) Does the Premier and his Government accept as industrially valid that an officer who gains promotion and thereby accepts greater responsibilities should accept a reduction in conditions of service?

The Hon. N. McNEILL replied:

- (1) The Civil Service Association and senior officers of the Fremantle Port Authority have made many approaches claiming a 35 hour week and sick leave rights on retirement since the Western Australian Industrial Commission awarded these conditions to Federated Clerks' Union members employed by the Authority.
The claims have been considered in detail by the Government and following a request to the Premier on March 22, 1976, by the Civil Service Association suggesting that "a brief meeting would be advantageous" it was advised that

Ministers were well informed on the matter and that no case could be sustained to agree to the request.

- (2) The Civil Service Association requested private arbitration on the claims made, but was advised that the Government was not able to accede to private arbitration on a matter of such importance as a 35 hour week, a matter which was then the subject of a claim in the Australian Conciliation and Arbitration Commission in which the Government was involved.
- (3) An officer gains promotion when he is successful in his application for a vacant higher position, and therefore must have satisfied himself before making application that the increased salary to be paid to him outweighs other considerations.

7. *This question was postponed.*

QUESTION WITHOUT NOTICE

DR NEVILLE HILLS

Delivery of Paper

The Hon. D. K. DANS, to the Chief Secretary:

- (1) Did the Minister refuse permission to Dr Neville Hills, a psychiatrist with the Department of Corrections, to deliver a paper on juvenile offenders to the ninth Federal Conference of Occupational Therapists currently being held in Perth?
- (2) Did the Minister give Dr Hills any reason for refusing permission?
- (3) If not, why not?
- (4) What were his reasons for refusing permission?
- (5) Has Dr Hills been threatened with disciplinary action if he speaks to the Press about this or any other matter?
- (6) If so, why?

The Hon. N. McNEILL replied:

- (1) to (6) I am grateful to the Leader of the Opposition for brief notice of his intention to ask this question, and in reply I wish to make a statement concerning this matter, and to group the answers.

I have not refused permission for Dr Hills to present a paper to the Australian Occupational Therapists' Conference. On the 20th July, through the Director of the Department of Corrections, Dr Hills submitted to me a draft of his paper for my approval. On the

26th July I returned the draft to the director with the following written comments—

I note that Dr Hills included a stipulation that the views expressed in no way reflect the official view of the Department. It would of course be quite unrealistic to believe that personal views of a senior officer would be unrelated to his position in the Department, particularly in a paper given to what would be virtually a public forum.

I regret that I cannot approve of the draft paper as submitted.

I point out that the views referred to were not of a technical or scientific nature, and that the draft was returned promptly to Dr Hills with the clear implication that a revised version might be submitted. He had ample time in which to do this, but he did not do so. Nor did he seek any clarification of my objections to the views expressed in his paper. With regard to whether Dr Hills has been threatened with disciplinary action, he has not been threatened with such action in relation to this matter nor in relation to any other matter to my knowledge. However, he has had brought to his notice on a previous occasion Public Service regulation 41A which states that an officer shall not comment either verbally or in writing on any administrative action or upon the Administration. I trust that answers Mr Dans' question.

BILLS (4): INTRODUCTION AND FIRST READING

1. Supreme Court Act Amendment Bill (No. 2).

Bill introduced, on motion by the Hon. I. G. Medcalf (Attorney-General), and read a first time.

2. Adoption of Children Act Amendment Bill.

Bill introduced, on motion by the Hon. N. E. Baxter (Minister for Community Welfare), and read a first time.

3. Acts Amendment (Expert Evidence) Bill.

4. Acts Amendment (Jurisdiction of Courts) Bill.

Bills introduced, on motions by the Hon. I. G. Medcalf (Attorney-General), and read a first time.

UNEMPLOYMENT AND INFLATION*Commonwealth Government Action:
Motion*

THE HON. D. W. COOLEY (North-East Metropolitan) [4.48 p.m.]: I move—

(1) This House notes with concern—

- (a) the high level of unemployment in Australia generally and Western Australia in particular;
- (b) that unemployment has worsened to a substantial degree since the advent of the Fraser Government;
- (c) that the latest figures provided by the Government Statistician are the highest since the Great Depression of the 1930's and appear to be heading towards the half million mark before the end of this year.

(2) We consider that the Australian Government's strategy to reduce Government spending in order to direct more finance into the private sector has contributed to this unfavourable employment situation and at the same time has effected a deterioration in the quality of life for workers and their families on incomes which are lower than the average weekly earning, pensioners and Aborigines; by—

- (a) the abolition of taxation concessions for dependent children;
- (b) the introduction of a Medibank levy and the restoration of rights for Private Health Funds to provide full medical and hospital benefit to the people of Australia which will reduce the take-home pay of some wage and salary earners by as much as \$10 per week;
- (c) a policy which has reduced real wages for lower income earners through a successful advocacy in the Australian Industrial Commission to allow a very small percentage of increases in the Consumer Price Index to be reflected in incomes;
- (d) a change from the previous Government's policy of relating Social Security and Repatriation Pensions as a percentage of average weekly earnings to movements in the Consumer Price Index;
- (e) a large reduction in the grants for Aboriginal welfare.

(3) The House also notes with concern the continued attacks by the Australian Government on the trade

union movement by its assertions that wage increases are the sole cause of the high inflation rate.

(4) The House considers that the Australian Government should concern itself more with the interest of all people in the community instead of an affluent few within the private sector.

The reason for this motion, which I hope the House will adopt, is that it is in conformity with the practice which has applied in this House over the past two years in that such a motion is moved in this place whenever it is regarded by some people that a worsening of the situation in the Federal scene is occurring. I well recall that in 1974 Mr Wordsworth moved a very lengthy motion in respect of the performance of the Whitlam Government, and in 1975 Mr Lewis moved a motion which was described by some on this side as muck-raking, and no doubt it was.

We have arrived at the time when this House should express concern at the events which have occurred in 1976 following the advent of the Fraser Government. There is no question at all that since the present Federal Government came to power, illicitly or otherwise—let us say it was in an untimely manner—

Point of Order

The Hon. N. McNEILL: Mr President, I ask for a withdrawal of the word "illicit" which was used by Mr Cooley when referring to the Government coming to power.

The PRESIDENT: I suggest the honourable member withdraw the word. The Government of the day was elected by the people and, therefore, in my view it was not an illicit election.

The Hon. D. W. COOLEY: I would be prepared to withdraw, Mr President.

Debate Resumed

The Hon. D. W. COOLEY: Perhaps we could say that it came to power in an untimely manner because the previous Government had run only two years of its term after the people of Australia had elected it for a three-year term. There was something wrong about the timing of the election; that would have to be accepted. The word "illicit" may be a bit too strong—

The PRESIDENT: Order! The honourable member has withdrawn the word.

The Hon. D. W. COOLEY: I have withdrawn the word.

The PRESIDENT: Reference to the word should not be made again.

The Hon. D. W. COOLEY: The unemployment position has deteriorated to an alarming extent in Australia since the advent of the Fraser Government and, as the motion indicates, its proportions are worse than at any time since the great depression of the 1930s. People in authority

and people who have knowledge with regard to predicting unemployment figures are saying that before this year is out approximately 500 000 people in Australia will be unemployed.

The Hon. R. T. Leeson: Shame!

The Hon. D. W. COOLEY: It is a terrible shame. I think people who have experienced unemployment would appreciate the shame of it. Unfortunately a number of people on the other side of this Chamber have not had this experience.

Other matters should be causing this Chamber a great deal of concern because the quality of life generally in Australia has deteriorated during the past nine or 10 months. People on low incomes, pensioners and Aborigines, who depend very largely at this time upon Government assistance, are being discriminated against by this Government, while there was a large degree of discrimination in their favour by the previous Government. A large number of underprivileged people in our community are suffering the effects of the present Government's policies. We should express concern at the attitudes it has taken and the policies it has followed.

We should look at what I describe as the taxation fraud in respect of the policies it is bringing down in regard to taxation and child endowment. It is really an insult to the intelligence of people in Australia for this Government to expect them to accept such deception in respect of its policies. The standard of medical care is suffering. Even the contents of an envelope which we received this afternoon indicate the degree of confusion in this country at present in respect of our health services.

The Hon. A. A. Lewis: Would you like us to help you work it out?

The Hon. D. W. COOLEY: Possibly somebody with more intelligence than Mr Lewis would be required to work it out because it possibly requires an accountant to do it.

We should express concern that the present Federal Government will not face up to its shortcomings. The Government is covering up by saying it is trying to mend what the Whitlam Government did despite the fact that we put up with 23 years of conservative rule which got the country into such an utter mess that somebody had to rescue it.

The Hon. G. C. MacKinnon: It is a pity that *Hansard* cannot record ribald mirth.

The Hon. D. W. COOLEY: The performance of the Whitlam Government suffered as a consequence. If that excuse is not offered to the people of Australia by this Government, then it makes all-out attacks on the trade union movement. The only whipping boy it has at the moment is the trade union movement and the so-called great wage demands which, it says, are bringing this country to the brink of ruin.

It is an utter fallacy and a misrepresentation of the facts to blame the trade union movement for some of the economic failures of the present Government. Unfortunately the people in this State who are in control of the Treasury benches take a similar attitude.

The Hon. N. E. Baxter: You must have lost touch with the trade union movement because you do not know what it is doing today.

The Hon. D. K. Dans: Mr Baxter, you do not know what your own department is doing.

The Hon. N. E. Baxter: You ought to see the demands coming to me through the trade unions. They never cease.

The Hon. D. W. COOLEY: The main thrust of the Australian Government's economy and planning is directed not only against the trade union movement but also against a large number of wage and salary earners and the people of this country who can least afford the extravagances the Government is undertaking in the guise of cutting down on spending.

The Hon. H. W. Gayfer: Extravagances?

The Hon. D. W. COOLEY: There are extravagances, and perhaps Mr Gayfer will take me to task when I come to that matter in respect of the income equalisation scheme this Government has given to wealthy farmers and graziers. I think Mr Gayfer has an understanding of the dirt farmers, as we might call them. He is not interested in the people who are going to benefit under this equalisation scheme. That is where the extravagances are and the money is pouring into the private sector without any results at all.

The Hon. G. E. Masters: The private sector employs three out of four people.

The Hon. D. W. COOLEY: As long as it is not at the expense of the people who can least afford to be out of work. I repeat again that money is being siphoned from the people's pockets to the Government and to the private sector. For what? What have we got? We have massive unemployment and high inflation. It is no better now than when Mr Fraser came to power.

The Hon. G. E. Masters: Unemployment is down.

The Hon. D. W. COOLEY: It is not. Mr Masters is cheating in the same way as his colleagues on the other side of Australia are cheating in respect of the unemployment figures. The fact is that there has been an increase in unemployment in this State and in Australia as a whole.

The Hon. N. McNeill: Were your three Labor colleagues in the Eastern States also cheating, to use your word?

The Hon. D. W. COOLEY: I say that anybody who will not face up to the seasonally adjusted figures in the unemployment situation is cheating, because it has been accepted for seven or eight years

that the seasonally adjusted figures should be regarded in the context of the overall situation. If Mr McNeill understood the situation he would appreciate that regard should be paid to those figures.

The Hon. N. McNeill: Your answer to my question is "Yes".

The Hon. A. A. Lewis: Are you saying that the Premiers of South Australia, New South Wales, and Tasmania do not understand the situation?

The Hon. D. W. COOLEY: Mr Lewis is parroting what his Minister for Labour and Industry has said. Unemployment is the scourge of any nation and if the motive of this Government is to try to cure inflation by creating more unemployment, it is a very devious policy.

There is nothing worse than unemployment. Of course, some members in this Chamber class all unemployed as dole bludgers. In his speech on the Supply Bill Mr Knight did this.

The Hon. T. Knight: Rubbish!

The Hon. D. W. COOLEY: If Mr Knight will re-read his speech in *Hansard* he will find that he grouped all those in receipt of unemployment benefits as dole bludgers. That is not good enough. I know that some people who sit in ivory towers may be able to view the situation in a different light. However, a large number of people in this community at the present time are bludging on the Federal Government and they are not unemployed or in bad circumstances.

It must be appreciated by everyone here, and it should be appreciated by Governments, that unemployment is not the answer to inflation. That is the second consideration. If unemployment is overcome first, then the problem of inflation will also be overcome. Perhaps inflation affects the people Mr Knight represents more than those receiving \$70 a fortnight. If Mr Knight was on \$70 a fortnight he would know what it was to put up with the associated indignity and degradation. He would then appreciate that such people have a real problem. It is soul-destroying. This House, comprising responsible people who can see what is occurring, should be expressing the concern outlined in the motion. Mr Masters indicated that unemployment was going down.

The Hon. G. E. Masters: I said that the rate was decreasing.

The Hon. D. W. COOLEY: Members should study the monthly reviews to obtain an indication of the actual figures. They would find that in January of this year, in seasonally adjusted terms, something like 267 000 people were unemployed in Australia. The situation progressively worsened to 328 000 at the end of July.

The Hon. A. A. Lewis: Could you give us the figures for December 1972 and—

The Hon. D. W. COOLEY: I would be out of order were I to do so because my motion confines me to the performance of the Fraser Government. We are merely expressing concern about the performance of that Government. We are not trying to throw it out of office. We do not have that power. We do not have people in high places to do that.

Point of Order

The Hon. G. C. MacKINNON: That remark is a distinct reflection on the Governor-General of Australia and is completely banned under our Standing Orders. I believe the words ought to be withdrawn, they being that members opposite do not have people in high places to do that. The implication is that it was an illegal action.

The Hon. R. Thompson: Would the Minister please quote the relevant Standing Order?

The Hon. G. C. MacKinnon: I will do so.

The PRESIDENT: I ask Mr Cooley to endeavour to refrain from using provocative phrases of that nature. I am sure he could find acceptable language to express his opinion.

The Hon. D. W. COOLEY: The Governor-General was the person furthest from my mind. I was thinking of the multi-national companies and big industries which support the Liberal and Country Parties and which help to get them into office from time to time. People in high places—

The PRESIDENT: I am unable to tell the honourable member what is in his mind, but he would assist me in my function as President of the Chamber if he would find more acceptable words to express himself, perhaps with a meaning I could understand.

The Hon. D. W. COOLEY: I will do nothing at all to usurp your authority in this place. I respect it. I indicated in my first speech in this Chamber that I would always accede to your authority.

Debate Resumed

The Hon. D. W. COOLEY: The true facts of the matter are that there has been this increase in unemployment which has affected not only Australia as a whole, but also Western Australia to the extent of some 4 000 more people who are now unemployed than was the case when the Fraser Government came into office.

That would not be so bad if we knew that the Australian Government did not have the wherewithal to provide employment for these people. What has that Government done? It has pruned Government spending in order to inject more money into the private sector.

Perhaps the unemployment figures could not be controlled, but let us consider the figures relating to job vacancies. We see that these figures have declined in the six-month period. This would indicate that if the funds are being siphoned out of the people's pockets into the private sector, the private sector is not doing its job by creating work under the Government's policy. Therefore, we in this Chamber should, at the very least, express some concern about the matter.

There is a number of reasons for the present unemployment. There is a lack of job opportunity, but if we consider the content of the Supply Bill which was before this Chamber a few weeks ago, we can realise the real reason the unemployment position is not improving. While there has been a small increase in funds allocated to State Governments, that increase has not been enough to offset the inflation rate which has developed since the time the last grants were applied to the Governments.

It was Mr Gayfer who, during the debate on the Supply Bill, indicated the great problems local authorities were experiencing in obtaining sufficient money to keep their operations going. This can have only one result. If the local authorities do not obtain sufficient money, they must cut down their work forces. However, we are still being told by the Government in Canberra that people must be prepared to make sacrifices in order that money might be injected into the private sector.

This is something which should be of concern to us. The private sector will continue to absorb the extra money. It will not expand its ventures until it is assured that its profits are secure. During the time the Whitlam Government was in office, and even up until recently, we heard the bleatings and wailings of some of the companies, but Broken Hill made \$2 million profit a week.

The Hon. A. A. Lewis: What percentage is that of its capital?

The Hon. D. W. COOLEY: Swan Brewery made a 20 per cent increase in profit. That is the real situation.

The Hon. G. C. MacKinnon: What is their capital?

The Hon. Clive Griffiths: How does that relate to their capital?

The Hon. D. W. COOLEY: I do not know, but I am giving the facts. These companies made substantial profits during the period of the Whitlam Government, but now more money is to be injected into the private sector. Why is this being done? Mr Fraser said that it will create more employment. It will get the great free enterprise system going so that everyone will have a job in a short period of time.

The promises were made and lights were to be turned on, but it is a damn sight darker now—really dark—for people who are dole bludgers, as Mr Knight referred to them. There is no light for them. They are in a really dreary situation. If we cannot express some concern on their behalf we are not doing our job as legislators and responsible people who are supposed to be here to look after the interests of the people.

I repeat there will not be any movement in respect of the private sector, no matter what money is injected into it, until the private sector makes a reasonable profit.

The Hon. Clive Griffiths: Are they not entitled to a profit?

The Hon. D. W. COOLEY: If members want further proof of what I am saying, let them study the profits made by some companies during the term of office of the Whitlam Government, and the investments they entered into. They invested nothing. We can find the information about these big companies in *The National Times* every week and that paper indicates that the big companies did not invest one cent during that time. It was nothing more nor less than an investment strike to embarrass the Whitlam Government in order to get it out of power and to bring in their own people to make an impact on the working people and the underprivileged people of this country.

The Hon. Clive Griffiths: I think you are ably demonstrating your complete lack of knowledge of this subject.

The Hon. D. W. COOLEY: I do not profess to be as close to the wealthy business sector—and graziers and farmers—as is Mr Clive Griffiths and some of his colleagues.

The Hon. A. A. Lewis: But you are prepared to speak about them.

The Hon. D. W. COOLEY: However, I can see the stark facts and I know that people are suffering as a consequence of the policies of the Fraser Government.

The Hon. G. C. MacKinnon: You should know something about business because some of the biggest investors in the western world today are unions.

The Hon. D. W. COOLEY: I would not refer to the western world. Perhaps this could be the case in West Germany.

The Hon. G. C. MacKinnon: And in the United Kingdom. They are not bad in Australia, either.

The Hon. D. W. COOLEY: The ACTU is in Solo, but it is only breaking in.

The Hon. G. C. MacKinnon: They own department stores and petrol stations. You really ought to know something about business.

The Hon. D. W. COOLEY: Burke Stores would fit into one corner of Myers, and one would not know it was there. That is the kind of enterprise we are in. But the Minister was being facetious; I know he was joking.

The Hon. G. C. MacKinnon: I was not joking.

The Hon. D. W. COOLEY: I know where big business is controlled, and it is not in the western part of the world.

The Hon. G. C. MacKinnon: Do you think the communists control it?

The Hon. D. W. COOLEY: I am sure the Minister is referring to West Germany. There is no big business controlled by unions anywhere else. If the Minister can tell me where such business is controlled by unions, I will bow to his superior knowledge. However, the Minister could not tell me of any place outside West Germany, where, unions are involved in big business.

The Hon. G. C. MacKinnon: You have only to look at the share register to see where they are.

The Hon. D. W. COOLEY: People suffering the most are those on low incomes and on social security benefits. I would say that a person who has a wife and two children of school age, and who is earning less than the average weekly wage—which at present is around \$180 according to the figures for June of this year—would be on a low income. That would be a reasonable assessment. It would not be possible to live today in accordance with ordinary modern standards on an income of less than \$180 a week.

In my introductory remarks I referred to the great fraud perpetrated on the people by the Fraser Government in respect of the taxation deal and child endowment. I can well recall the horrible screams from members opposite. I think the sentiments expressed were contained in a motion by Mr Lewis in which he made an abortive attempt to criticise—

The Hon. A. A. Lewis: It was put fairly firmly if it were my motion.

The Hon. D. W. COOLEY: The education concessions for those who send their children to wealthy private schools was reduced by something like \$300 by the Whitlam Government.

The Hon. A. A. Lewis: What about all your workers in the north-west? They were deprived at the same time. You could not care less about them.

The Hon. D. K. Dans: Don't any unionists vote for you?

The Hon. G. C. MacKinnon: You are quite right.

The Hon. D. W. COOLEY: Is the Minister agreeing with me now.

The Hon. G. C. MacKinnon: No. I was agreeing with Mr Dans. Most unionists vote Liberal nowadays.

The Hon. D. W. COOLEY: A great deal of criticism was levelled at the Whitlam Government when it reduced the educational taxation concession in connection with the children who were sent by their parents to private schools. This amount was reduced from \$240 per year per child to \$80 per year per child. I have not heard one word of criticism from any member in this Chamber, however—nor have I heard discussed or seen any mention made in the newspapers or anywhere else—of the fact that the Fraser Government before its Budget consideration—because this will apply from the 1st July—took away from every person in this community who has a child the right to claim a taxation concession. Not one word of criticism was levelled against that Government at that time.

The Fraser Government said, "Do not worry chaps, we will give it to Mum; she will get an increased child endowment." That to my mind constituted fraud of the highest degree, because as a consequence of the taking away of this taxation concession the people in Australia are worse off than they were previously; despite the fact the Fraser Government quite clearly said before the election last year that it would not be affecting the pockets of the people; that it would be putting more money in the pockets of the people; that it would be drawing on the continuing reserves of the Government and that the people would not suffer at all.

But the people have suffered as a consequence of this action of the Fraser Government in continually draining the people; it has brought about a reduction in consumer spending which has had the effect of worsening the unemployment situation.

To emphasise what I said in regard to this fraud that was perpetrated on the people of Australia I would like to quote three examples of people on varying incomes—those on \$120 per week; those on \$160 per week, and those on \$240 per week.

I relate these examples to a man with a wife and two children. Under the old scale the man on \$120 per week was paying \$7.35 in tax; he had no Medibank levy to pay and his take-home pay was \$112.65. His child received child endowment of \$1 per week which took his total to \$113.65 per week.

Under the new tax scheme, because the Government has taken away the concession for his children, he will pay \$10.30 per week in tax and, come the 1st October this year, he will pay \$3 for the Medibank levy; and his take-home pay will be \$106.70. He will receive child endowment payment of \$5 per week and his total overall will be \$111.70 per week; a difference of \$1.95 in his actual earnings.

The Hon. G. E. Masters: That is a man with a wife and two children?

The Hon. D. W. COOLEY: I understand he will get \$5 per week for the first child from the "benevolent" Fraser Government.

The Hon. G. E. Masters: As far as I can see with two children he will get \$8.50.

The Hon. D. W. COOLEY: The next example I wish to quote concerns the man on \$160 a week. He was paying \$21.55 tax under the old scheme, but under the present scheme he will pay \$24.50 because his concession has been taken away. Apart from this he will have a Medibank levy of \$4 imposed on him and his take-home pay will be reduced by \$7 a week. He will be compensated in regard to his child endowment to the extent of \$8.50.

The Hon. G. C. MacKinnon: That puts him \$1.50 in front.

The Hon. D. W. COOLEY: Yes, but I have not finished yet. In the case of the man on \$240 a week we find the situation does not vary very much. Under the old scale he paid \$55.15 in tax and under the new scheme he will pay \$55.60. His Medibank levy will cost him \$5.80 and instead of getting \$184.85 in his pay he will get \$178.60. His child endowment under the old scheme was \$1 and now he gets \$8.50 for the children.

The Hon. G. C. MacKinnon: So again he is in front.

The Hon. D. W. COOLEY: At this point of time. I am talking about what the man will take home.

The Hon. G. C. MacKinnon: He is still in front and he will remain in front.

The Hon. D. W. COOLEY: Before the Fraser Government came to office it indicated that the full package deal would be given to the Australian people in respect of indexation—I understand it was called the ACTU package. I used this illustration and quote once before and I hope the House will bear with me if I do so again. I would like to refer to what appeared in *The Sunday Times* of the 30th November, 1975, before the last election. In that issue we find an advertisement put out by the Liberal Party in which there is a photograph of a young man wearing a helmet and carrying a shovel on his shoulder. I hope he did not vote for the Liberal Party. Under that photograph we find the following—

Trade Unionists—Liberals will continue to support wage indexation along with the introduction of indexation of personal income tax. This is the full package sought by the ACTU.

What happened was that the Government did not go along with that policy at all.

The Hon. N. McNeill: I can remember Mr Dans telling us that indexation was not going to work.

The Hon. D. W. COOLEY: Perhaps I said that at some time; but until we can find something better we must accept what we have.

The Hon. D. K. Dans: If indexation does not work this never will.

The Hon. D. W. COOLEY: As a consequence of the abrogation of the Liberal Party promise in 1975, the real wages for workers have deteriorated to the point where they are not now getting the full indexation promised; nor are they getting what they would have received had the Whitlam Government still been in office—which, of course, it should rightly be because its term would not have yet expired.

The policy of the Whitlam Government was full indexation, which meant that a percentage of the Consumer Price Index would be reflected in everybody's wages. As a consequence of the abrogation of this policy, and the Fraser Government's persuading the Industrial Commission to accept something different from full indexation the man on \$120 a week has received a reduction in pay of 90c per week, because in the March quarter the full indexation will apply. If the full 3.5 per cent had been applied to the man on \$120 he would have been entitled to \$4.20; but we know that a plateau decision was included which gave everybody over and above a certain figure \$3.80. So to that extent the man in question would lose 40c in June; and instead of getting 3.5 per cent of \$120, which would have amounted to \$3, he received only \$2.50, which gave him 50c less in his pay. Accordingly out of these two decisions the man in question has suffered to the extent of 90c which after taking the other figures into consideration has reduced his pay by something like \$3 which he would have got had full indexation been applied in the proper manner.

So this is the strategy of the Fraser Government; to bring about a reduction in real wages for the purpose of getting more money into its own pockets and for the purpose of transferring it to the private sector to get the economy on the move. However the economy is not on the move; it is getting worse instead of better.

There is nothing wrong with this Chamber recognising that situation and expressing concern to the Federal Government for the way in which it has allowed things to deteriorate. There is no doubt the policy of the Fraser Government is intended to bring about a reduction in real wages. It is designed to give to the friends of the Government; to give to its supporters in commerce and industry a greater share of the gross national product. As a consequence of the activities of the union movement the workers in this

country have been able to win substantial wage gains, and this has not pleased the Fraser Government at all. That Government feels it is inconceivable that the unions should increase their share of the gross national product by 7 per cent. Actually this is what brought down the Whitlam Government, because commerce and industry deplore the fact that a greater share may be going to the workers. The Fraser Government will continue to increase its advocacy to ensure that labour's share of the gross national product will be reduced right back to the point at which it was prior to 1972. It would not be so bad if the economy were moving; but it just simply is not.

The Hon. G. E. Masters: I will remind you of that remark in six months' time.

The Hon. D. K. Dans: After we have it valued from the graph.

The Hon. D. W. COOLEY: A wages policy which provides anything less than compensatory short-term regular wage adjustments based on movements in the Consumer Price Index is, to the average wage earner, not only a freeze but an actual reduction in wages.

In the case of a man on \$180 a week or less—that is a man with a wife and two children—if the Consumer Price Index moves by 1 per cent his wage is reduced by 1 per cent. There is not merely a freeze in wages at the present time, but the Federal Government is also seeking an actual reduction in wages. The worst part of it is that the Government in Western Australia is slavishly following the policy of the Fraser Government; it is blatantly saying, "We do not care what happens, as long as the Fraser Government puts forward a policy we will accept it." The Fraser Government is putting forward a policy of reducing Government spending by transferring money not from the Government to the private sector but from the pockets of workers and underprivileged people to the profit-seeking private industry establishments. Its policy promotes the interests of BHP, CSR, the breweries, the bankers, the Hancocks, the Bonds, and those people in the Liberal movement who have vast influential connections with these companies and people, all at the expense of the masses who comprise the work force of our country.

The Hon. Clive Griffiths: It is not being done at the expense of the people.

The Hon. A. A. Lewis: They are doing it at the expense of all the people.

The Hon. D. W. COOLEY: Instead of castigating the trade union movement and blaming it for the present Government's failure to implement promises it made at the 1975 elections it should be ensuring that everybody in the country gets a fair crack of the whip, and this can only be done by proper consultation with the trade union movement.

Before I go off indexation perhaps it would be as well if I read the latter portion of a letter to the House.

[Resolved: That motions be continued.]

The Hon. D. W. COOLEY: I do not think we should move off the question of indexation. I received a copy of a letter forwarded from the Civil Service Association to the Premier, and no doubt other members also received a copy of the letter.

The Hon. G. C. MacKinnon: Excuse me—do you think it might be nice if *Hansard* could record that you said "thank you"?

The Hon. D. W. COOLEY: What for?

The Hon. G. C. MacKinnon: For permission to proceed.

The Hon. D. W. COOLEY: Permission is usually given. I wish the Minister were a little more meticulous in his own behaviour in the House.

The Hon. G. C. MacKinnon: I am just trying to be helpful to a younger member.

The Hon. D. W. COOLEY: I have never sat in this Chamber reading papers and things whilst prayers are being said by the President at the commencement of business.

Point of Order

The Hon. G. C. MacKinnon: I must demand a withdrawal of that remark. I do not do that, and neither does any other member of this House.

The Hon. S. J. Dellar: He did not say you do.

The Hon. G. C. MacKinnon: I notice every member pays proper respect to the President when he is saying prayers. Whether or not Mr Cooley said that I did, he implied it.

The Hon. D. W. Cooley: You do do it, I have seen it.

The DEPUTY PRESIDENT: That is a fair enough request. I ask the honourable member to withdraw the remark.

The Hon. D. W. COOLEY: I withdraw, but—

The Hon. G. C. MacKinnon: No buts, Sir, you have given an instruction.

The Hon. D. W. COOLEY: I will withdraw the remark.

Debate Resumed

The Hon. D. W. COOLEY: Once upon a time I used to get angry with the Minister, but these days I tend to be kind to him.

The Hon. A. A. Lewis: You'll find you will come off better if you do.

The Hon. D. W. COOLEY: The Minister labours under some problems, and it may be better for us to show him more kindness than criticism.

The Hon. G. C. MacKinnon: Very nice of you!

The Hon. D. K. Dans: You noticed it?

The Hon. D. W. COOLEY: If it pleases the Minister, I thank the House for permission to proceed. I do not know whether he wishes me to bow.

The Hon. S. J. Dellar: He ought to be moderately polite when he answers questions.

The Hon. G. C. MacKinnon: I always am.

The Hon. S. J. Dellar: I will prove a point in a day or so.

The Hon. D. W. COOLEY: I would like to refer to the letter forwarded to the Premier by the Civil Service Association, as I believe it reflects the thinking of those in the work force at the present time. I point out that this is not a militant union, and it is not one of the unions described by members opposite as ruining the country. In fact, this association has a wonderful record of industrial harmony and peace. However, it is sick to death of the attitude of the Government—and I am tempted to use another phrase here but it would probably be ruled unparliamentary—and it has expressed its feelings in the letter. Part of it reads—

I am obliged to communicate with you directly on a matter which is causing an increasing degree of unrest within the Public Service. I refer to the subject of salary and wage indexation and to certain distortions in structural relativities which have arisen, I believe, as a direct result of the Public Service Board's understanding of your Government's policy in this area.

The trade union movement and everybody in Australia accepted indexation. To continue—

With certain reservations the Association endorsed the system of wage fixation introduced by the Commonwealth Industrial Commission in April, 1975. As we saw it the proposals provided for a rational and orderly method of adjusting remuneration to meet inflationary and productivity increases for the future. This was certainly to be preferred to the haphazard scramble of the preceding years with the spoils going to those who flexed their industrial muscles more effectively.

It goes on to say—

The initial confidence of the Association has been severely jolted, however, by the actions of your Government which has on each occasion gone before the Commission to advocate markedly smaller increases than those which would be provided by the full percentage adjustment based on C.P.I. movements. Faced with such facts the Government's endorsement of wage indexation rings hollowly in the ears of our members.

My Association asks you to weigh the short term economic advantage for Governments which may be gained by such advocacy against the certainty that it will bring indexation into disrepute and that unions will return to the industrial jungle.

That will be the result if something is not done about regulating wages in a proper manner. In this morning's Press we see what the Federal Minister for Employment and Industrial Relations (Mr Street) had to say. The article reads—

A Federal Government minister said yesterday that militant trade union leaders must take responsibility if Australia's high unemployment continued.

Mr Street said it was a matter of major concern to the Government and to the community that orderly methods of wage fixing were under attack by certain elements in the trade union movement.

That statement in itself is enough for this House to express some concern. There is an orderly method of wage fixing and it was introduced in 1975. This method was to relate wages to movements in the Consumer Price Index. The trade union movement, together with the Civil Service Association, did not like this method but they went along with it. Now we have a situation where the Government is trying to give something less than that. The Government is saying that there should be orderly movement in wages but it is itself bringing about disorder.

I honestly believe the Australian Government has broken the guidelines laid down by the commission in the original decision—and I admit that my phraseology may not be legally correct. Of course, the commission has to be swayed by the advocacy of government—it can do nothing else but be swayed by it. It has now come to the point where our local commission has been following the example set by the Commonwealth tribunal and it is putting into effect the policy of the Fraser Government. It seems to me that things were going reasonably well.

The Federal Treasurer (Mr Lynch) had these words to say—

Mr Lynch said that average weekly earnings were growing much more slowly than the Budget estimate of 22%.

He said that average weekly earnings were tending towards an annual rate of increase of around 15%.

Although the earnings figure was satisfactory its implication for monetary management should be regarded as serious and disturbing.

One might say that that is a fair assessment. The Press release from which I am quoting is dated the 13th November, 1975, after the caretaker Government—if that is the correct name to use—had been in

office for two days. Mr Lynch said that the rate of growth in the average weekly earnings was slowing down. The Treasury estimate had been 22 per cent, but the increase would be approximately 15 per cent. The actual fact is that the increase was 12.9 per cent—less than 13 per cent. So the increase was even less than Mr Lynch's estimate but still the Government is not satisfied with the situation; it must go before the Industrial Commission and put forward submissions which would decrease the real return to people on wages and salaries. It is a serious situation when people have their real wages decreased, and it is one politicians everywhere should be concerned about. Perhaps we could make the sacrifice of having less in our pockets if it were doing any good, but it is not doing any good. The situation is getting worse and worse because the strategy of the Federal Government has failed, and we should point that out to it.

The policy of the Fraser Government is designed to put more income into the pockets of those in the private sector. The first action taken by the Fraser Government was to take away the miserable \$20 that was given to the dependant of a pensioner for funeral benefits. That move was blocked, of course. The Federal Government then introduced the policy of relating the pension rate to the Consumer Price Index, but the increase is passed on about six months after the rise in the CPI.

The Whitlam Government was moving towards the situation where the pension rate would be related to the average weekly earnings; in fact, that Government was aiming at a pension rate of 25 per cent of the average weekly earnings.

If the Whitlam Government had been allowed to finish the three-year term for which it was elected, the pension rate at this time would be in the vicinity of \$90 a fortnight whereas in actual fact it is \$87 a fortnight.

No doubt some of my colleagues will speak about the Budget reduction of \$33 million in the grants for Aboriginal people. It is a disgraceful situation to take away \$33 million from a very underprivileged and downtrodden race. In fact, it is more than \$33 million because that amount has no regard for the present rate of inflation. I will leave my colleagues to elaborate on that theme, but it certainly gives some cause for this House to express concern.

I now come to the question of the Medibank levy. Last night Mr Lewis talked about the reversal of the Australian Labor Party's policy in regard to the wood chipping industry.

The Hon. A. A. Lewis: You agree that is so?

The Hon. D. W. COOLEY: I do not think the gymnastics of the Federal Government in respect of Medibank can be compared in any way with the change of policy of the ALP in respect of the wood chipping industry. When the Whitlam Government came to power, it introduced Medibank because this was one of the main planks of its platform. Medibank was to ensure medical cover for everyone in Australia in return for 1.35 per cent of their taxable income. The conservative-controlled Senate at that time blocked the legislation for the 1.35 per cent levy, for what reason we do not know. Then when the Liberal Party came to power, it almost doubled the Labor Party's proposed levy.

The Hon. G. E. Masters: The Labor Party would have had to do the same. Who do you think was going to pay it?

The Hon. D. W. COOLEY: The Labor Party had a firm policy of a 1.35 per cent levy.

The Hon. G. E. Masters: You tell me anything that is free.

The Hon. G. C. MacKinnon: The Labor Party would just go and print some more money.

The Hon. D. W. COOLEY: The Labor Party would not have slugged the taxpayer as the Fraser Government is doing. Of course medical coverage must be paid for, but why block the legislation for a levy in 1974 and then reintroduce it in 1976 at double the rate? What is the reason for this? No-one can answer—Government members in this Chamber cannot give a reason for that particular decision of the Federal Government. There is no answer to it.

The Hon. R. J. L. Williams: Were you in the Senate when the debate took place?

The Hon. D. W. COOLEY: Look at what happened with Jack Edgerton. The Liberal Party said his Qantas appointment was a "job for the boys", but it made him a Knight and reappointed him to Qantas. That is the extent of the gymnastics in which members opposite engage.

The Hon. Clive Griffiths: Who is this Jim Nastics?

The Hon. D. W. COOLEY: He is not in the Chamber. Let me refer again to the effect this will have on take-home pay. Perhaps when members opposite are making their calculations to rebut what I have to say they might have some regard for what will be imposed upon the workers of Australia. In some instances, they will be required to pay as much as \$10 a week for their health care. The Australian Labor Party's intention was to impose a levy of only 1.35 per cent on taxable income.

The Hon. G. E. Masters: They could not have done it, and you know it.

The Hon. D. W. COOLEY: The fact of the matter is that Mr Masters will be required to pay about \$10 a week if he wishes to have a reasonable standard of health care. This might not affect Mr Masters, who is on \$400 a week, but it certainly will affect the person who is on \$180 a week or less and who supports a wife and two children. If the latter cannot afford the \$10 a week, he must accept sub-standard health care due to the Liberal Party's philosophy that the rich should be able to receive better medical care than the poor.

I suppose my own situation would be similar to that experienced by thousands of people in our community. Prior to Medibank, my quarterly payment to the Friendly Societies was \$65. With the advent of Medibank, in order to obtain the gap benefits and certain hospital benefits, my quarterly contribution was reduced to \$55, and no payment was made to Medibank. However, I have been notified that as from the 1st October, my quarterly payment will be \$121, representing an increase of 86.15 per cent.

The Hon. A. A. Lewis: Then you will agree that Medibank should never have been introduced.

The Hon. D. W. COOLEY: No, I would not. I should like somebody to explain how my contributions have increased by 86.15 per cent in just over 12 months.

The Hon. A. A. Lewis: When did Medibank commence?

The Hon. D. W. COOLEY: On the 1st July, 1975.

The Hon. A. A. Lewis: That is why the cost has increased. One does not have to be a genius to work out that Medibank has caused the increase.

The Hon. D. W. COOLEY: That is nonsense; it was caused by the policies of the Fraser Government. The Fraser Government claims that wage increases are the cause of all our inflation and cost increases. However, from my calculations, this is not the case. In June, 1975, the average weekly earnings were \$155.70, whereas the preliminary figure for June, 1976, indicates a figure of \$180 a week, an increase of 16.12 per cent in 12 months. How can members opposite account for the fact that my contributions have increased by over 86 per cent in slightly more than 12 months?

The Hon. G. C. MacKinnon: By the stupid fiddling about of the Whitlam Government.

The Hon. D. W. COOLEY: I am referring to contributions paid to a private health fund. The Whitlam Government had nothing to do with that.

The Hon. G. C. MacKinnon: It was due to the theoretical nonsense inflicted upon us by Scotton and Deebie.

The Hon. D. K. Dans: Mr MacKinnon does not understand health care.

The Hon. D. W. COOLEY: The Minister's statement is really amazing; the increase in my contributions has nothing to do with Government administration. I should like members opposite to explain why my contributions have increased by over 86 per cent when, as I say, average weekly earnings have increased by only 16 per cent in approximately the same period.

The Hon. G. C. MacKinnon: I just told you.

The Hon. D. W. COOLEY: Is this great increase due to doctors increasing their fees? Has the State Government increased its hospital charges?

The Hon. N. E. Baxter: Yes, and the increased wages have caused the fee increases.

The Hon. D. W. COOLEY: It is terrible that people must fork out up to \$10 a week for their health care; it is an indictment on the Fraser Government.

The Hon. N. E. Baxter: You must consider the increased wages bill facing the hospitals.

The Hon. D. W. COOLEY: I have already informed the House that average weekly earnings—which include overtime and other factors—increased by 16 per cent. However, people working in the hospital industry would not have received even that much. Their wages have increased by less than 13 per cent, because they are tied to movements in the Consumer Price Index.

The Hon. N. E. Baxter: Increases in wages lead to other increases.

The Hon. D. W. COOLEY: This is a disgraceful situation; I do not know where we are headed.

The Hon. G. C. MacKinnon: We are headed for recovery.

The Hon. D. W. COOLEY: That is not evident at present.

The Hon. D. K. Dans: As soon as we get that \$300 million from the Euro-market we will be headed for recovery.

The Hon. G. C. MacKinnon: You ask reasonable questions and I give you reasonable answers, but you will not accept them.

The DEPUTY PRESIDENT: Order! I think it would be preferable if members allowed Mr Cooley to continue with his speech.

The Hon. D. W. COOLEY: I have just been advised that the estimated cost of Medibank for 1975-76 was \$1445 million, and actual expenditure was \$1377 million. There is something wrong there; the Government is still ripping it off the

people, and we are still to be required to pay enormous increases in our contributions to the private health insurance sector.

That is not the worst of it. As I mentioned, prior to the 1st January, 1976, my quarterly contribution to the Friendly Societies was \$65; but that payment was subject to income tax deduction which in effect meant I was paying only \$35 a quarter for my health insurance. When taxation time came around, I received back almost \$30 of my quarterly contribution. However, this will not be the case under Mr Fraser, because no deductions are to be allowed in respect of payments for health insurance.

The Hon. J. C. Tozer: How do you work that out?

The Hon. D. W. COOLEY: That is to be the case.

The Hon. R. J. L. Williams: For your information, it will be tax deductible.

The Hon. D. W. COOLEY: No, that is not so. Taxpayers still are to be permitted the minimum deduction of \$1 350.

The Hon. D. K. Dans: You cannot do your sums, Mr Williams.

The Hon. R. J. L. Williams: Be fair—85 per cent of the doctor's fee is covered, but the remaining 15 per cent is tax deductible.

The Hon. D. W. COOLEY: We are talking about the actual contributions to the health funds.

The Hon. R. J. L. Williams: The contributions you pay will not necessarily cover everything, will they?

The Hon. D. W. COOLEY: At \$121 a quarter, I should hope so! I refer members to a newspaper article headed "Rocketing costs of health insurance". In the examples given of workers on the average annual income, prior to Medibank the man on the then average wage of \$7 500 was required to work 4½ days a year to pay for his health insurance; however, after the 1st October, 1976, the person on the present average annual wage of \$9 000 will have to work 32 days of each year to achieve the same result.

The Hon. N. E. Baxter: You are deluding yourself if you maintain the taxpayer would not have been required to pay for Medibank.

The Hon. D. W. COOLEY: In 1975, I was contributing to a private health insurance fund and, after the 1st October, 1976, I will continue to contribute to that fund; however, in a period of just over one year my contributions will have increased by more than 86 per cent.

The Hon. N. E. Baxter: But if you did not pay that, you would be paying for it by way of increased taxes.

The Hon. D. W. COOLEY: In effect, I was paying only about \$35 a quarter because I received a taxation refund of almost \$30.

The Hon. T. Knight: That just shows the inability of the Whitlam Government to assist the people in the business.

The Hon. D. W. COOLEY: Our responsibilities to the people of the respective provinces we represent here should cause us to support this motion because many thousands of little people are being adversely affected by the so-called strategy of the present Australian Government to cut spending.

The Hon. G. C. MacKinnon: Do you mean "pygmies" or the socio-economically disadvantaged?

The Hon. D. K. Dans: What do you mean by "pygmies"?

The Hon. G. C. MacKinnon: The little people.

The Hon. D. W. COOLEY: It is true that, when measured in terms of parliamentary seats, the conservatives had an overwhelming victory in the 1975 Federal election; however, when the result is measured in terms of overall votes, it was a much closer decision.

The Hon. Clive Griffiths: You are not getting back to that, are you?

The Hon. D. W. COOLEY: Members opposite may laugh because they wish to perpetrate the malapportionment which is so evident in this Parliament and in Canberra. At the last election, the Labor Party polled 44 per cent of the votes to gain 39 seats, whereas in the 1974 election it polled 50 per cent of the votes, gaining only 60 seats. Members should consider the results of the New South Wales election and see what percentage Labor had to poll to enable it to form a Government on a narrow majority.

On those grounds, the Australian Government does not have a licence to apply a policy which favours wealthy graziers, some farmers—not all farmers; the poor dirt farmer is suffering at the moment—and the affluent businessmen to the detriment of thousands of working people in Australia. The very least we can do in this Chamber is to express our concern—after all, that is all this motion sets out to do; we are not trying to bring about the downfall of a Government by devious means—at the deterioration in the life style of our people since the Fraser Government came to power.

I think members in this Chamber would be consistent in their attitude to the Australian Government if they did the same thing here tonight as they did in 1974 and 1975 on the Wordsworth and Lewis motions. The present Federal Government is doing far more harm to the Australian nation than any of its predecessors.

I believe the Whitlam Government will be regarded by the more enlightened, political-thinking people in the future as one of the great Governments of Australia.

The Hon. V. J. Ferry: Regarded as a great failure!

The Hon. D. W. COOLEY: History will regard the Whitlam Government as one of the great Governments in Australia, because of its policies which—

gave more independence in foreign affairs;

redefined our attitude to exports and resources;

destroyed the White Australia Policy; encouraged the arts and cultural development, and a more confident national consciousness;

removed injustices against women, Aborigines, migrants, and disadvantaged groups;

provided free legal advice to people who could not afford to employ lawyers;

established social welfare benefits unequalled in Australian history;

established an education programme giving equal opportunities to all children regardless of financial standing; and

provided health benefit cover at a minimum cost, and not at \$10 per week.

As against that, the present Federal Government is setting about to destroy all those great benefits that the Whitlam Government had conferred on the people of Australia.

We have a bounden duty to do all in our power to stop the present Federal Government from dismantling the great edifices in respect of social welfare and a consequent better life for the Australian people that the Whitlam Government had erected.

I hope the House supports my motion.

THE HON. LYLA ELLIOTT (North-East Metropolitan) [6.03 p.m.]: I have much pleasure in seconding the motion moved by Mr Cooley. It is quite clear that we now have back in the saddle in the national Parliament a Liberal-Country Party Government which firmly believes in and intends to implement a nineteenth century conservative philosophy. It is one which has well and truly been discredited.

The Fraser Government has for economic strategy discrimination against the people who can least afford to suffer in an economic recession. I am talking about the unemployed and the disadvantaged people. That Government has shown complete indifference and callousness to the plight of the unemployed.

I am sure that most members saw the report on the front page of the *Daily News* of the 17th August last, under the caption—

Buoyant Lynch says:

IT'S A GET UP AND GO BUDGET

Alongside that report was a photograph of Mr Lynch, who obviously appeared to be very proud of his Budget.

The Hon. G. E. Masters: So he should be.

Sitting suspended from 6.05 to 7.30 p.m.

The Hon. LYLA ELLIOTT: Before the tea suspension I was saying that the Federal Government, in the presentation of its Budget, showed a complete indifference and callousness in its attitude to the unemployed of this country. On the front page of the *Daily News* of the 17th August, 1976, there appeared a headline, "It's a Get Up and Go Budget" while on the other side of the same page there appeared a heading, "Jobless are facing a grim future".

I am becoming a little tired of our opponents continually blaming the Whitlam Government for the economic problems facing this country, and which have faced this country over the past few years. I am sick and tired of the nonsense which comes from our opponents.

The Hon. N. McNeill: We are not opponents; we are trying to help you.

The Hon. LYLA ELLIOTT: The Whitlam Government was blamed for the economic ills experienced by this nation. However, now that the present Government has brought down its own Budget it can no longer use the Whitlam Government as an excuse, or blame the previous Government for the problems confronting us. Of course, the present Government will find some other scapegoat such as the trade union movement, but it certainly cannot blame the Whitlam Government any longer.

Despite the most serious economic recession experienced throughout the world for over 40 years, and despite the ruthless and irresponsible disruption of the Whitlam Government by the conservative forces of this country, some magnificent reforms were introduced by the Whitlam Government which, had they been allowed to develop would have improved the quality of life of all Australians. Despite the ranting and raving of our opposition—the Press—Australia has fared pretty well during the recession which beset the whole of the western world.

I would like to refer to some figures put out by the OECD. It would seem that until now no-one in the Opposition parties had ever heard that there was an international recession. No-one would have thought the recession was occurring in any other place than Australia. It would seem that Australia was the only country with unemployment problems, and problems of inflation. However, I intend

to quote some figures which appeared in *The OECD Observer* for March-April, 1976. The figures on unemployment show that Australia is fairly well down the scale for the year 1975. According to the figures in this document, the unemployment rate in Australia, as a percentage of the total labour force, was 4.1 per cent.

The unemployment rate for the Netherlands was 4.3; for Germany it was 4.4; Belgium, 4.4; for Canada it was 7.0; and for the United States it was 8.3 per cent.

The Hon. A. A. Lewis: Can you quote the figures for 1972?

The Hon. LYLA ELLIOTT: The figures I am quoting are for 1975, when the Federal Liberal and National Country Parties saw fit to bring down the Whitlam Labor Government with the excuse that the then Government was not running the country in the best interests of the people.

The Hon. G. C. MacKinnon: How then do you justify the motion moved by Mr Cooley?

The Hon. LYLA ELLIOTT: I am dealing with the background to the economic recession which faces this country. As I said, the Federal Liberal and National Country Parties were successful in this propaganda, and used the economic situation in order to convince the people of Australia to return them to office. The Liberal and National Country Parties claimed they would cure all the economic ills by means of good economic management. However, let us examine what they did.

I recently attended a lecture at the University of Western Australia. The lecture was presented by Professor Wheelwright, Associate Professor of Economics, University of Sydney.

The Hon. A. A. Lewis: He used to work for BHP.

The Hon. LYLA ELLIOTT: On the 25th June, 1976, I attended the lecture which I considered to be very well presented. I obtained a copy of the lecture because I thought there would be an occasion when it would be of value to members and help make them aware of what economists were saying. The lecturer referred to the collapse of the world monetary system, and stated—

This collapse of the world monetary system, and the *relative* decline of the American economy, were not unconnected with the world slump, to which I now turn. It began two years ago, and reached its lowest point, so far, about last October. At that time the International Labor Office reported the highest unemployment for 40 years in 18 western capitalist economies:—there were 17 million without jobs.

Last year, about the time our Federal Liberal and National Country Parties decided that the Whitlam Government could not run the country because of the unemployment situation in Australia, the highest

rate of unemployment was in the United States. To continue the remarks of Professor Wheelwright—

Unemployment was 8 per cent of the work force in the USA, which means 7 million people. That percentage is a national average—it was double that on the East Coast of America, which is rotting on the vine.

This was the wonderful capitalist economy. The Professor went on and gave the details of the internal numbers in America which I will not quote. Later on in the lecture he stated—

In W. Europe the situation is disguised by the large number of so-called "guest" workers—immigrants who can be sent home if there is no work for them. Both France and W. Germany have been sending them home; the French had 4 million, drawn from Portugal, Algeria and Tunisia. Clearly the one million unemployed in France would have been doubled or trebled without that safety valve of unwanted "guests".

Japan had over a million unemployed, with one out of every two job seekers being unsuccessful. This slump was/is a generalised one, affecting every western type capitalist country more or less at the same time. It began in the three economic systems which account for two thirds of the total in the capitalist world—the U.S.A., Japan and W. Germany. And it spread very rapidly to other industrialised capitalist countries. The reason is two fold: one, such countries are linked together more than ever before by trans-national corporations; and two they trade much more with each other now than with anyone else. Hence there has grown up a transmission belt which transmits booms across the world more quickly than ever before—as in 1973; and slumps, as in 1974. And of course, speculations, currency crises, and inflation.

Those are some words of wisdom presented by a reputable economist in this country. I hope members opposite will accept those words as evidence of the fact that Australia was not the only nation suffering the effects of the international world recession in 1975.

The Hon. A. A. Lewis: It suffered more.

The Hon. LYLA ELLIOTT: The present Federal Government won the last election because it was able to convince the people of Australia—most of whom do not bother to read economic journals or who do not understand international economics—that the Whitlam Government was responsible entirely for the economic crisis. On that basis the present Government won the election. However, what do we have now? We have a Government in office which certainly will not improve the situation as far as the unemployed people are concerned. In fact, as is pointed out in the

motion moved by Mr Cooley, we now have a Government which does not give a darn about the unemployed people.

The Hon. G. C. MacKinnon: Of course it cares; that is a silly statement.

The Hon. LYLIA ELLIOTT: The Budget which has just been presented deliberately sets out to create unemployment.

The Hon. G. C. MacKinnon: What rot!

The Hon. LYLIA ELLIOTT: I repeat: The present Government does not care about disadvantaged people and the Budget which it has presented will create unemployment.

The Hon. G. C. MacKinnon: A nice lady like you should not say things like that. that.

The Hon. LYLIA ELLIOTT: Despite the fact that we are one of the most affluent nations in the world, the present Government is not prepared to allow the people of this country to enjoy a minimum standard of health, housing, or social welfare which comparable countries are providing for their people.

We have heard a lot about reducing unemployment and inflation, and that the Budget would achieve that objective. It has been claimed the Budget will reduce inflation, but let us examine exactly what is happening. The Budget has actually reversed the downward trend of inflation.

Under the Labor Government, last year, the rate of increase in the Consumer Price Index declined by .8 per cent for the first six months of 1975. It declined again by .8 per cent in the second half of 1975. There was a further decline in the rate of increase by .8 per cent in the first half of 1976. If that trend had continued the increase in the Consumer Price Index in the coming financial year would have been 8.8 per cent.

When presenting the present Liberal-National Country Party Government Budget, Mr Lynch admitted that the inflation rate would be 12 per cent. This is evidence that the trend created by the Labor Government Budget has been reversed. The Labor Government Budget was actually reducing the inflation rate.

The Hon. G. C. MacKinnon: No, that is wrong.

The Hon. LYLIA ELLIOTT: Not only has the downward trend in the inflation rate been affected, but the Budget will actually increase unemployment. The Government has made no secret of the fact, and has made no effort to disguise the fact.

The Government has ensured increased unemployment by slashing the funds available for capital works. An examination of the payments to the States shows that funds for capital works such as schools, roads, hospitals, housing, and sewerage have been cut by \$127 million. Unemployment grants of \$30 million have ceased. Funds for Aboriginal housing have been

reduced by \$10 million. Area improvement funds for 13 local government regions have also ceased.

Funds for sewerage were reduced by 70 per cent and local government funds were reduced by \$80 million. If that is not evidence of cutting out jobs by reducing funds for capital works, I would like to know what is. While the Federal Government is increasing unemployment, knowing people will be out of work and needing some financial support, it is actually going to reduce unemployment payments.

In *The National Times* of the 6th to the 11th September, 1976, there is an article headed "Tough for the jobless" in which we are told the allocation for unemployment benefits has been cut by \$49 million. It has been reduced from \$506 million for 1975-76 to \$457 million for 1976-77. What a heartless, cruel Government we have in power in Canberra!

The Hon. G. C. MacKinnon: That is not true.

The Hon. LYLIA ELLIOTT: On one hand it is creating unemployment and on the other it is cutting out the funds which will sustain the families of the unemployed people.

The Federal Government has really excelled itself in kicking Aborigines in the teeth. It has reduced funds for Aboriginal people by \$33 million. One of the most vital areas of welfare for Aboriginal families, one which is basic to their health and their ability to reach a situation where they can go to work and support themselves, is surely decent housing. Under the Whitlam Government last year 1 150 homes were built for Aboriginal people. This year the number has been cut in half, to 500 homes. Just when we were getting through the backlog of housing for Aboriginal people and reducing the waiting list, this Federal Government has reversed the trend and slashed the building rate by half.

Employment for Aborigines has been affected by cuts in projects on pastoral properties, fishing and market gardening projects, the RED scheme, and the area improvement scheme, all of which provided employment for Aboriginal people.

I would like to quote from a telegram to indicate the kind of untrustworthy people we have in power in Canberra—the people who keep their word! In September, 1975, Mr Ellicott—who is now the Attorney-General and was then the Liberal Party's spokesman on Aboriginal affairs—sent a telegram to Aboriginal leaders throughout Australia, no doubt at public expense. It was a rather lengthy telegram and I will read only the relevant section. This is what he said to Aboriginal people prior to the election last year—

Mr Bob Ellicott Liberal and Country Party spokesman for Aboriginal Affairs said today there would be no cuts in Aboriginal affairs Budget . . .

Spread the word that there is absolutely no truth in Labor Party rumours about cuts in Aboriginal affairs Budget. Under a Liberal Country Party Government Aborigines will be better not worse off. Urge Aborigines to vote Liberal Country Party on 13th December.

Bob Ellicott

What a shameful thing—actually to go to the trouble to send telegrams to Aboriginal organisations throughout Australia, implying there would be increases in funds for Aboriginal welfare!

What has the Federal Government done? It has slashed funds for Aboriginal welfare by \$33 million. It is a disgraceful act by a Federal Government to reduce by 18 per cent the funds available for health care for a group of people among whom we find the highest infant mortality rate in the world. We have a Federal Government which intends to spend \$50 million on a superphosphate bounty which will benefit half the members of the Federal Cabinet—

The Hon. G. C. MacKinnon: It benefits everybody in Australia.

The Hon. LYLA ELLIOTT: —and at the same time cuts \$33 million from the poorest section of the community; namely, the Aborigines.

The Hon. N. McNeill: How does it benefit half the Federal Cabinet?

The Hon. LYLA ELLIOTT: We have a Federal Government which hands \$33 million to wealthy coal companies while it cuts \$27.4 million from expenditure on aged persons' homes.

The Hon. N. McNeill: You have not answered my question.

The Hon. G. C. MacKinnon: She cannot.

The Hon. LYLA ELLIOTT: What is the question?

The Hon. N. McNeill: How will it benefit half the members of the Federal Cabinet?

The Hon. LYLA ELLIOTT: That is rather a silly question.

The Hon. G. C. MacKinnon: Do you want Mr Claughton to answer it for you?

The Hon. LYLA ELLIOTT: The Federal Government has provided money for wealthy coal companies—

The Hon. G. C. MacKinnon: Who wrote that for you to enable you to quote it like that?

The Hon. LYLA ELLIOTT: I do not have to answer insulting questions like that.

The Hon. G. C. MacKinnon: I asked you.

The Hon. LYLA ELLIOTT: Members opposite obviously cannot refute what I am saying. It really hurts them, so they are "nit-picking".

The Hon. D. K. Dans: Do not start talking about the superphosphate bludger. That is not the same thing as the dole bludger.

The Hon. LYLA ELLIOTT: The Federal Government is restoring loopholes in the tax laws for people like the St. George's Terrace farmers—not the real farmers—and that will be worth millions of dollars.

The Hon. H. W. Gayfer: What percentage is it?

The Hon. D. K. Dans: I heard a savage interjection by you in this Chamber one night about a "silver spoon" farmer.

The Hon. LYLA ELLIOTT: I do not think the Federal Government itself knows how much it will amount to but it anticipates some millions of dollars will be involved.

I think probably one of the meanest confidence tricks pulled by the Federal Government is that in connection with child endowment. Big deal! Everyone will get an increase in child endowment—up 50c to \$3.50 for the first child, and \$5 for the second child.

The Hon. G. E. Masters: Go on.

The Hon. G. C. MacKinnon: Tell us the whole story.

The Hon. LYLA ELLIOTT: Child endowment will be increased, ranging from \$3.50 for the first child to \$7 for the sixth child. If one has six children one will receive \$34.50 in child endowment. That sounds lovely, but let us take a closer look at the figures.

The Hon. G. E. Masters: I think you will find it is \$36.

The Hon. LYLA ELLIOTT: Under the old set-up, whereby one received a tax rebate plus child endowment, if one had six children one would have received a tax rebate of \$26.10 a week.

The Hon. G. C. MacKinnon: That is nonsense. It depends upon how much you earn.

The Hon. LYLA ELLIOTT: I am not talking about the concessional system. I am talking about the rebate under the Hayden Budget, whereby a man with six children would have received a rebate of \$26.10 a week for those children, plus \$2.75 in child endowment, making a total of \$37.10.

The Hon. G. E. Masters: On what income was that?

The Hon. LYLA ELLIOTT: Let us forget about income. I am not talking about concessions; I am talking about rebates.

The Hon. G. C. MacKinnon: What if a man's income is too low to attract tax?

The Hon. LYLA ELLIOTT: That is different. A very small number of people in this country would benefit. Some people do not work and would not have received a rebate, but the great majority of people are working people who pay tax, and the great

majority of people will not benefit under this new scheme. The amounts for the people who do not work are practically negligible. I am talking about the great majority of working people in this country who have been fooled into thinking they will have money in their pockets as a result of these child endowment payments.

I was saying that under the Hayden scheme a working man with six children would have received \$26.10 in tax rebate, plus \$2.75 in child endowment, making a total of \$37.10. Under the new scheme he will now receive \$34.50, which is a reduction of \$2.60 a week. So where is the wonderful scheme which has been hailed as a help to big families? It is ridiculous. There has actually been an increase in tax—an underhand increase in tax. It does not matter whether one has one child or six children, one will lose. If one has one child one loses \$1.35 a week; if one has two children one loses \$1.70 a week; and so on up to \$2.60 a week. It was just a confidence trick and most families will certainly be worse off.

I believe women have been badly treated by the Budget. Funds for child care for needy families have been frozen. Allowances under the NEAT scheme have been reduced from \$96 to \$23 a week. No funds have been allocated for refugees for women and children in distress. I dealt with this matter in the Address-in-Reply debate earlier this year. There is a desperate need for emergency accommodation for women in distress. The Commonwealth Budget cuts out funds for this altogether.

Elderly women will suffer because of Federal Government cuts in welfare housing and refusal to increase home nursing benefits. Those who cannot go into a nursing home because they cannot make up the difference between their pension and the cost of a nursing home will have to go into hospital, and the Government has cut back on spending for the building of hospitals; so I do not know what will happen to those people.

The Federal Government's excuse for these cruel policies is that it wants to reduce the Budget deficit. This is to be the great panacea which will get us out of our economic recession, but it is about time the Federal Government had a look at other parts of the world and realised what a small proportion of public funds is spent on welfare in Australia.

Again I refer to *The OECD Observer*. Of all the countries in the OECD, Australia is about third from the bottom in public expenditure.

The Hon. J. Heitman: That is not true. You should go up to Singapore and Malaysia. There are no social services up there.

The Hon. LYLA ELLIOTT: I am talking about the OECD countries—western nations.

The Hon. G. C. MacKinnon: Tell us what they are.

The Hon. LYLA ELLIOTT: I am about to do so. Current Government expenditure and revenue—

The Hon. G. C. MacKinnon: Tell us which are the OECD countries.

The Hon. LYLA ELLIOTT: The figure given for Australia was for 1973-74, so I rang the Government Statistician to get the current figure which would be in line with the figures for other countries. Current Government expenditure and revenue as a percentage of GDP was 26.8 per cent in Australia in 1975. Now let us look at some other percentages: Austria 31, Belgium 36.4, Canada 34.7, Denmark 40, Finland 30.3, and Germany 37.5.

The Hon. J. Heitman: What about Hungary and Yugoslavia?

The Hon. LYLA ELLIOTT: Then we have Italy with 34.4 per cent and the Netherlands with 46.4 per cent.

The Hon. G. C. MacKinnon: Crazy!

The Hon. LYLA ELLIOTT: Obviously Mr MacKinnon does not believe in humane, social welfare policies.

The Hon. G. C. MacKinnon: You are spot on; not when it reaches that level of extravagance.

The Hon. LYLA ELLIOTT: Then there is Norway with 40.9 per cent, and Sweden with 44.4 per cent.

The Hon. G. C. MacKinnon: Bankrupt!

The Hon. D. K. Dans: Sweden is bankrupt?

The Hon. G. C. MacKinnon: It should be. Everybody goes two miles over the border to shop at about one-tenth of the prices in Sweden.

The PRESIDENT: Order!

The Hon. LYLA ELLIOTT: Some of the countries I have quoted as having a much higher level of Government expenditure than this country has, are amongst those which have lower percentages of unemployment. The Government of this country must make up its mind whether it is prepared to sacrifice working people and let half the population end up on the dole, or whether it will act like a responsible, civilised, twentieth century Government and provide some funds to get people back in work; and that is exactly what the Whitlam Government was trying to do with its expenditure.

Once again, I would like to refer to something Professor Wheelwright said in his lecture, as follows—

For example, the O.E.C.D.—that rich man's club of western capitalism, to which Australia now belongs—issued a bleak report at the end of last year. It did not think the situation would improve much in terms of unemployment, although inflation would abate somewhat. It threw into question the future of the mixed economy, suggesting that as it emerged from recession,

inflation would spark up again, and to reduce this would cause an even deeper recession. It is also suggested that it might be necessary for the system to have a large public sector for survival.

This is being recognised by countries all over the world. In the type of economic situation in the world today Governments have to devote a larger share to the public sector to keep the country out of trouble in respect of unemployment.

To round off, I believe we have a dishonest, despicable Government in power in Canberra. It has broken promises to Aborigines, it has broken its word about wage indexation, it has broken its word to the unemployed, it has broken its word not to interfere with Medibank, and it has broken its implied promises to the gold-mining industry. It can find \$33 million for coal companies, including the wealthy Utah company, but it cannot find one cent for the Kalgoorlie goldmining industry.

There is an old saying that one can fool some of the people some of the time, but this Federal Government will not fool the Australian people any further. The people will not forget in a hurry how they were tricked and double-crossed by the Federal Liberal-National Country Party Government in Canberra.

THE HON. G. C. MacKINNON (South-West—Minister for Education) [8.04 p.m.]: It has been extremely interesting to listen to the debate thus far.

The Hon. R. F. Claughton: We hope it will continue to be interesting.

The Hon. G. C. MacKINNON: I hope it improves in respect of the depth of research, because in that respect it has been poor to date.

The Hon. D. K. Dans: You tell me where the Swedes go two miles across the border to shop.

The Hon. G. C. MacKINNON: I will tell the member about that in a moment. One would suppose, having heard the discussion from the two speakers so far, that the general reaction of the people in Australia would be one of a group champing at the bit in their anxiety to remove the Federal Government. Let us consider that. I have with me a public opinion poll published in *The Bulletin* on the 4th September, 1976. This is an Australia-wide survey conducted by Morgan, a fairly reliable opinion poll. A total of 1 854 electors were asked which party they would support during the period from the 14th to the 21st August. Forty-nine per cent said they would support a Liberal-National Country Party Government, and 3 per cent said they would support the DLP. In respect of the DLP, that is 1 per cent less than the peak in March last year. We were up to 52 per cent, and we have been down as low as 47 per cent, but we are now at 49 per cent.

Forty-three per cent said they would support the ALP, and 2 per cent said they would support the Australia Party.

The Hon. D. K. Dans: They couldn't have taken that poll before the New South Wales election.

The Hon. G. C. MacKINNON: That election was a State election in New South Wales, and we are talking about a motion which is directed against the Fraser coalition Government. The poll to which I am referring had nothing to do with Mr Wran, who is a nice fellow. He has just married again, and everyone's heart goes out to a newly-wedded chap. I am giving a plain statement of fact that within the last 30 days the Liberal-National Country Party coalition had a rating of 49 per cent, while the ALP had a rating of 43 per cent.

The Hon. D. K. Dans: An excellent figure, we think.

The Hon. G. C. MacKINNON: Okay. I suppose Mr Dans is happy with that seeing it has been as low as 40 per cent.

The Hon. D. K. Dans: And you were up to 52 per cent. We are going up and you are going down.

The Hon. G. C. MacKINNON: We have gone back up, because in July we were down to 47 per cent.

The Hon. D. K. Dans: Wait until after Medibank changes.

The Hon. G. C. MacKINNON: Strangely enough, the poll goes on to say that the approval rate of Prime Minister Fraser has increased, and so has the rate for Mr Whitlam.

The Hon. D. K. Dans: What are the approval rates of the Prime Minister and the Leader of the Opposition?

The Hon. G. C. MacKINNON: In respect of Mr Fraser, 49 per cent approve of him and 38 disapprove; while in respect of Mr Whitlam 40 per cent approve of him and 45 per cent disapprove.

The Hon. Lyla Elliott: Wait until a few more are put out of work.

The Hon. G. C. MacKINNON: I suppose really I should just read out this Morgan poll and say, "QED" and sit down, because if an election were held tomorrow the Fraser Government would win with a slightly reduced majority.

The Hon. Lyla Elliott: Why did you lose in New South Wales?

The Hon. D. K. Dans: I thought you were going to lift the level of the debate. I am waiting.

The Hon. G. C. MacKINNON: I do not have to try very hard to lift the level after listening to Mr Cooley and Miss Elliott; however, the Leader of the Opposition should wait for a while.

The Hon. R. F. Claughton: If you were fair you would have to say they spoke extremely well.

The Hon. G. C. MacKINNON: They did the best they could.

The Hon. D. K. Dans: Let's see you do a little better than you usually do.

The Hon. G. C. MacKINNON: The poll to which I referred is proof positive that the motion is nonsense, because when it comes down to tin tacks what we are talking about is the acceptability of the Government to the voters of Australia, and on the result published in *The Bulletin*—

The Hon. D. K. Dans: Which is a very good left-wing paper.

The Hon. G. C. MacKINNON: —of the 4th September, 1976, the acceptability of the Fraser Government is such that it would win another election. To say the Fraser Government is doing so badly is palpably false. The motion is extremely interesting, because it commences by saying—

(1) This House notes with concern—

(a) the high level of unemployment in Australia generally and Western Australia in particular;

Whatever the level of unemployment is, we are concerned about it.

The Hon. D. K. Dans: What are you going to do about it?

The Hon. G. C. MacKINNON: I remind Mr Dans what the people of Australia did about it last year; they threw the Labor Government out of office.

The Hon. D. K. Dans: What are you going to do about it now?

The Hon. G. C. MacKINNON: They threw that Government out decisively, and gave the new Government the opportunity to reverse the trend. Perhaps we should accept that first part of the motion, and then scrap the rest of it except for that part which says that we consider the Australian Government strategy to reduce Government spending in order to direct more finance into the private sector—and here we should change the wording—will help to reverse the inflationary trend of the economy which developed so alarmingly under the Labor Government. Then the motion would reflect some sense.

The figures that have been bandied about with gay abandon in the main do not stand close scrutiny. Mr Cooley's figures regarding his comparisons of taxation were so palpably wrong that even mental arithmetic during the debate showed their error. The error will be shown up not by guesswork but by a statement of facts by a subsequent speaker. It is inexcusable that a person who introduces a motion should be so blatantly wrong. By interjection it was pointed out to Mr Cooley that certain people were \$1 or \$2 better off in respect

of their taxation deductions as against reimbursement; and the more children they have the better off they are under the present arrangement introduced by the Fraser Government.

The Hon. D. W. Cooley: It is obvious you were not listening because I was quoting examples—

The Hon. G. C. MacKINNON: I was listening intently, hoping to hear something that I could accept, and about which I could make out a reasonable argument. Nevertheless, a subsequent speaker will deal with this matter in detail, because he has the figures at his fingertips. He spoke today to the Taxation Department and he has found that virtually every figure Mr Cooley quoted was wrong.

The Hon. Lyla Elliott: Do you dispute the child endowment figures I quoted?

The Hon. G. C. MacKINNON: Let me quote some figures which Miss Elliott used, and about which I am prepared to argue.

The Hon. D. K. Dans: Are you not prepared to argue against the others?

The Hon. G. C. MacKINNON: Yes, give me time to get around to them. The two speakers who have participated in the debate have spoken since about 4.45 p.m., and I have been going for only 10 minutes; yet Mr Dans expects me to answer all that garbage in 10 minutes.

The Hon. D. K. Dans: That is not very parliamentary.

The Hon. G. C. MacKINNON: Well, then, all that stuff, much of which was not true. I am getting around to answering some of it, but I cannot answer it all in such a short time. However, as Miss Elliott sidetracked me from one line of thought to another, let me deal with the matter to which she referred. She referred to a magazine published by the OECD.

The Hon. Lyla Elliott: I cannot recall the name, but it is the OECD publication.

The Hon. G. C. MacKINNON: Mr President, I am sure you will recall, because I know how good a memory you have, that years ago Mr Dolan made a great play about comparative expenditure on education around the world. I think I was sitting at that time in the seat now occupied by the honourable Roy Abbey and I made a speech in which I spoke about the method of collecting statistics. Many articles have been written about this.

The Hon. Lyla Elliott: Mr Fraser accepts the OECD figures.

The Hon. G. C. MacKINNON: Wait a minute. One cannot compare figures even within the various States of Australia because figures are collected from State to State on a different basis.

The Hon. D. K. Dans: You had better tell the present Prime Minister that.

The Hon. G. C. MacKINNON: I shall tell him any time I see him; I shall have no hesitation in telling him. Anybody who has been in this business knows that there is not a State or a country that does not collect its statistics on a slightly different basis.

The Hon. Lyla Elliott: You have changed your tune.

The Hon. G. C. MacKINNON: I shall cite an example now that I used on that occasion. In the United States of America most sports stadiums are built on college grounds and are accounted for in their education expenditure vote. Their expenditure on museums and art galleries also is included in the education vote because they are regarded as educational. In this country we have a separate vote and they are not accounted for in the education expenditure. Therefore, our vote for expenditure with regard to education will always appear to be a lower percentage than theirs.

The Hon. Lyla Elliott: Do you think Mr Fraser and Mr Lynch are wrong to quote the OECD?

The Hon. G. C. MacKINNON: I think not one of those countries does not vary what it counts as social welfare.

The Hon. Lyla Elliott: You will not answer my question.

The Hon. G. C. MacKINNON: Ask me again.

The Hon. Lyla Elliott: Do you think Mr Fraser and Mr Lynch are wrong to quote the OECD?

The Hon. G. C. MacKINNON: Unless they make due allowance for that, yes.

The Hon. Lyla Elliott: You are changing your tune now that they are in office.

The Hon. G. C. MacKINNON: I am not. I said that this would apply to whoever cites those sorts of figures. For instance, I have not been to Canada for a long time but I have been there recently enough to know that their social welfare payments are very little different from our own and certainly are not higher, as that paper indicates. There must be a variation in the way in which their statistics are collected.

The Hon. D. K. Dans: Those figures do not relate to social welfare payments. They said they were spent in the public sector.

The Hon. G. C. MacKINNON: Miss Elliott was talking about social welfare.

The Hon. Lyla Elliott: I was talking about the public sector.

The Hon. G. C. MacKINNON: Then I misunderstood Miss Elliott.

The Hon. D. K. Dans: I do not think any country spends 44 per cent of its gross national product on social welfare.

The Hon. G. C. MacKINNON: Then I misunderstood her. But even in that sector these sorts of figures would vary. This is the sort of trap into which the two Opposition speakers to date have fallen.

The Hon. D. K. Dans: That is a matter of opinion.

The Hon. G. C. MacKINNON: It is not a matter of opinion; it is a matter of fact.

The Hon. D. K. Dans: I shall be quoting some Australian figures.

The Hon. S. J. Dellar: You say that your opinion is never wrong.

The Hon. G. C. MacKINNON: That is where Mr Dellar makes a mistake because I have publicly admitted to a couple of mistakes which is more than I have heard him do, probably because he has done nothing.

The Hon. S. J. Dellar: You are the ones who add riders to questions when members are in hospital.

The Hon. G. C. MacKINNON: Cut that out.

The Hon. S. J. Dellar: What you said is, what I had and what is in *Hansard* is not the answer that was given to me.

The Hon. G. C. MacKINNON: What?

The Hon. S. J. Dellar: I will tell you later.

The Hon. G. C. MacKINNON: Write me a letter about it.

The Hon. S. J. Dellar: I would not waste 18c.

The Hon. G. C. MacKINNON: The honourable member does not have to. He has to walk only 10 yards and put it under the door.

The Hon. S. J. Dellar: Is your door always open?

The Hon. G. C. MacKINNON: Not in the middle of the night. Mr Cooley should not loosely speak about the level of unemployment having worsened since the Fraser Government took office. The figures produced by the Commonwealth Department of Employment and Industrial Relations at the 31st December, 1975, and the 31st July, 1976, simply do not substantiate his comments.

The Hon. Lyla Elliott: Did they make allowance for seasonally adjusted figures?

The Hon. G. C. MacKINNON: The original data from the Department of Employment and Industrial Relations is as follows: As at the 31st December, 1975, total unemployment in Australia was 328 705, which is 5.55 per cent of the labour force.

The Hon. D. W. Cooley: Dishonest again!

The Hon. G. C. MacKINNON: These are just straight statistics. At the 31st July, 1976, total unemployment was 270 286, which was 4.44 per cent of the labour

force. In Western Australia total unemployment at the 31st December, 1975, was 24 268, which is 4.83 per cent of the labour force and at July the figure was 21 419, nearly 3 000 less, which is 4.09 per cent of the labour force.

The Hon. D. W. Cooley: Are those seasonally adjusted figures?

The Hon. G. C. MacKINNON: They are not seasonally adjusted figures.

The Hon. D. K. Dans: You have got those wrong but I will correct them in a minute.

The Hon. G. C. MacKINNON: How the devil I can get these wrong when they are provided by the department, I do not know.

The Hon. G. E. Masters: They are Commonwealth figures. You are dead right.

The Hon. G. C. MacKINNON: I am spot on, am I?

The Hon. D. K. Dans: What were the seasonally adjusted figures?

The Hon. G. C. MacKINNON: The seasonally adjusted figures have been dropped as from the last conference by total agreement around Australia. It has been accepted that that concept ought to be dropped; everyone agreed to it. At least we are up to date. We do not cite old-fashioned figures and old-fashioned arguments.

The Hon. D. K. Dans: We have an answer to that one in a moment, too.

The Hon. G. C. MacKINNON: I have never seen Mr Dans without an answer to practically everything.

The Hon. D. K. Dans: Mostly correct too.

The Hon. G. C. MacKINNON: Of course he believes he is correct.

The Hon. D. K. Dans: I said "mostly correct".

The Hon. G. C. MacKINNON: He is a man of proper confidence. I think anybody ought to have confidence in his ability. He is a man who has proved his capacity. Of course he believes he is correct. The fact remains that we come back to the way in which statistics are collected. By common consent the Commonwealth Government and all the States in Australia—and three of them happen to be Labor governed at present—

The Hon. Clive Griffiths: Temporarily.

The Hon. G. C. MacKINNON: Yes, temporarily, and by their agreement also this is the way statistics are collected at present.

The Hon. D. K. Dans: They're good con men in that present Federal Government. They must have seen "The Sting".

The Hon. G. C. MacKINNON: Mr Dunstan's Minister for Labour and the Premier of Tasmania have accepted that this is the way in which it should be done. One

might argue that the Government of New South Wales consists of new boys who do not know what day of the week it is yet, but they are smart enough.

The Hon. D. W. Cooley: It does not alter the figures, does it?

The Hon. G. C. MacKINNON: Of course it does not alter the figures. These are the figures which are currently accepted all around Australia as the statistical base. If they do not suit members opposite and they want to go back to some other method—

The Hon. R. F. Claughton: They will suit us very well.

The Hon. G. C. MacKINNON: Let us use the ones that are now accepted around Australia; that seems to be a reasonable sort of basis. Western Australia has recorded the lowest unemployment level in Australia during eight of the past 12 months.

The Hon. D. K. Dans: What does that really prove?

The Hon. G. C. MacKINNON: It at least proves that we are better than the other States.

The Hon. D. K. Dans: It proves that we have not as many people working in the first place.

The Hon. R. F. Claughton: It might prove that you have a very low rate of immigration.

The Hon. G. C. MacKINNON: That is where members opposite are wrong.

The Hon. D. K. Dans: I will give you some figures in a minute.

The Hon. N. McNeill: I can remember Mr Clyde Cameron being somewhat concerned about the discrepancies in statistics when he was Minister for Labour.

The Hon. G. C. MacKINNON: The Minister is quite right.

The Hon. Lyla Elliott: What discrepancies?

The Hon. G. C. MacKINNON: That has rendered them absolutely speechless.

The Hon. D. K. Dans: I am still waiting for you.

The Hon. G. C. MacKINNON: I shall grasp the opportunity in both hands and carry on. In the other four months Western Australia had the second best record. I am waiting for members opposite to interject so that I can conduct the chorus.

The Hon. D. K. Dans: I am going to let you go because you are good.

The Hon. Lyla Elliott: Sir Charles was going to cure it altogether in six months and we were not going to have any unemployment.

The Hon. G. C. MacKINNON: Sir Charles underestimated the disastrous effects of the Whitlam ALP Government. He no less than the rest of us underestimated them.

The Hon. R. F. Claughton: Let us say that he underestimated his own ability.

The Hon. R. J. L. Williams: Let the Minister continue with his interjection.

The Hon. G. C. MacKINNON: This follows from Mr Dans' speech, because I agree with him. This is no reason for complacency. The State Government is committed to boosting the level of employment by restoring investment confidence and launching the projects necessary to create jobs. What a job that is turning out to be!

The Hon. D. K. Dans: You are proving you cannot talk the economy up. Do you agree with that?

The Hon. G. C. MacKINNON: I think I am proving that one can but that the job is much harder. I think Mr Cooley pointed out that so disastrous were the effects of the Whitlam era that investment in Australia came to a shuddering halt and nobody would invest a cracker. It is investment that brings employment.

The Hon. R. F. Claughton: I have figures that do not state that at all.

The Hon. G. C. MacKINNON: I think Mr Claughton and Mr Cooley ought to get up, acknowledge the President, disappear out of the door, and get their figures squared away because Mr Cooley reckoned there was a dreadful conspiracy among the multi-national companies because none of them would invest any money. Is Mr Claughton going to stand up in a little while and tell us there was plenty of investment money?

The Hon. R. F. Claughton: You said that there was no investment.

The Hon. G. C. MacKINNON: I did not.

The Hon. R. F. Claughton: You did.

The Hon. Clive Griffiths: Mr Cooley said that.

The Hon. G. C. MacKINNON: I was reminding the Chamber of what Mr Cooley told us.

The Hon. D. K. Dans: I am waiting for you to say something. I am on your side now; I am waiting for you to say something.

The Hon. G. C. MacKINNON: I am not up to that point yet. I am up to the point of refuting the silly arguments—

The Hon. D. K. Dans: You are just on the punch line. You are not on the commercial yet.

The Hon. G. C. MacKINNON: I am at the stage of going over the rubbish that was spoken by Mr Cooley and Miss Elliott. Opposition speakers said that this motion was introduced only because it has become the habitual thing to have a motion opposing the Federal Government. But at least when we introduced such a motion we researched it and brought down factual material.

The Hon. Clive Griffiths: I think the motions were carried.

The Hon. S. J. Dellar: I wonder how!

The Hon. G. C. MacKINNON: I think that might be another difference in the motions. The ones we introduced about the previous Federal Government were carried.

The Hon. S. J. Dellar: You can do anything if you have the numbers.

The Hon. G. C. MacKINNON: I think it was argument. They were well researched.

The Hon. V. J. Ferry: This motion has been introduced by a back-bencher. It does not show that much importance is attached to it by the Opposition.

The Hon. R. F. Claughton: It shows that we have quality in depth.

The Hon. S. J. Dellar: Is Mr Lewis a back-bencher or a front-bencher? I know he sits on the front bench but that is only because he cannot fit into the back bench.

Several members interjected.

The PRESIDENT: Order! This conversation is all very pleasant, but I would like the Minister to continue.

The Hon. G. C. MacKINNON: I am delighted to think there is at least one member in this House who shows enthusiasm in listening to me. I really appreciate it.

As I said, we agree with Mr Dans that we are anxious to increase the investment level in order to increase employment. The State and Federal Governments are committed to a level of full employment; but we all agree that this is being hampered by some militant trade unions.

The Hon. Lyla Elliott: Here we go again.

The Hon. G. C. MacKINNON: Of course, here we go again. I come along with a plain factual statement—

The Hon. Lyla Elliott: You cannot blame the Whitlam Government any more so you blame the trade unions.

The Hon. D. K. Dans: What about left-wing unions?

The Hon. G. C. MacKINNON: Call them what we like.

The Hon. D. K. Dans: Why not call them communist unions and be done with it?

The Hon. G. C. MacKINNON: Mr Dans is labelling them communist unions, although I would not go that far. Mr Dans knows the union situation better than I do, and if, from the depth of his wisdom, he labels them communist unions, I will accept his name because I would accept him as an authority. He ought to know, and if Mr Dans says they are communist unions, he probably knows they are communist unions.

The Hon. D. K. Dans: The Federal Treasurer calls them anarchist unions.

The Hon. G. C. MacKINNON: I am prepared to accept Mr Dans' name for them because I know he is an authority on this situation, and he calls them communist unions.

There is no shadow of doubt that these people have caused a degree of unemployment.

We are living in a place in which there is a capitalist system, thank goodness, and we must produce on a reasonably competitive basis. We are at present handling labour costs, on a production basis, at about the highest in the world.

The Hon. Lyla Elliott: Cut it out!

The Hon. G. C. MacKINNON: I am not cutting it out. There is no doubt about it.

The Hon. D. K. Dans: What do you mean by "on a production basis"?

The Hon. G. C. MacKINNON: Let me quote an authoritative argument. With bonuses, benefits, and so forth, the average production worker in the car industry in Japan is getting about \$200 Australian a week. The Australian equivalent is getting about the same amount of money. The Japanese worker is producing on a per worker basis 53 motor vehicles a year while the Australian worker is producing seven.

The Hon. D. K. Dans: You are not suggesting that if we built more motor-cars we could sell them, are you? Your economics are all wrong.

The Hon. G. C. MacKINNON: This is a typical smart aleck move. One is asked a question which one is attempting to answer and then the answer is switched around. We are talking about productivity on a competitive basis. Cars are sold around the world. If the Japanese worker for near enough the same wages can produce more than seven times the number of cars produced by the Australian worker, the production rate is not good here.

The Hon. Lyla Elliott: Japanese management has something to do with that.

The Hon. G. C. MacKINNON: That could well be. I am not arguing about that because it has nothing to do with the motion. The motion is not smart enough to include that. Nevertheless, the management has not been responsible for a difference of seven times the production.

The Hon. D. K. Dans: Do you think we should produce cars in Australia?

The Hon. G. C. MacKINNON: That is an argument into which I do not intend to enter. We do produce cars in Australia and it is to the credit of Chifley that we do. He started it. He was the person who gave everything in the world in order that cars might be produced in

Australia. The argument could be submitted that we should not produce them ourselves, but that we should import them from overseas. A good argument could be submitted along those lines, but that is beside the point.

There is no reason why our production should be a seventh of that of our nearest competitor. That is the point I am making. Our wages, on a productivity basis, are the highest in the world at present.

The Hon. Lyla Elliott: You cannot compare world figures. You told me that about the OECD. They are all different.

The Hon. G. C. MacKINNON: When our production is seven times lower than that of our nearest competitor we must realise that things are not good. They would not be good if our production was a third or even half that of our nearest competitor.

The Hon. D. K. Dans: Why not have a look at productivity and the export industries? That is what economics are all about. Tell us the beef producers cannot produce enough beef.

The Hon. G. C. MacKINNON: We are now talking about export producers. This involves the people Mr Cooley always rubbishes. He refers to them as, I think, the wealthy farmers. In whatever speech he makes Mr Cooley always—

The Hon. G. E. Masters: Denigrates them.

The Hon. G. C. MacKINNON: Yes. He did so even tonight when talking to his motion which has nothing to do with farmers.

The Hon. D. K. Dans: You don't do a bad job with the unions.

The Hon. G. C. MacKINNON: I did not call them communist unions. The Leader of the Opposition did.

The Hon. D. K. Dans: I suggested you might as well use that term.

The Hon. G. C. MacKINNON: I do not denigrate unions. I have been a member of a union.

The Hon. Lyla Elliott: Here we go again.

The Hon. G. E. Masters: They do not like that.

The Hon. G. C. MacKINNON: They do not like to think I have been a member of a union.

The Hon. D. K. Dans: I bet it has been a better union since you left.

The Hon. G. C. MacKINNON: I do not think it is.

The Hon. D. K. Dans: We are still waiting for pearls of wisdom to drop.

The Hon. G. E. Masters: Mr Cooley calls people like you suckers.

The Hon. G. C. MacKINNON: Because I was a member of a union?

The Hon. G. E. Masters: No; because you do not vote as he would like you to vote.

The Hon. D. W. Cooley: Of what union were you a member?

The Hon. G. C. MacKINNON: The vehicle builders' union. It had a long name. It used to annoy me intensely that although I was then a member of the Liberal Party—it was just after the war—I still had to contribute to the Labor Party despite the fact that I had been away to a war.

The Hon. R. F. Claughton: This is part of the argument in depth on the debate, is it?

The Hon. G. C. MacKINNON: No, but it raises a point which is worth mentioning. The other day I was reading, with a great deal of interest, the report of a speech by Solzhenitsyn in which he warned that people have continued to say that socialism as we see it operate is the Russian brand and that it is not like that anywhere else. It is just the Russian brand. He states—

... all the crimes, defects, and failings of Soviet socialism were falsely written off to the Russian "servile tradition," so as to snatch the paper angel of socialism from the fire. Of course it could not have succeeded with the Russians, but here, in the West, it will be altogether different, pure as the driven snow.

This is referring to the socialist ethic. Talking about Igor Shafarevich and Professor Iurii Orlov—

The Hon. D. K. Dans: Who is he?

The Hon. G. C. MacKINNON: A physicist from Russia. Solzhenitsyn states—

In his extensive study of socialism, based on a vast number of historical facts, Shafarevich shows that socialist systems are by no means modern inventions, that in history they have always and without exception assumed a ruthless totalitarian character, and that even all Western—yes, Western—theoreticians and prophets of socialism have proudly proclaimed just these brutal principles.

With the methods and language of physics, Iurii Orlov has convincingly shown us (his samizdat work has just arrived in the West) that even in theoretical terms consistent socialism can take no other form than the totalitarian, just as two gears must mesh or an accelerated wheel cannot fall to turn.

The Hon. Lyla Elliott: What has that to do with the motion?

The Hon. G. C. MacKINNON: I can understand Miss Elliott asking that question because she would not want to hear what was said by a practical person like

Solzhenitsyn who has seen the system work and studied it intensively. He was making an address at the Hoover Institution reception, which was translated by Terence Emmons, editor of the *Russian Review* at the Hoover Institution and associate professor of history.

It upsets members opposite, and I do not blame them for that because it comes as an awful shock to them, although deep down they know it is true.

The Hon. Lyla Elliott: Rubbish!

The PRESIDENT: Order! I have some difficulty in connecting the Minister's remarks to the motion.

The Hon. G. C. MacKINNON: Most of the talk we have heard tonight has been concerning capitalism, profit motive, and so on. Despite the prompting of my good friend, Mr Clive Griffiths, neither Mr Cooley nor Miss Elliott has realised that profit must always be counted as a percentage of capital invested. Mr Clive Griffiths endeavoured to point this out to Mr Cooley by way of interjection.

The Hon. D. K. Dans: Not very successfully.

The Hon. G. C. MacKINNON: He was inhibited by the fact that, to some extent, he was doing so in a disorderly fashion and he knew the President would frown upon his behaviour if he kept it up long enough to get what he was saying through Mr Cooley's head. So he had to be careful.

The Hon. R. F. Claughton: There is more than one measure of profit of shareholders' funds.

The Hon. G. C. MacKINNON: Here we have a fellow who has gained honours in economics.

The Hon. R. F. Claughton: No; just an ordinary degree.

The Hon. G. C. MacKINNON: We were told that Mr Claughton had an ordinary BA, but honours in economics. Nevertheless, I have always looked on profit as being a percentage of capital invested, in my little experience of it.

As I said, Mr Cooley was talking about a company which made \$1 million without any reference to capital.

The Hon. G. E. Masters: He referred to \$2 million a week with no reference to the capital invested. I wonder whether he gets 10 per cent for his money in the bank.

The Hon. G. C. MacKINNON: Let me do the courteous thing and refer back to what the lead speaker, Mr Cooley, said.

The Hon. D. W. Cooley: That would be unusual.

The Hon. G. C. MacKINNON: No. A while ago Mr Dans asked me when I was going to say something original.

The Hon. D. W. Cooley: I was just talking about courtesy.

The Hon. G. C. MacKINNON: It is claimed that this motion had become a matter of form. I am prepared to accept that. Mr Cooley also claimed that unemployment has gradually increased. I have answered that by quoting Commonwealth figures.

The Hon. Lyla Elliott: Distorted.

The Hon. G. C. MacKINNON: During the debate those figures will be requested. Mr Dans will give his version of them.

The Hon. D. K. Dans: He will not give his version of them.

The Hon. G. C. MacKINNON: He will give someone's version of them.

The Hon. D. K. Dans: He will give the real version.

The Hon. G. C. MacKINNON: I think Mr Masters will give the factual version of them.

The Hon. D. K. Dans: I doubt it.

The Hon. G. C. MacKINNON: We had to listen to a lot of talk about the quality of life. This is a matter of individual interpretation, but it was not gone into in any depth at all. A comparison was made between ALP rule and Liberal Party rule. We were told that we had 23 years under a Liberal Government which had done nothing and then suddenly we had a spate of Labor rule which had literally solved all the country's problems. We know that was not true. No-one who solves the nation's problems, or goes halfway towards doing so, gets thrown out neck and crop the way the ALP was thrown out in Canberra. How the election came about is not part of the argument. There was an election, although it happened to be overseas at the time.

The Hon. D. K. Dans: So we cannot blame you for that.

The Hon. R. F. Cloughton: You would not like to talk about Mr Field and Mr Petersen.

The Hon. G. C. MacKINNON: About whom?

The Hon. R. F. Cloughton: I thought you would remember the details of the recent constitutional history.

The Hon. G. C. MacKINNON: I consider the whole of the constitutional affair was perfectly proper and correct. We are not arguing that at present. We are arguing the fact that there was an election. It happened to be in South Africa at that time and I was prepared to bet good money, if I could get it, on the result. I was two seats out in my forecast—I thought we would get 89 but we got 91. That is how certain I was of the result.

When we consider an analysis of the present situation we find the only thing that is holding the ALP together at the

present time is what happened prior to that election; indeed the ALP has lived on the myth—and it is only a myth—of the misbehaviour of the Governor-General. It is this which has kept Mr Whitlam in the leadership of the party. Had it not been for this aspect he would have been thrown out neck and crop.

These views of mine are confirmed in an issue of *The Bulletin*. Mr Dans has said it is a left-wing journal, but it is not; it is a right-wing journal. So that is another mistake he has made. It is either a right-wing journal or a middle-of-the-road journal. Mr Dans can check and see that he said this.

The Hon. D. K. Dans: I am not denying that I said it. I know the journalists who are writing it. You should vary your reading from left to right.

The Hon. G. C. MacKINNON: As we all know the question of leadership has continued to be a problem in the ALP.

The Hon. Lyla Elliott: Just as you have had your problems with McMahon, Snedden, and the rest.

The Hon. G. C. MacKINNON: We all have our problems in connection with leadership; the difference is that we have solved our problems whereas the Labor Party has not solved its problems. This is where we hear about the Whitlam Government and all the marvellous things it is supposed to have done. I would now like to quote from the article in question which says—

But, basically, his solution—

That is, the solution of Mr E. G. Whitlam—for every problem was to provide huge sums of money, irrespective of how they fed the fires of inflation.

The Hon. R. F. Cloughton: Who wrote the article?

The Hon. G. C. MacKINNON: Alan Reid, who is a very fair-minded commentator. I read articles by Alan Reid about four years ago when I would like to have spoken to him in a harsh manner because I felt he was doing us no good. Overall, however, he is quite fair-minded.

The Hon. D. K. Dans: I know him personally.

The Hon. G. C. MacKINNON: Members opposite may have missed a bit of this and I would not want that to happen, because it is vitally important.

The Hon. R. F. Cloughton: It is very authoritative!

The Hon. G. C. MacKINNON: It is something that both Miss Elliott and Mr Cooley should get through their heads. Accordingly I quote again—

But, basically, his solution for every problem was to provide huge sums of money, irrespective of how they fed the fires of inflation.

We all know some of the stories that were going about that the only factory in the Eastern States that was working overtime was the mint.

The Hon. D. K. Dans: There is no mint in New South Wales.

The Hon. G. C. MacKINNON: I said in the Eastern States, meaning Australia. To continue with the quote—

Some of the projects into which he poured big money, for example education, Aboriginal advancement and growth areas, were praiseworthy in themselves.

Alan Reid is a very fair-minded fellow—

But his weakness was that he was more concerned with the impressiveness of the amounts than with how these were to be spent. As one of his own ministers perceptively remarked, "He was more concerned with getting his monuments in future history books than in how long the monuments would endure."

Of course the monument came tumbling down in December, 1975.

The Hon. G. E. Masters: I think they took his photograph down.

The Hon. Lyla Elliott: You are really hard up for an argument when you quote that. There is no argument to answer.

The Hon. G. C. MacKINNON: I am trying to impress on the honourable member that this matter is over and done with; that we ought to be trying as an Australian nation to put behind us the mistakes of the Whitlam experiment and battle our way forward into a reasonable economic situation.

The Hon. R. F. Claughton: You cannot expect us to tolerate what is going on and the mistakes that are being made by the present Australian Government.

The Hon. G. C. MacKINNON: There is no such thing as a free lunch. I find it very difficult to hear what Mr Claughton is saying. I will probably read his remarks in *Hansard* tomorrow.

The Hon. D. K. Dans: I will certainly not be reading yours.

The Hon. G. C. MacKINNON: I have great difficulty in picking up what Mr Claughton says.

The Hon. R. F. Claughton. If you sit down I will inform you.

The Hon. G. C. MacKINNON: I have no intention of sitting down.

The Hon. Clive Griffiths: Have you finished reading that article from *The Bulletin*?

The Hon. G. C. MacKINNON: No, the article does continue and states—

Whitlam hopes and expects to lead the ALP at the next elections. He is a great survivor and he is lucky. He even

survived the attempt to get from Iraqi sources \$500 000 to meet the ALP's electoral expenses.

Incidentally it paid that debt.

The Hon. D. K. Dans: This is a serious business. We are dealing with unemployment and you are speaking to the motion.

The Hon. G. C. MacKINNON: As a matter of fact there was very little concern expressed by members opposite on the question of unemployment; indeed I have expressed more concern than have the two speakers from the other side of the House. Mr Dans may have every intention of making a few points; but the point was very well made by interjection by Mr Masters—as indeed it was made by Mr Hayden and Bob Hawke—that it was necessary to keep a viable private industrial sector, because it employed three out of every four of the workers. Again this was forgotten. Members opposite cannot turn it on and off like a tap. A thing like this takes time; indeed the OECD nations have found this to be so.

The Hon. D. W. Cooley: You only gave him 18 months out of the three-year term.

The Hon. G. C. MacKINNON: Other countries of the world and particularly OECD countries have found that despite improved economic performance, unemployment levels remain high and are expected to decline only slowly. Inflation in most countries is now well below the peak of 1974-75 but there may not be further significant improvement in the near term. It takes time for the private sector to gear up again particularly after it has had the horrible belting it got.

The Hon. Lyla Elliott: You are contradicting yourself. You have just admitted it is an international problem.

The Hon. G. C. MacKINNON: It happens to be much worse here. To a large extent we are insulated from international problems.

The Hon. A. A. Lewis: Miss Elliott would not quote the 1972 figures.

The Hon. Lyla Elliott: I did.

The PRESIDENT: Order!

The Hon. G. C. MacKINNON: Mr Cooley spent a great deal of time talking about a number of people and giving comparisons of incomes. He took the level of the average income as \$180. I think I am right in saying that. He quoted this as being a figure below which it was fairly difficult to live.

I always understood that the average income was the average right across the board; and there are a number of incomes below that which do not constitute the poverty line.

Mr Cooley then went into a matter which I have answered and which will be answered in greater detail later by, I think, Mr Masters when dealing with the

taxation comparison. Mr Cooley's figures were wrong; he was not careful enough in his research. This is unforgivable when one introduces a motion of this type. For example Mr Cooley talked about a family consisting of a wife and two children and referred to a figure of \$5 when dealing with child endowment. He forgot to mention the \$3.50 which is given for the first child, which makes a total of \$8.50. He definitely forgot about that.

The Hon. D. W. Cooley: I recognised that.

The Hon. G. C. MacKINNON: Had we not reminded the honourable member he would not have recognised the fact; he would have left it in *Hansard* for everybody to see.

The Hon. D. W. Cooley: Don't you ever make slips in this House?

The Hon. G. C. MacKINNON: A great deal has been said about Medibank, as though this was the great invention of the Whitlam ALP Federal Government. Let me remind members how Medibank came into force. There were two men working at the university who, in order to earn their Ph.D had written a thesis on medical care at national level. Their names were Scotton and Deeble. They were picked up—and they were not the only academics who were taken under the wing of the Federal ALP machine; a very successful machine, led at that time by Mr Whitlam, the rising star.

The Hon. D. K. Dans: Are you sure Dr Scotton was not working for the Federal Government before Labor came in?

The Hon. G. C. MacKINNON: I am fairly certain of this fact, but it does not affect the issue.

Th Hon. D. K. Dans: You said he was picked up.

The Hon. G. C. MacKINNON: Let me say he was taken under the wing of the ALP machine and asked to assist by the rising star of the ALP, Mr Whitlam; who did this sort of thing with a number of people who had bright ideas. Mr Whitlam introduced what was to become fairly new strategy by saying, "We do not know what you want, but we will run an inquiry and find it and whatever it is we will give it to you." There is no argument about that. Scotton and Deeble came in on the practicalities of running a health service across the nation, but they did not know anything about the matter.

The Hon. Lyla Elliott: It was a pretty good scheme; you cannot deny that.

The Hon. G. C. MacKINNON: It was not; they took a system based on theory and convinced the Federal Government it ought to be adopted.

The Hon. Lyla Elliott: It was based on the Canadian scheme.

The Hon. G. C. MacKINNON: I know that because I have studied the Canadian scheme.

The Hon. D. K. Dans: You said it was based on theory.

The Hon. G. C. MacKINNON: It was based on their understanding of the Canadian scheme.

The Hon. D. K. Dans: That is better.

The Hon. G. C. MacKINNON: At that stage I was aware that the Canadians were worried about the outcome of their scheme and indeed they had good reason to be, as they have now.

The Hon. Lyla Elliott: You are talking about the conservatives in Canada.

The Hon. G. C. MacKINNON: I spent five weeks looking at the system in the United Kingdom and at that time I had good reason to know something about health services.

In the Department of Health at that time there were men who knew a great deal about this matter and who had spent a lifetime in this sphere. I would like to quote a medical practitioner I happened to meet in the Kensington area near London. This gentleman had worked under the Australian system, the American system, the Canadian system, and he was back in England where he had trained originally. He claimed that the best system for the patient was the Australian system, and he also said that there was a great deal of personal satisfaction for the doctors under this system. There was more money in the American and Canadian systems, and there was less work under the English system. However, there was more satisfaction under our system and a reasonable living could be made.

The Hon. Lyla Elliott: What about the one million people who were not covered?

The Hon. G. C. MacKINNON: That was a figment of the imagination—

The Hon. Lyla Elliott: Oh no it was not.

The Hon. G. C. MacKINNON: —of Scotton and Deeble. It was an idea put out, and successfully put out. Who were these people? Queensland had a system which was reasonably parallel to the English system and hardly anyone in that State was insured. Probably the whole of this one million people resided in that State.

The Hon. D. K. Dans: That is not so, of course.

The Hon. G. C. MacKINNON: Perhaps not all of them, but where did the others come from? The Hon. John Tozer said he knows where 10 000 of them come from, and of course, he was talking about the Aborigines. I may be wrong but I think McMahon was Prime Minister when the scheme was introduced by a Liberal Party

Government to cover the Aborigines. There were also people in the services. Miss Elliott asked about the one million people who were not covered, and I have shown where they were.

The Hon. D. K. Dans: What about the inner city suburbs of Melbourne and Sydney—nobody denies that.

The Hon. G. C. MacKINNON: Some of the residents of Redfern were not insured, and that was taken as a pattern for the whole of Australia.

The Hon. D. K. Dans: No, Carlton.

The Hon. G. C. MacKINNON: The suburb of Redfern was the one most frequently referred to.

The Hon. D. K. Dans: I never heard it quoted.

The Hon. G. C. MacKINNON: Well, I never heard anything else. I was vitally interested in this matter because we had just lost Government in this State. Remember that short period after the electors had a mental aberration? One of these two men went out to St. John of God Hospital and the Sisters there were thunderstruck because he did not have a clue about the way the system worked.

The Hon. D. K. Dans: I notice he went to a good hospital.

The Hon. G. C. MacKINNON: After that visit some of the decisions were considered again.

The Hon. N. McNeill: They shocked the hospital too.

The Hon. G. C. MacKINNON: It shocked the Mother Provincial that anybody so ignorant could tell her how to run a hospital. They had the temerity to do so, and they had been given the right to do so by the Hon. E. G. Whitlam who was to change the face of the world. What a tragedy this turned out to be. It commenced on the basis of an original idea of Mr Hayden—

The Hon. D. K. Dans: It does not alter the fact that when you went to the people you promised clearly that you would not alter Medibank.

The Hon. G. C. MacKINNON: —who had forecast that the cost of medical care would escalate and who said that something had to be done about it. Hayden claimed he could do something about it. The problem is, of course, that the fundamental cost will not vary whether it is paid for by taxes, directly by the people, by insurance, or by anything else.

The Hon. D. K. Dans: Or by a levy.

The Hon. G. C. MacKINNON: Or by a levy. The cost is not going to alter very much.

The Hon. Lyla Elliott: Why did you not pass the legislation?

The Hon. G. C. MacKINNON: That is a very good question—why was it changed?

The Hon. Lyla Elliott: They tried to sabotage it, that was the reason.

The Hon. G. C. MacKINNON: Oh no, the only sabotage in this exercise was undertaken by the Labor Government under the control of Whitlam. He sabotaged a perfectly good workable system. We are trying to put it back on a sound basis. Miss Elliott asked me a question and I would dearly love to answer it if she will let me. There is nothing fundamentally or basically wrong with the system in operation in the United Kingdom except that nobody has the responsibility for a debt properly incurred.

Nobody pays for medical care so nobody feels an obligation, a responsibility, or a right to complain. I asked questions about the system, and I used an operable hernia as a basis of comparison. I asked how long it would take to get a bed in a hospital to seek treatment for an operable hernia. I think members will agree that in Australia it would take two weeks to a month.

The Hon. I. G. Pratt: Straightaway.

The Hon. G. C. MacKINNON: Certainly near enough to straightaway. In the United Kingdom it would take two to seven years.

The Hon. G. E. Masters: For sure.

The Hon. R. F. Claughton: That would depend very much on where you lived.

The Hon. G. C. MacKINNON: Yes it would depend on where one lived. If one lived in London it would take seven years, whereas if one lived in the southern part of Scotland or the northern part of England it would take two years.

The Hon. R. F. Claughton: The English migrants to whom I have spoken have been very satisfied with the English scheme.

The Hon. G. E. Masters: Come on—it is called the national disaster!

The Hon. G. C. MacKINNON: The honourable member should have a look at this himself. I spent five weeks in England looking at it. The people there admitted that it is a marvellous system if someone suffers something like a massive heart attack. It is a first-rate system for a crisis situation. But so it is for every country in the world. If anyone here suffered a heart attack, he would be in the Royal Perth Hospital in less than an hour.

The Hon. D. K. Dans: Or the morgue.

The Hon. G. C. MacKINNON: Yes, or the morgue. As a matter of fact, if one were on a station out from Marble Bar or Meekatharra and suffered a heart attack, one could be in hospital in two hours.

The Hon. Lyla Elliott: This is the best filibuster speech I have ever heard.

The Hon. A. A. Lewis: Obviously you are not listening.

The Hon. G. C. MacKINNON: For that sort of situation any system is good. The Labor Party altered a system which had a component of personal responsibility and it took away that personal responsibility.

The Federal Government is trying to put back a component of personal responsibility, and I think that is the proper thing to do.

Of course the cost of medical care will not be altered one iota, because the cost is inescapable. Previously the cost was met partly by tax and partly by insurance. Of course, some people did not want to be insured and they did not take out insurance deliberately because it did not suit them. Mr Whitlam tried to make this a total tax charge, but we put it back on a part-tax and part-insurance basis, or a selection of combinations. However, the base cost to the nation will probably vary extremely little.

Members keep asking me questions and I am being led away from answering the points made by Mr Cooley. I have now covered his remarks to the stage where he spoke at some length about Medibank. I believe this subject will be dealt with in detail by one or two other speakers at a later stage. Incidentally, when Mr Cooley claimed that the White Australia Policy had been—

The Hon. D. W. Cooley: Destroyed by the Whitlam Government.

The Hon. G. C. MacKINNON: —destroyed by the Whitlam Government, it was pointed out very properly to Mr Cooley that that policy was purely and simply a figment of the imagination of the ALP when drawing up its policy, and it had nothing to do with the Australian Government. This policy was written into the ALP platform structure at one of its biennial conferences years ago. There is no such thing—there is an immigration policy but the White Australia Policy was a blot on the escutcheon of the ALP and it was time someone got rid of it. I am glad Mr Whitlam did.

Most of the questions raised by Miss Elliott have been answered as I have progressed. Some of the matters she raised one can only contradict. For instance, she said that the Federal Government has no concern for poor people. That is just so obviously rubbish that it does not matter. Whereas the ALP claims to be looking for a situation where there is equal opportunity for all and privilege for the "working man", the Liberal-National Country Party can properly claim that we want equality for all and privilege for none. Obviously at the last election in the Federal sphere, in Queensland and the Northern Territory the election was not won by died-in-the-wool Liberals, but rather it was won for the Liberals by died-in-the-wool unionists—thousands and thousands of them.

The Hon. D. W. Cooley: I thought the Country Party was the Government in Queensland— isn't that right?

The Hon. G. C. MacKINNON: I thought I said the Liberal-National Country Party.

That is what I meant to say and I will be very surprised if *Hansard* does not show that I said that.

The Hon. D. W. Cooley: Why don't you say the conservatives and be done with it?

The Hon. G. C. MacKINNON: Then let me say the conservatives, when they were opposed by the reactionaries, thrashed the reactionaries.

The Hon. D. W. Cooley: What about socialists?

The Hon. G. C. MacKINNON: Socialists are always reactionaries.

The Hon. D. W. Cooley: That sounds better.

The Hon. R. F. Claughton: Can't the conservatives be reactionaries?

The Hon. G. C. MacKINNON: No, the conservatives are progressive.

The Hon. Lyla Elliott: That is a contradiction in terms.

The Hon. G. C. MacKINNON: Of course it is not a contradiction in terms. All the real progress in the world has been brought about by the conservatives. There is nothing progressive about Russia—a socialist country.

The Hon. D. W. Cooley: They are a lot more advanced than they were under the Czars.

The Hon. G. C. MacKINNON: Are they?

The Hon. Lyla Elliott: Do you think the Czar was better?

The PRESIDENT: The speech of the Minister and the interjections are a long way from the motion.

The Hon. G. C. MacKINNON: I will come back to the motion. The Federal Government is very concerned about every person because the days are gone when one section of the community could be at peace with itself and live a good economically viable life on its own. The whole of the nation and all facets of it must be economically contained for the nation to be prosperous and this has been proved time and time again.

I was interested in Miss Elliott's assertion that employment opportunities for Aborigines have been lost, and she referred to fishing, market gardening, and a number of other pursuits. I have visited many fish-processing plants in Australia and some Aborigines were working at Gove and Groote, and a few in Queensland, but I know of no others working in this industry. There are a number of fish-processing plants around Perth and I have visited these on a number of occasions in the last 10 or 11 years. There may have been an Aboriginal employed in one or two of these, but that would be all. So I do not see where employment opportunities have been lost. Aborigines are still working in this

industry in Gove and Groote. I instance this to draw to the attention of the House the fact that almost every statement made is fallacious.

The Hon. Lyla Elliott: You would not even accept OECD figures.

The Hon. G. C. MacKINNON: I always accept those.

The Hon. Lyla Elliott: You quote them when they suit you.

The Hon. G. C. MacKINNON: I did not quote the figures. I quoted the trend in some OECD countries where it has been found that it takes time for the private sector to recover.

The Hon. Lyla Elliott: You were talking about productivity and all sorts of things.

The Hon. G. C. MacKINNON: That is right, that is a trend.

The Hon. Lyla Elliott: Oh I see, there is a difference.

The Hon. G. C. MacKINNON: When I quoted the productivity figures in relation to Japanese car workers they were not OECD figures—they were from an article which appeared in *The National Times*.

The Hon. Lyla Elliott: I thought you were referring to OECD figures.

The Hon. G. C. MacKINNON: No; the honourable member was the one referring to those. So, we can see that most of the figures put forward by the two lead speakers for the Opposition have been a long way from the facts.

The Hon. Lyla Elliott: You cannot dispute any figures I have given.

The Hon. G. C. MacKINNON: We have the chorus to come, and no doubt it will make an impressive line and do its high kicks and perform for the next few hours and I am sure we will all find that quite interesting.

Nevertheless, the fact remains that Mr Cooley expresses thoughts which reflect the gloomy fatalism and conventional thinking of his party about unemployment. This Government knows that most problems are more likely to be overcome when faced with energy and imagination, and that is what we are doing. They are not going to be solved by suddenly inventing a new system of unemployment relief, whether it takes the form of digging ditches, building a new dam, or pouring money into the public sector in some way or another, in accordance with the percentage of whatever OECD country Miss Elliott would like us to equal. The way it will be solved in the long term for the benefit of the nation as a whole is by increasing and improving the viability of the private sector. That is not just our attitude but also the attitude of that very vilified gentleman, Bill Hayden.

The Hon. Lyla Elliott: Why is this theory not working in overseas countries?

The Hon. G. C. MacKINNON: It is starting to work in overseas countries. Mr Dans appears not to want Miss Elliott to use this material because obviously he wishes to use it when he leads the chorus line supporting the other two speakers. Whatever he is going to say about it will not alter the fact that three out of four of the workers in this country are still employed by the private sector. Our long-term recovery is geared to the private sector, and long may it remain thus. We simply must, in all seriousness, ensure that the private sector is returned to a state of very good health in order that it can take up the slack of the unemployed.

As Minister for Education I have a very real concern that come December a lot of young people, full of enthusiasm and hope, will be leaving school looking for jobs. I think all of us at our age know the shocking feeling of having to face a period of unemployment. So, to say as this motion does that "the high level of unemployment in Australia generally and Western Australia in particular" should be noted with concern is to state the obvious.

One of the statements I have heard Mr Dans make which happens to be proper and true is, "If there is one person unemployed, that is one too many." I believe he was not correct in describing *The Bulletin* as a left-wing magazine, but I do believe he was right in his statement regarding unemployment. We are all concerned about this situation, and that is why the Australian Government has adopted its policies with courage, firmness and, indeed, vision. We should all be supporting these policies; rather than adopting this gloomy sort of attitude, we should be standing and applauding and—it would not go too far to say—praying that they succeed. I oppose the motion.

THE HON. D. K. DANS (South Metropolitan—Leader of the Opposition) [9.20 p.m.]: I do not intend to keep the House the couple of hours Mr MacKinnon suggested. I intend to try to do something unique; namely, to stick to the terms of the motion. I have heard Mr MacKinnon make many good speeches but the speech he has just made was a long, rambling kind of talk about nothing at all. I would agree with him on one point: It is my firm hope that any strategy any Government adopts will be successful in reducing the level of unemployment and despondency which at present is abroad in Australia. It is no good merely quoting statistics or Gallup polls published in *The Bulletin*. They may well be correct, but this does nothing at all for the person who is unemployed and looking for a job.

I should like to deal with a number of matters relevant to the motion. Let me turn first to the matter of the Medibank

levy. No matter who gets on his feet in this Chamber and raves on about Dr Scotton and Dr Deeble, how the people are going to pay for Medibank and all the rest of it, the fact remains that the Fraser Government and Mr Fraser himself promised the Australian public in newspaper advertisements and in interviews on television that there would be no interference with Medibank.

If ever an issue will put the Fraser Government out of office it is this exercise into which it is now going. Shorn of all the political things one can say about it, it is going to prove the greatest financial disaster any Government has ever embarked upon and that cost will be borne by the Australian public.

The Hon. G. C. MacKinnon: I hope you will not mind if I leave the Chamber for a couple of minutes.

The Hon. D. K. DAVIS: Not a bit. I have mentioned the reality of the situation. After the 1st October, when the people look at their pay packets they will see in the first instance a deduction of some \$9.50 per week has been made to provide private medical cover.

However, when we look at today's *Daily News* we find at page 2 a report under the heading, "Doctors' fees up Jan. 1". The report is as follows—

CANBERRA, Today: Doctors' fees will rise by seven and a half per cent from January 1.

An official announcement will be made tonight by the Minister for Health, Mr Hunt, following an agreement between the Federal Government and the Australian Medical Association.

It is believed that the increase will exclude pathology fees.

Because of the increase private health insurance organisations are expected to review their charges.

The increase seems certain to cause a political storm. The Labor Party already is expected to mount an attack against the Government this session on Medibank changes.

Compulsory universal health insurance comes into effect from October 1.

That was what Medibank was all about when the Federal Labor Government introduced it; the reason was that costs were getting out of hand.

We well remember that when a levy was proposed the rate was about 1.35 per cent of wages and salaries, with a ceiling of about \$180 a year. That proposed levy and ceiling were rejected in the Senate. We should bear in mind that Medibank has not reached the costs anticipated, but if that percentage had been deducted by way of levy the whole medical fund today would be in a healthy position.

What actually happened? The Federal Government has succumbed to the demands of the doctors to introduce an amended scheme. I remind the House of the real fears held by the people in the community who do not know what will happen to them, and in this respect I am referring to the actions of the Federal Government. The other day we saw in the Press a report which indicated that the member for Tangney (Dr Richardson) was proposing at the eleventh hour a new system.

I took great interest in the programme "This Day Tonight", when the member for Tangney said in effect that the system to be introduced was not good, and we should adopt the one he advocated. If there is such great disarray in the Government ranks, how will the people react after the 1st October when the levy is deducted from their pay packets?

I agree with the comment of Mr MacKinnon that no-one is foolish enough to think a person can get something for nothing. There are no free lunches, and on that there is no argument. If the Senate had allowed the levy proposed by the Whitlam Government to go through we would be in a much better position today.

With the escalation of costs—as indicated in the *Daily News* there will be a $7\frac{1}{2}$ per cent increase in doctors' fees—the effect will be felt within the first month by Medibank and by the private funds whose only source of income is from the contributions of their members.

I should point out that the Federal Budget has made an allowance of 12 per cent in increased wages this year. I repeat that if any single thing will bring down the Fraser Government, it is the escalation of costs. Individual economists and observers have said the whole structure will be in a shambles within nine months and the people of our community will not be able to bear the increased costs.

Bland statements have been made by the Federal Government that there would be no interference with Medibank; and yet one of the first things that happened after it assumed office was that that Government bowed to the pressure of certain groups of doctors. At this point of time—and it will also be the moment of truth—the people cannot afford to pay out of their wages a levy of \$10 to \$12 a week. That is in addition to the other fabrications of the Fraser Government which said it would support wage indexation, and full indexation of income tax. We know what happened to that.

Perhaps the Federal Minister for Health (Mr Hunt) will implore the doctors to accept a little bit of plateau indexation, the same as the wage and salary earners of this country, who represent 90 per cent of the working population, have had to accept.

Let me make one thing perfectly clear; I am not attacking the salaries or fees of doctors. However, what is sauce for the

goose is sauce for the gander. If we say to the people, "You have to tighten your belts. We have said that we will not interfere with wage indexation, but have had to change our mind. The actual increase in costs is 6.4 per cent, but you will only receive an increase of 3.2 per cent" then the doctors should be prepared to do the same. It is high time the Government pointed that out to the medical fraternity and other sectors of the community. We should bear in mind that the Federal members of Parliament have been told that they should not expect an increase in salary over a certain level. Despite all that, before the 1st October we will be steering into an escalation of costs, and that was the real reason the Medibank scheme was brought into operation.

Looking at the unemployment situation, no useful purpose is served by Mr MacKinnon or any other member in getting to his feet to deal with matters here, there, and everywhere without grappling with the problem confronting us. I agree with Mr MacKinnon that Governments of all political colours, both Federal and State, have agreed with the objective of full employment. We have had that in this country since the end of World War II, up until recently.

What is happening in the world today is that the present economic system under which we live is running down and we do not know how to cope with it. It is a sad fact that all the things we are trying now have been tried overseas without success. Only yesterday I was reading a two-day-old European paper in which it was stated that unemployment was increasing and that inflation was rising again. In this regard I do not charge Mr MacKinnon with trying to mislead the House.

Why was the French Minister for Finance replaced the other day? It was because he could not grapple with the problem of inflation and the falling value of the franc. Why was the French Prime Minister replaced? For the same reason. We must bear in mind that West Germany and France are the two countries in the world with the highest amount of overseas currency reserves. See if members can cut themselves adrift from the economic fact that if those countries are in trouble, there is trouble in store for us.

Thirdly, according to the paper, the American economy has stagnated and is expected to dive. That was reported in the Press three days ago. What is the reason? It is that the same problems are besetting us here. Consumer demand is dropping. The economic theories put into operation by the Fraser Government will not cope with the problem. If people have no money to spend, things just keep getting worse.

I happen to know that Sir Charles Court is very concerned—as well he may be—with the prospects under the policies

enacted by the present Fraser Government.

Let us consider how we can get ourselves into all sorts of situations and how difficult it is to follow what the Government is doing. In *The West Australian* of the 7th August is the following—

PM says Australia on right path.

Sydney: Australia had turned back from the precipice of economic problems, the Prime Minister, Mr Fraser, said last night.

Members can read the rest for themselves, but it paints a dismal picture. However, I thought that at last things might happen although I had forgotten all the other promises the Prime Minister had broken. I was starting to get keyed up and then, on the same day, in the *Daily News* was the heading, "Record loan sought: Government's bid to prop up dollar". That is the kind of confusion that is abroad in this country. We are now looking overseas for a \$300 million loan, not forgetting the other loans we have had and are going to get.

The Hon. G. C. MacKinnon: At least it is being done in the open market.

The Hon. D. K. DANCs: That is a very good point, but it does not alter the situation. Every political and economic analysis in this country tells us that within two months there will be a mini-Budget because consumers are not spending and, more importantly, there will be a devaluation before the end of the year. This will do something for primary production and iron ore exports, but it will put inflation through the roof, which is what the motion is all about.

It is no good our trying to dodge the issue of unemployment. People from every political corner agree that unemployment is rising rapidly and should touch the half million mark by the end of the year. I hope this is not so. Some men in this Chamber have experienced life under those circumstances and they know the desperation of men really looking for work—men who do not want hand-outs but who want to work. We hear talk about the fact that unemployment is rising and that someone is to talk to State Labour Ministers. I do not care whether those Ministers for Labour are from a Labor Government or from a Liberal-National Country Party Government.

This is the kind of thing which is confusing the Australian public. Let us look at *The Australian Financial Review* of the 6th September this year, which was before that screwy argument was raised about not using seasonally adjusted figures. The following appeared in that paper—

Labour market's funny figures

THE Federal Government's decision to axe the seasonally adjusted unemployment series comes at a time when

a new, more accurate seasonally adjusted series is being developed by the Statistics Bureau.

The bureau has still to make a final judgment on the new series.

However, it is understood a decision is imminent with the bureau's quarterly labour force figures to be published within a couple of months.

The new series is seen as improving the seasonally adjusted series scrapped by the Government on Friday but still leaving the adjusted figures far from perfect.

But what do we find in the same paper on the same day? We find the following—

Labour market figures

Mr Street's press release noted that the Australian Statistician has said that the seasonal adjusted series has become an unreliable guide to the underlying trend.

An opposite argument is that the adjusted figures are in fact at present quite indicative of trend and that the Government's move is a cheap political trick.

Without speaking from a political stance, I would say the ordinary man in the street would be confused when reading such articles. I could quote many more. If members go into the library they could read them for themselves. Confusion reigneth!

Miss Elliott and Mr Cooley have undoubtedly traversed a large area of cut-backs effected by this Government, but the significant point is that most of the programmes which have been chopped were those with which the present Prime Minister said he would not interfere.

Although I am digressing a little but moving nearer to home, I wish to state that we did have some high hopes regarding sugar. In *The Australian Financial Review* of today's date is the following—

Sugar—the last commodity boom collapses

I wonder when we will hear about how much sugar we will have from the Ord. I did not write that article but it tells us what is occurring on the international market.

Why does not the Court Government come to grips with political and economic reality? It promised a whole host of things but has not performed one of them. I am sympathetic to it—it cannot perform. If the contribution made tonight on behalf of the Government reflects the thought it has put into solving the unemployment problem in this State, heaven help the unemployed.

The Hon. H. W. Gayfer: Do you think the downward trend signifies the end of the sugar industry?

The Hon. D. K. DANS: No, I did not say that. I said that the boom was over because the sugar boom has collapsed.

The Hon. H. W. Gayfer: That is what they said about wheat in 1969. If we had listened we—

The Hon. D. K. DANS: I do not recollect having seen similar information in respect of wheat. What I said was that some quotas were established. Whether or not those quotas were right I am not here to argue. What I am suggesting is that there seems little chance of the Ord project getting off the ground. I would like it to go forward, and so would Mr Tozer. Just as there is an efficient wheat marketing system, so there is an efficient sugar selling system, with restricted acreages in Queensland and elsewhere.

I do not see how, in such a climate, the Ord project will get off the ground. I hope I am wrong. No-one would wish the economy to plunge to such depths with more than 500 000 people out of work.

I am not a person who likes to weary the House with reams of facts, figures, and statistics, because I believe, for reasons different from those advanced by Mr MacKinnon, who somehow seemed to think that because a statistician went to Yale or the University of Western Australia he would have different ways of doing things—

The Hon. G. C. MacKinnon: What is that nonsense you are talking about? I did not say anything about Yale.

The Hon. D. K. DANS: Let us have a look at the seasonally adjusted figures. I must apologise to Mr MacKinnon because I suggested his figure was wrong but I was looking at a different month.

The Hon. G. C. MacKinnon: I said you were wrong at the time.

The Hon. D. K. DANS: I was wrong by only 800. In July, 1976, the figure for Australia was 4.4 per cent, or 270 286. I think Mr MacKinnon quoted that figure and I will not disagree with it because it is correct. However, he then said that one does not worry about seasonally adjusted figures. He advanced in support of his argument what the Federal Minister for Labour had said. What the State Ministers said, including the Ministers from the Labor States, does not impress me one little bit because seasonally adjusted figures are the true figures. The figure is 315 257. That is the most recent figure published in Australia, and the percentage of the work force is 5.18 per cent. I will make the figures available to Mr Tozer later because they are authentic, and very much up to date. The figure for Western Australia is 21 000. I must admit it is not a seasonally adjusted figure.

Each one of these figures represents a human being, and the total of 22 380 represents 4.9 per cent of the work force.

The Hon. G. C. MacKinnon: Why did you not let your two lead speakers have those authentic figures?

The Hon. D. K. DANKS: They are entitled to do their own research.

The Hon. G. C. MacKinnon: Why did they not do it?

The Hon. D. K. DANKS: I think they both made excellent speeches.

The Hon. G. C. MacKinnon: But the figures were so bad.

The Hon. D. K. DANKS: If the Minister would like to disagree with the figures he can, but I know they are right.

The Hon. G. C. MacKinnon: But the previous speakers were wrong.

The Hon. Lyla Elliott: None of my figures were wrong.

The Hon. D. K. DANKS: We have examined the seasonally adjusted figures for Western Australia and surely they give cause for concern because they are increasing.

What will happen if the Federal Government does not get its \$300 million loan? I am not suggesting it will not get the loan, but many countries have tried to borrow money. It is just like the fellow borrowing a dollar in a bar. He pays it back every pay day, but borrows it again next morning. He never gets out of debt.

Let us now look at the percentage change in the CPI. We are talking about Western Australia, and some of the misleading electoral promises which were advanced and enabled the present Government to be returned to office. I imagine the Fraser Government was smart enough to observe what occurred in Western Australia, and it thought that if the public of Western Australia could be conned the people throughout the whole of Australia could be conned.

For the March quarter, 1975, the wage decision brought down on the 17th May, 1975, increased wages by 3.6 per cent. That was the Australian average, and in Western Australia the increase was 3.8 per cent. So unemployment was going up and so was the cost of living.

For the June quarter, the Australian average was 3.5 per cent. The indexing date was the 18th September, 1975. Because we were beating inflation State by State, and putting things right, our figure had gone up to 4.1 per cent. We reached a better situation in Western Australia because our figure increased to 6.4 per cent for the two quarters, September and December. For one quarter the figure was 6.2 per cent. We were still dealing with inflation State by State, and beating unemployment!

We move on to 1976 and the operative date for the indexation decision was the 15th May, 1976. On that occasion plateau indexation was brought into operation and the increase amounted to \$3.80. However, the actual increase was 3 per cent; there

was no getting away from the fact that the CPI had risen to that extent. Despite the fact that Western Australia was dealing with inflation State by State, and unemployment was going up, we had an increase of 3.3 per cent. On the 18th August, we had an increase of 1.5 per cent for those earning more than \$166 a week, but the CPI increase was 2.5 per cent.

I do not know what happened because in spite of the theories advanced by Mr Fraser more and more unemployment has been created. We are going backwards. The figure in Western Australia increased to a whacking 3.4 per cent.

If one examines the motion now before us one will see that that is precisely what we are saying. Before moving away from that point I will refer to a very current article which appeared in today's issue of the *Daily News*. The article was headed, "Pensioners hit at Government" and reads as follows—

MELBOURNE, Today: The Australian Pensioners' Federation has called on the Federal Government to adjust pensions in line with quarterly Consumer Price Index increases.

The secretary of the APF, Mrs Irene Ellis, yesterday accused the Government of not carrying out its promise to protect pensioners against inflation.

"The CPI increases for the first two quarters of this year won't be passed on to pensioners till November," Mrs Ellis said.

"This means we are always about five months behind with increases which are supposed to keep pensioners updated in line with inflation."

It was "totally unjustifiable" that this situation should arise, she said.

I think it goes without saying that we have problems within the Federal sphere of Government, and our present State Government which is of the same complexion as the Federal Government is apparently bent on eighteenth century economic theories; that is, one works only on the private sector. That theory may have been all right at one time, but it is no longer relevant. Every country in the world and, indeed, every Government—and we have had 23 years of Liberal-Country Party Government in this State—is aware that we need a mixed economy in order to keep going. Mr Fraser, despite all his promises, just does not see things that way and, as a result, our problems grow day by day.

I know people in the Fremantle area—men I have known all my life—who own and manage businesses. They have been carrying people on their pay rolls for the past 18 months because they are humane people. However, they are now approaching the stage where they can see that

nothing is happening, and that the policy of the Government is making things worse. The Government is not generating anything, and they will not be able to carry on. Although they hate to have to do it, they have reached the stage where they will have to let some of their workers go.

Not content with that, the Federal Government goes even further. Let me quote a very significant passage from *The National Times* of the 6th September, 1976—

The Fraser Government appears intent on forcing thousands of people from the dole this year at a time when it expects unemployment to rise.

Budget estimates supplied by the Treasury assume an average weekly number of about 175 000 people receiving unemployment benefits in 1976-77—nearly 20 000 less than the previous year.

This is the Budget which Mr MacKinnon said in an oblique way would get things going—we will all go around and beat on a can and everything will be all right. The article continues—

Yet at the same time the Budget assumes that unemployment will rise in 1976-77, when school-leavers flood the market, and only improve marginally towards the end of the year.

The chief reason for the rise in registered unemployment accompanying a fall in the dole numbers is the tougher line on benefits which the Government announced earlier this year.

But no matter how tough the Government gets, it is certain to have to spend more than its Budget forecast.

The Budget assumes that unemployment benefits will be cut by \$49 million compared with the previous year.

That is \$49 million which will not go into the economy and which people will not spend on consumer goods. One does not have to be very smart to know what that means. The article goes on—

A breakdown of benefits (see Table 1) shows that while estimates for sickness and special benefits have increased, the fall in the unemployment appropriation from \$506 million to \$457 million is greater than shown in the Budget papers where these three items are listed together.

This is the gobbledygook from the Government which promised not to interfere with Medibank, and which promised to maintain taxation and introduce full taxation indexation, coming at the thimble and pea trick. To continue—

The actual effect of a \$49 million cut is greater than appears, since the level of the benefit is higher in 1976-77 than the previous year and the

increase in the appropriation because of higher rates is \$17 million. This means that at last year's rates the overall reduction in benefits would be \$66 million.

So what the Federal Government has taken away in 1976-77 amounts to \$66 million. The old diehards will say, "This will make them find work." The point is \$66 million is taken out of circulation from people who would have no alternative but to spend it. The Federal Government will bring down a mini-Budget in about eight weeks' time; then it will go further and devalue the currency towards the end of the year. It will need the side of the Superannuation Building for the graph on inflation because it will be so high. I do not know where the case for the phoney idea of reducing the deficit will be. The article goes on—

The main decisions taken by the Government tightening up benefits include:

This shows the cruelty and viciousness of the Federal Government against the bulk of the Australian people. To continue—

After six weeks registered unemployment people out of work will be referred to positions "within the person's capabilities" rather than simply for jobs of an equivalent kind. This means that if a person refuses a position for which he has no particular skills or different skills, then he forfeits the benefit;

It is something like the old dictation test when a migrant was not wanted. If he came from Ireland he was given a dictation test in Hindustani and when he could not do it he was deported. A person will be told, "We want a computer programmer; you are only a labourer. Tough luck, son; you are out of a job."

The Hon. G. C. MacKinnon: That is not true.

The Hon. D. K. DANS: The Minister has had ample opportunity to get up.

The Hon. G. C. MacKinnon: I have been up.

The Hon. D. K. DANS: I am giving an extreme case. The method is the same and it will be used.

The Hon. G. C. MacKinnon: You are spilling all your arguments with such silly exaggeration.

The Hon. D. K. DANS: After the Minister's puny exercise tonight I would need to be tranquillised if I were an unemployed person in this State waiting for the Government to do something to get me a job. The article goes on—

No payment for unemployed school-leavers during the Christmas holiday period;

What happens to a youth leaving school? Is he not entitled to a job? So what do we say to him? We say, "For at least another six weeks you will get nothing."

The Hon. G. C. MacKinnon: He is on holidays and he will go back to school.

The Hon. D. K. DANS: The Minister is smarter than that.

The Hon. R. Thompson: He looks smarter than that.

The Hon. D. K. DANS: The Minister knows what it means but I will read it again—

No payment for unemployed school-leavers during the Christmas holiday period; and

A more severe work test by paying benefits only to those genuinely seeking jobs who prove it by their attitude, dress and willingness to move to get work.

The Hon. G. C. MacKinnon: In other words, they will get it if they are school leavers who are genuinely seeking employment.

The Hon. D. K. DANS: Where will they get it? Can the Minister tell me how they will dress and how they will move to find employment?

The Hon. G. C. MacKinnon: I will tell you.

The Hon. D. K. DANS: We want to hear it because many young people will be leaving school this year. In high schools in my district—and, I am sure, in every member's district—students in their last year are almost in a state of trauma and shock. As one of our national newspapers quite rightly said, we are looking down the barrel of a generation of unemployed people coming out of our schools this year.

The Hon. G. C. MacKinnon: You are only repeating what I said.

The Hon. D. K. DANS: If the Minister said that, I should have assisted him to say more.

The Hon. G. C. MacKinnon: I said many sensible things which you did not hear.

The Hon. D. K. DANS: The article goes on to say—

Another reason for the cut in benefits is the Government's view that the school-leavers and people under 18 years who are paid a lower benefit will comprise a higher portion of the jobless.

However, the Government is not restricted to benefits appropriated in the Budget. It can always increase outlays . . .

Coming back to the motion, speakers on the Government side say that, simply because all the State and Federal Ministers, both Labor and Liberal, have agreed not to use the seasonally adjusted figures any longer, it is okay. It is not all right by me.

This is another of the Federal Government's snide exercises, for which it is becoming quite famous. It says, "We will go further. We are cutting down by \$49 million but in real figures it is \$66 million.

We will then put on all these other hitches and crimps and make it impossible for a number of people to get unemployment benefits, and we will make it impossible for a number of young people leaving school to get unemployment benefits for a period." It is shameful. We are talking about figures but I come back to the point that each one of those figures represents a real person—flesh and blood. That seems to be forgotten in some of the remarks which are being made here tonight.

I do not want to go into the question of dole bludging, which was mentioned by some members of the House. It is a term which I find very distasteful.

The Hon. G. C. MacKinnon: Why did you just use it?

The Hon. D. K. DANS: The inefficiency of both State and Federal Governments does not finish there.

The Hon. G. C. MacKinnon: Which one—the last one or this one?

The Hon. D. K. DANS: I am referring to the current Federal Government. I was recently up in Mr Tozer's territory. I was not politicking; I was looking around because I know the area rather well.

The Hon. S. J. Dellar: It is his territory temporarily.

The Hon. D. K. DANS: He is representing it now. I had the opportunity to talk to some people in the beef industry. I have also had opportunities to talk to members of the Australian Meat Board. I suggested to one person that it was a very good move on behalf of the present Government to sell beef to the USSR at 24c a pound. This man nearly fainted and he explained to me a very complicated formula. Some southern meatworks could go to 48c a pound, but for him and for some of his mates in Queensland that would be a disaster. He explained that this meant he would be paying something like 22c a pound to the people on the property, but more than that, it means that the Japanese will now say that 24c a pound is the norm. The Japanese purchasers will say, "If you can sell it at that price to the horrible communists, well then you can sell it to us"—these are the communists about whom Mr MacKinnon was talking. We know the kind of disaster this will mean for us. Not only will the Japanese say that, but also other people around the world will say it.

It is hard to comprehend that a Government which boasts of so much expertise in the field of agriculture, selling, and business, could be ensnared into this type of deal. We know the disastrous consequences it will have on some of our smaller meatworks which perhaps are not producing the best quality beef. That is not my viewpoint, but the viewpoint of someone else, and I would have to go along with it.

The Hon. N. E. Baxter: What would you have done with it? You tell us—you know the answer.

The Hon. D. K. DANS: Now Mr Baxter is there, I can say that I would not have given the meat away at 24c a pound.

The Hon. N. E. Baxter: You would have left it there on the property?

The Hon. D. K. DANS: Words fail me!

The Hon. G. C. MacKinnon: We will sit and listen quietly.

The Hon. D. K. DANS: We have just been told that the processors cannot even buy the meat at 22c a pound. I do not know what kind of business acumen Mr Baxter has, but I would imagine that if he were running an abattoir and he had to pay the pastoralist 22c a pound for meat, and then kill it, pack it, and export it, he would not be very happy to sell it at 24c a pound.

The Hon. N. E. Baxter: I did not say that—I asked you what you would have done with it.

The Hon. D. K. DANS: I do not know what I would have done with it, but I certainly would not have given it away. The Minister also asked me, "Would you let it sit on the property?"

The Hon. N. E. Baxter: Yes.

The Hon. D. K. DANS: I suppose that illustrates the kind of rural thinking we come across here. It does not matter if the abattoirs go broke or the whole of Australia goes broke as long as the man on the land gets his money. I want to see the man on the land get a fair deal but what I am saying is that it is a bad business arrangement and it is the second such arrangement with beef.

The Hon. N. E. Baxter: What about saying something constructive—you have only been critical.

The Hon. G. C. MacKinnon: You are the most pessimistic man I have ever heard.

The Hon. D. K. DANS: I had to sit here tonight and listen to Mr MacKinnon read drearily from that left-wing magazine *The Bulletin*. He keeps referring to it as a right-wing magazine and he quoted page after page of it.

The Hon. G. E. Masters: Very interesting.

The Hon. G. C. MacKinnon: I quoted three paragraphs.

The Hon. D. K. DANS: He got onto Solzhenitsyn from the magazine *Quadrant* then he told us how we set up Medibank.

The Hon. G. C. MacKinnon: You have read about 20 Press articles tonight.

The Hon. D. K. DANS: I quoted from four Press cuttings, not 20. That is 16 out. That is the mathematics the Liberal Party likes to use when trying to confuse the public about the real economic problems of

the country and yet the Liberal Party does not give a spit for the unemployed people in the country.

The Hon. G. C. MacKinnon: That is nonsense. We have more real concern for them than you fellows have ever dreamed about.

The Hon. D. K. DANS: What about a bit of action?

The Hon. G. C. MacKinnon: We have reversed disastrous programmes.

The Hon. D. K. DANS: Just look at these figures. The highest level of unemployment in Australia was recorded in the second quarter of 1932 when 134 068 people, representing 30 per cent of the work force, were unemployed. In January of this year there were 343 939 registered unemployed, in Australia, representing 5.66 per cent of the work force and it was the highest percentage of the work force unemployed since the depression when we had the highest number of unemployed in our Australian history.

The Hon. N. McNeill: What was the next highest figure, and when was it?

The Hon. R. F. Cloughton: I will tell you the highest period of inflation in Australia.

The Hon. D. K. DANS: Mr McNeill is really asking me the unemployment figures under the Whitlam Government, and I will tell him. Before the Fraser Government assumed office in November, 1975, the number unemployed for the last month of the Whitlam Government was 247 000, or 4.17 per cent of the work force. There are plenty of Government speakers yet to contribute to the debate, and Mr MacKinnon has informed us that they are full of statistics, information, and advice from the Taxation Department.

The Hon. G. C. MacKinnon: And enthusiasm.

The Hon. D. K. DANS: Mr MacKinnon said another speaker who is an expert on Medibank will contribute to the debate. No doubt we will have an expert come in to disprove all these figures.

The Hon. N. McNeill: Have you the October, 1975, figures?

The Hon. D. K. DANS: They are all the figures I intend to give. If the Minister is saying that in the last month of the Whitlam Government the figures were better than those in October, it proves one point—the Hayden Budget strategy was working.

The Hon. N. McNeill: I am just asking whether you have the figures.

The Hon. D. K. DANS: I am not going to give any more figures. As I said before, who is running this case?

The Hon. N. McNeill: You are making a bad job of it.

The Hon. D. K. DANS: I am making a better job of it than Mr MacKinnon did. I do not want to go very much further with these figures.

The Hon. G. C. MacKinnon: Have you lost your place?

The Hon. D. K. DANS: No, I do not need the assistance of that fine defender of democracy, Mr Alan Reid, to jolt my memory. He would have no problem finding a job in one of those totalitarian States where his main function would be to persecute ordinary men and women. He has been doing that for many years.

The Hon. G. C. MacKinnon: Is that right?

The Hon. D. K. DANS: Let us look at our own State. I do not think in the history of Western Australia, and notwithstanding 1932, that unemployment has ever been at a higher level. I must quote from *Hansard* again because on the 16th August, 1972, this is what Sir Charles Court had to say—

In my opinion it is the responsibility of Government to provide opportunities for the work force. It is drafted to do that when it is elected. This is a State responsibility.

What is the Government doing about it? Is the Government saying it miscued? It could not hit the red ball anyway—it is always overemphasising and underestimating. I will restate facts which I mentioned in another speech, and this is necessary because we will not have an iron ore mine boom every day. Sir Charles Court has this cargo-cult mentality—he sits on the beach waiting for an iron ore mine to eventuate. If we do nothing then nothing will happen. There have been cutbacks in sewerage works and in the public works sector. All these activities which should take up the slack in unemployment have been cut back, and the amount of money paid to the people doing this work will not circulate in the community. These particular people have no other course than to spend the money they receive. The record of this Government is miserable; I do not know who has told the most fibs to get into office—the present Government in Western Australia or the Australian Government.

The Hon. D. W. Cooley: Birds of a feather.

The Hon. D. K. DANS: On one occasion the Premier went on to say—

If given the opportunity to perform, we will solve the problem.

Well, the Government has had nearly three years but it has not performed. It is just as well the Government is not a newly married man on his honeymoon! When asked how long this would take the Premier said within six months of getting back into office and sorting out some of the mess that had been created. Let us assume that we had made a mess—which we had not, of course, because we inherited a lot of unemployed and we were humane enough to start up sewerage works

to enable these people to retain their dignity—Sir Charles Court was going to put it right in six months; but in almost three years he has done nothing. In fact, unemployment now is the worst we have ever had.

The Premier went on to say that we must create employment opportunities for young people. I would not like to go to the Applecross High School and tell the students of school-leaving age that the Premier said they had nothing to worry about; nor would I like to try to tell that to the lawyers I saw on television the other night or to young engineers and draftsmen at the university who are about to enter the labour market, because it just will not happen.

Miss Elliott touched on that thorny subject of Kalgoorlie. I wonder whether the Liberal Party will field a candidate for Kalgoorlie at the next election. If it does it will have to hire an armoured car to transport him, because in my understanding he may stand a good chance of being the first lynch victim in this State.

The Hon. R. J. L. Williams: Are you advocating violence?

The Hon. S. J. Dellar: They have recalled nominations.

The Hon. G. C. MacKinnon: The safe Labor seat that they lost!

The Hon. D. K. DANS: When I look at this whole dreary resumé of failure, deception, and straightout inability to perform, I have grave doubts for the future. If Mr MacKinnon says the debate is dreary, how else would you view the situation, Mr Deputy President, if you were on the labour market hoping to get a job? If we think the situation is bad here, then I suggest that members take a short trip in a plane to our biggest industrial city of Newcastle and see the desperation that is abroad there. If they go to the large provincial centres like Lismore and Grafton in New South Wales they will see for themselves economies that are on the verge of total collapse.

I did not think of looking at Port Kembla until I watched a television show the other night. Who would have thought that in the second largest industrial area in Australia 7 000 people would be walking the streets looking for work? Of course, this is only a taste of things to come, because as one wave recedes another rolls on and it is very hard to check.

Mention was made tonight of the way the present Federal Government came to power. I do not take the pessimistic view that some people take. I think this has been one of the great turning points in the political history of Australia, because today more people than ever are casting a critical eye on our political system. There are more and more letters and editorials pointing out the gerrymandered composition of this Chamber, and that will continue.

The Hon. N. E. Baxter: Only from people on your side.

The Hon. D. K. DANS: The Minister is not suggesting they all come from our side?

The Hon. N. E. Baxter: Well and truly.

The Hon. D. K. DANS: I have bad news for the Minister. I would love to believe him—

The Hon. N. E. Baxter: You do, but you won't admit it.

The Hon. D. K. DANS: —but I heard the former Deputy Commissioner of Taxation (Mr Slattery), now the Managing Director of *The West Australian*, say on a television programme that the policy of that newspaper is not in favour of the Labor Party. He defended that statement, and he is entitled to make it. We do not own the newspaper, and we have freedom of the Press. Mr Baxter should know, after the Tresillian affair, that *The West Australian* prints what it wants to print, and not necessarily the truth. It prints the stuff that sells newspapers; and the best news to disseminate is bad news. According to that newspaper, the Labor Party is bad news because perhaps it would make the newspaper conform, and freedom of the Press means printing only the news it wants to print.

I was expecting Government speakers to say they oppose the motion, but I was hoping they would inform us of positive steps to be taken to overcome the situation that exists in Western Australia. However, they did not say a word.

The Hon. N. E. Baxter: You have not said anything constructive since you have been on your feet.

The Hon. D. K. DANS: That is a matter of opinion. I have yet to hear Mr Baxter get up and state the case on behalf of the Country Party. I am sure he will do an excellent job. Probably he will tell us why the abattoirs should kill all the beef they can and make a loss so that we can get the beef off the farms.

The Hon. N. E. Baxter: Nobody said that at all. I asked what you would do with it.

The Hon. G. C. MacKinnon: He says it and then blames you for saying it.

The Hon. D. K. DANS: We have had a fairly lengthy debate so far.

The Hon. G. C. MacKinnon: You have been going for an hour. That is not bad.

The Hon. N. E. Baxter: That is not bad for someone who was going to speak for a short time.

The Hon. D. K. DANS: Would the Ministers like me to continue for a long time?

The Hon. G. C. MacKinnon: No.

The Hon. N. E. Baxter: No.

The Hon. D. K. DANS: I can see them squirming away over there.

The Hon. N. E. Baxter: We are not squirming.

The Hon. D. K. DANS: Judging from some of the interjections, they are squirming. I am hoping other Government speakers will get up and tell us what will be done. Mr MacKinnon said he would get to the kernel of the matter and I thought he would come forward with a plan to squeeze money from the Federal Government for labour-intensive work.

The Hon. G. C. MacKinnon: I didn't say that. You are wrong again.

The Hon. D. K. DANS: I thought Mr MacKinnon might say, "I can say with confidence that in the next six months we will provide employment for X number of people." I am sure when we are presented with the expert figures which have been referred to, we will also be presented with positive reasons why the Government is opposed to the motion moved by Mr Cooley. I am sure Mr Masters will say, "I have been holding back; this is what we will do: We will set everything in motion and do what Sir Charles Court said we would do and put things right. We have been a long time getting around to it because we have been busy planning. We know how to beat inflation State by State and how to boost the labour force. We know how to get the iron ore industry going again, how to increase productivity, how to sell surplus beef, and how to stop the tree-pulling programme in the south-west."

The Hon. Clive Griffiths: Does Mr Masters have to say all that?

The Hon. D. K. DANS: No, I have saved the best part for Mr Griffiths. He can tell us how the Government proposes to spark off an iron ore boom, to boost the stock market again, to imbue confidence in the goldfields, and to get the nickelodeon going again. Perhaps Mr Clive Griffiths will even say he will make a human sacrifice of himself and become the Liberal candidate for the seat of Kalgoorlie. If he and Mr Masters say all those things, I might even vote against the motion, especially if they say something positive will be done to reduce unemployment and to restore confidence in the economy.

Mr President, I do not wish to speak for very much longer; I believe that is a good point on which to finish.

The Hon. Clive Griffiths: You can reassure Mr Evans that I will not be opposing him at the next election.

The Hon. D. K. DANS: He will be very happy about that, I am sure. I know that these 22 000 people—the real number unemployed, on a seasonally adjusted basis—will be extremely happy as a result of this debate tonight. They will know exactly what is in store for them. We all know that when the Court Government came to power it said it would restore confidence and get the economy going again. We know that Mr Fraser won an election with a great ballyhoo of tub thumping, despite all those fibs he told; he said he would restore full employment and get the economy going. But he also has failed.

The Hon. Clive Griffiths: He won the election on Mr Whitlam's record.

The Hon. D. K. DANS: The Whitlam Government was not put out of office because of the things it did not do; it was put out because of the things it was doing.

The Hon. G. C. MacKinnon: In other words, because of the mess it had made.

The Hon. D. K. DANS: I know what will put out the Fraser Government—the Medi-bank issue. Soon we will be paying \$1 000 a year just for medical cover. Members opposite will not come to grips with reality. Tonight's Press contains a report of a 7½ per cent increase in doctor's fees to apply from next January.

The Hon. G. C. MacKinnon: I have heard you prognosticate like this before, and you have been wrong every time, and you will be wrong again.

The Hon. D. K. DANS: Members opposite are prolonging the agony. I have not been wrong. If the Minister cares to check *Hansard* he will see that I have not been wrong but rather that I have said I would like to be wrong. Members opposite make two false assumptions; namely, that somehow or other Australia is isolated and is not part of the general downturn in the economic well being of the world and that by some miraculous change in the leadership of this country we will emerge from this period of recession.

But what is the actual position today? We are looking down the barrel of a gun; there has been a real reduction in wages because the Fraser Government has chosen to opt out of its promises in regard to indexation; the Medibank issue is of growing concern; we have the frightening prospect of some 500 000 people unemployed; and we face a change in our educational system which will produce not an intelligent and informed young people but people who will be able to chop wood and carry water.

I support the motion and I hope it has the support of all true Australians in this House who are really concerned about the state of our economy, and the plight of our unemployed, and particularly of our young people who are yet to leave school.

THE HON. R. T. LEESON (South-East) [10.23 p.m.]: I wish to support the motion moved by the Hon. D. W. Cooley, particularly as it refers to unemployment. I have been interested to hear speeches by members opposite on this subject; I find myself wondering just how serious they are about unemployment and its effect on the people in this unfortunate situation.

I was very interested to hear an interjection by Mr Knight. I have heard him make many speeches in this House previously, when he has referred to the "dole bludgers". He said that if he were out of work he would get up, get out, and get a job. That might be all very well for him, but I have 500 miners in the Kalgoorlie

district who are willing and able to work; I just hope they will be able to get out and obtain jobs. Anybody who knows anything about mining and who has ever been down a mine to see what goes on would accept that the miners have worked very hard. Are they to be described as "dole bludgers" because they cannot find employment?

The Hon. T. Knight: You should get my statement right. I referred to people who did not want to work as being dole bludgers. However, I pointed out that people who were unemployed through circumstances beyond their control were deserving of unemployment benefits.

The Hon. R. T. LEESON: Just because they are unemployed does not mean they are dole bludgers.

The Hon. T. Knight: I did not say they were.

The Hon. R. T. LEESON: Statements have been made in this House that unemployed people are dole bludgers.

The Hon. D. W. Cooley: One has only to read *Hansard*.

The Hon. R. T. LEESON: Yes, it is there.

The Hon. T. Knight: It may be, but I did not say all unemployed people were dole bludgers. Get my statement correct.

The Hon. R. T. LEESON: Let us hope these people are not dole bludgers. The unemployment situation in Kalgoorlie has been created not by the people of the area but by Government policy which is reflected in every part of the State and more particularly in the goldfields region.

We all know of the promises made last December to the people in the goldfields area. Who would have thought that in September this year I could stand in this place and say that within two months there will not be a goldmine operating in Kalgoorlie? Admittedly, we realised last year that the industry was in trouble, but nobody seriously believed this would be its ultimate fate. It is almost as if it were planned.

I have a copy of the *Kalgoorlie Miner* of the 7th September, 1976, which contains the headline, "Cotter denies promise of aid to gold". Of course, we know that Liberal members did not go to Kalgoorlie and say, "On such-and-such a date we are going to give you \$10 million." Aid was not promised in such specific terms. But who are they trying to kid? I attended most of those meetings in Kalgoorlie, along with other members of this House, and we know what was said. One has only to check *Hansard* over the last five or six years to know what three Federal Treasurers have had to say on this matter; their statements bear out exactly what has happened to the industry.

The Hon. Clive Griffiths: What did they say?

The Hon. R. T. LEESON: Mr Griffiths knows as well as I do. They said they would assist the industry to shut down.

The Hon. Clive Griffiths: I just wanted to get your version into *Hansard*. You were there—you tell us what they said.

The Hon. R. F. Claughton: You do not suggest that people in the area voted for the Liberals because they said they were not going to assist the gold industry, do you?

The Hon. Clive Griffiths: I want Mr Leeson to tell us what was said. However, he seems very reluctant.

The Hon. R. T. LEESON: I know more about goldmining than Mr Griffiths knows about wood chipping.

The Hon. Clive Griffiths: You do not know what they said.

The Hon. R. T. LEESON: We all know what was said; it is on record in the newspapers and in *Hansard*. I am sure that at 10.30 in the evening Mr Griffiths does not want me to repeat what was said.

The Hon. Clive Griffiths: Indeed I do.

The Hon. R. T. LEESON: Over the last few months the State Government has given some token assistance to the industry; it provided \$400 000 to the Lake View and Star Company. However, when one compares this assistance with the \$300 000 provided by the Tonkin Government in 1971 and takes into account the inflationary spiral which has occurred since that time and to which members opposite constantly refer, \$400 000 is seen to be a lousy amount of assistance.

The Hon. J. Heitman: Surely you do not suggest that \$400 000 was chicken feed. It was provided despite the fact that the State Government knew full well the company had no hope of maintaining the mine in operation. Even \$10 million would not have kept it operating. The assistance provided by the Government helped keep the mine working for a period until something could be worked out.

The Hon. R. T. LEESON: I think the reason the \$400 000 was given was that even the Premier hoped and thought that the Federal Government would come up with the assistance which had been promised during the election campaign.

The Hon. N. McNeill: Why do you sneer about it?

The Hon. R. F. Claughton: He said that it was token assistance.

The Hon. Clive Griffiths: It was very substantial assistance.

The Hon. R. T. LEESON: It was token assistance and it was genuinely given early in 1976 in the hope that the Federal Government would come good with its promises and that the future of the goldfields would be rosy for the Liberal Party. Unfortunately that has not come into being.

The Hon. J. Heitman: How much money would it have taken at that time to keep Lake View and Star in production for another 10 years?

The Hon. R. T. LEESON: If I were a computer I would be able to give an answer to that. It is a ridiculous question to ask anybody, and Mr Heitman knows that as well as I do. On the front page of the *Kalgoorlie Miner* of the 4th September, 1976, there appeared a headline which indicated that the Premier was coming to Kalgoorlie for job talks. I understand that he is going to Kalgoorlie next Saturday. I hope the Premier is sincere in his attempts to alleviate the problem and can perhaps find some way of helping some of the 500 men who will be retrenched because of the winding down of the last goldmine. But unfortunately it appears as though this is window dressing.

If we look at what has taken place in Kalgoorlie in the last 2½ years since the Liberal-Country Party Government has been in power we cannot find anything. No public works of any description and no new buildings have been instigated by this Government. If members were to compare the new schools, the new courthouses, and the extensions to the hospitals that were built in Kalgoorlie between 1971 and 1974 with what has happened in the last 2½ years, they would know what I am talking about. Now all of a sudden the Premier wants to go to Kalgoorlie. I wonder why. Surely an election must be coming up shortly.

The Hon. N. McNeill: You know that the Premier has been to Kalgoorlie many times and he is not just suddenly going to Kalgoorlie.

The Hon. R. T. LEESON: It is true that he has been to Kalgoorlie on some occasions.

The Hon. V. J. Ferry: Several occasions.

The Hon. R. T. LEESON: It is the same thing, is it not? He has been there with regard to other issues. He has not been interested in creating new public works of any description in Kalgoorlie until the last fortnight. This is the first we have heard of it. He has never had any interest in the place.

The Hon. N. McNeill: Obviously you have not been listening very carefully.

The Hon. R. T. LEESON: I wish the meeting which will take place on Saturday every success. I hope that everybody is sincere in what is being attempted. But it disturbs me that an election is coming up shortly and there appears to be a lot of window dressing. For the sake of the men I hope they are able to find jobs, preferably other jobs, because many of them have given half a lifetime and half of their health to the industry. That is another thing that many people here do not understand.

The Hon. N. McNeill: You know what I think? I think there has been an awful lot of pre-election window dressing in this House since about five o'clock this afternoon.

The Hon. D. K. Dans: What gives you that impression?

The Hon. Clive Griffiths: One of the things that gives us that impression is the comments which the Hon. Mr Leeson is making now. The other thing is the comments you made.

The Hon. D. K. Dans: I think he is trying to get you a candidate for Kalgoorlie.

The Hon. R. T. LEESON: I am learning all the time! I thought I was supposed to get up here and make a speech—

The Hon. Clive Griffiths: That is what you are supposed to be doing.

The Hon. R. T. LEESON: —and talk about all sorts of things. However, the people in Kalgoorlie are desperate because not only will 500 men be unemployed but also the situation will be reflected throughout the community. I hope it will not be reflected too greatly because I think we have borne greater burdens in our time in the area and that we can bear this one. But there will be problems and they must rub off.

From what has been publicised I think people up there are expecting the Premier to announce all sorts of things. With an election around the corner he must announce something or he might as well save—

The Hon. J. Heitman: I do not think he has any intention of trying to win a seat in Kalgoorlie but he is fairly humane and he would be going there to try to help in any way he can and to get employment for those people who are out of work. We all feel sorry for them.

The Hon. R. T. LEESON: Two years ago I would have agreed with the member. Since that time I think he has given it away. However, the Premier has a responsibility to the State and we understand he must go to these places. The situation might be something like a Labor member of Parliament coming into this Chamber with the way it is loaded. The boot is probably on the other foot in Kalgoorlie, but I think one can relate the two situations.

The Hon. Clive Griffiths: I do not quite get the point of what you are talking about.

The Hon. R. T. LEESON: I think the member does.

The Hon. Clive Griffiths: We feel you are making hard work of it.

The Hon. D. K. Dans: I am waiting to hear.

The Hon. Clive Griffiths: You will hear.

The Hon. D. K. Dans: I notice the Press gallery is filling up!

The Hon. R. T. LEESON: Unemployment has been discussed at length tonight and we have heard various speakers tell of their experience with it. Unemployment in other parts of the electorate is

not very much better. I feel sorry for these people. Probably some of them would have been unemployed no matter what. This has always been the case but most of them want to work and nobody can tell me that they do not want to work. I do not think they should be termed dole bidders. Mr President, I support the motion.

THE HON. R. F. CLAUGHTON (North Metropolitan) [10.39 p.m.]: I have delayed rising to my feet in the hope that the very informed speaker from the Government benches to whom the Hon. Mr MacKinnon referred earlier would enlighten us on this side of the Chamber along the lines that Mr Dans indicated. Apparently we have had the Government's reply and we will hear nothing further from it.

The Hon. R. J. L. Williams: Are you sure of that?

The R. F. CLAUGHTON: If I had not risen to my feet the question would have been put and there would have been no opportunity for Mr Williams or any other member to speak in the debate.

The Hon. G. C. MacKinnon: That is about as wrong as practically every other statement that has come from that side.

The Hon. N. McNeill: It is your motion.

The Hon. R. F. CLAUGHTON: In his contribution Mr MacKinnon said there were speakers on the Government side who had information which they would divulge to the House.

The Hon. G. C. MacKinnon: We are not closing the proceedings of this House at midnight?

The Hon. R. F. CLAUGHTON: The debate on the motion would have been closed had I not risen to my feet.

The Hon. N. McNeill: It is your motion, after all. It is your duty to keep it going.

The Hon. R. F. CLAUGHTON: I shall make my speech, and see what happens then. The motion calls for the House to express its concern on the matters mentioned therein, in particular on the levels of unemployment which have arisen through the policies of the present Australian Government. I think it has been stated correctly by other speakers that the main strategy of the Australian Government is to burden the wage earners, to force them to accept a reduction in real wages, and hopefully by that device to achieve a turnabout in the inflation rate.

It is not very difficult to pick out examples from Press reports of statements made by Federal Ministers which are critical of the trade union movement. Their remarks in the main speak of militant left-wing unions; very seldom do they refer to any other sort of trade unions, as though the militant trade unions were the only ones that were active in Australia. That might be quite good political propaganda

for the Government, but it is not a method of encouraging the co-operation of people, and inducing them to join in the move to create new job opportunities.

The Federal Treasurer (Mr Lynch) has asked the trade union leaders to place a restraint on salary and wage demands, in order to create new jobs. To achieve that end he must adopt a conciliatory approach. At the same time it is unrealistic to accept that sort of restraint and a drop in real wages, unless the trade unions can see that the other sectors of the community are being asked to shoulder the same sort of burden in order to effect an improvement in the Australian economy.

From the many statements made by Federal Ministers it is apparent that they are confused as to what they hope to achieve. They seem to have placed great emphasis on too small an area of the economy, and hope that by concentrating on that area a magic button will be pressed and everything will turn out all right. Other speakers have pointed out that things will not turn out that way.

In the speech of the Federal Treasurer (Mr Lynch) given to the Bradfield conference of the Liberal Party forum on the 19th August last he said that inflation played a very important role in determining consumer spending; and that this was also the case in the United States of America where the savings ratio began to fall as soon as it was obvious that inflation was under control. He seemed to think that was all that needed to be done, and it would identify and isolate the problem.

The factors in the economy that brought about a drop in the inflation rate might not have that direct relationship with the savings ratio. There are other factors operating in the community to which attention needs to be given. There is no simple button-pushing formula to apply for something to happen.

The Hon. G. C. MacKinnon: You do not think that Mr Lynch is smart enough to know that?

The Hon. R. F. CLAUGHTON: If he is smart enough to know that he has not shown it in his speeches. It is little wonder that the public are confused, because the Federal Treasurer himself appears to be confused.

Recently we read about a record level of exports, and that was indicated from the most recent figures; yet in a statement on the 2nd August by the Federal Treasurer he said Australia had been exporting jobs. If we look at the curve of exports we find it has been rising. If we have been exporting jobs one would expect the Government to be taking steps to encourage exports. Instead of that the Federal Government has cut back on market development funds.

This information was given by the Deputy Prime Minister (Mr Anthony) on the 22nd June last. He gave the figures of the reductions under that scheme which

the Government had adopted as part of its Budget cuts. This was a scheme to encourage people to build up export markets and to improve the rate of exports. That is very necessary for this country.

Other items in the programme of the Whitlam Government, such as funds allocated to the Australian Design Council, have been cut back. The Australian Design Council was one avenue through which the Fraser Government decided to slash expenditure, but eventually it had to restore the cuts. This is the sort of scheme that improves and builds up the design side of the manufacturing industry, and is an area which the Government considers a most important one to build up.

The Government's stated policies seem to be a contradiction of what it is doing in the economy, to the extent that the Associated Chamber of Manufacturers in its 1976 economic submissions to the Federal Government pointed out at page 9—

The impact of public spending cuts on certain industries should be carefully and selectively assessed. This particularly applies to such industries as building and construction, electronics, engineering and heavy construction equipment. If reductions in the volume of public spending, and the pace at which they are implemented, are too severe and too rapid, the resulting unemployment, loss of output and decrease in company profits would exceed the benefits of savings in public spending in terms of personal and corporate taxation revenue alone.

That is what the manufacturers think about the Government's policies. That submission bears some examination because the material it contains is quite revealing. For instance table 5 attached to the submission gives the average return on shareholders' funds and it is interesting to compare the figures of 1970 to 1974, under the McMahon Government, with those of 1974-75, under the Whitlam Government. Most of the companies were showing significantly improved returns under the Whitlam Government, yet the Whitlam Government was supposed to be so severe on the businessman. The figures do not substantiate such a contention.

If we look at the ANZ Bank employment advertising figures on page 23 we find there is a trough which reached the lowest limits in 1972 and rose to a peak in 1973-74. Then it dropped again in 1974-75 and continued on from 1975 to 1976 at a continuing level. Consequently the advent of the Fraser Government did very little to improve the employment position in that case.

The Whitlam Government was seriously slated in connection with investment upon which the present Australian Government is dependent, so it says, to improve the economic situation and the employment level. The Australian Government says that any recovery must be investment led.

In its submission to the Minister for Industry and Commerce, dated June, 1976, Conzinc Riotinto, in a graph on page 14, shows that since 1964 about 70 per cent of investment has not been directed towards providing new plant, but in replacing plant. In fact the submission is highly critical of what has occurred in the past. This was well before the Whitlam Government gained power in 1972 and dates back to the mid-1960s. The submission states that Governments should take more seriously the fact that insufficient interest has been shown in what is occurring in Australian industry. In other sections of that submission and in other material I have, the policy of protection in Australia has been criticised as it distorts the manufacturing sector. I will quote some remarks because they are illuminating to the debate.

Mr Gordon Jackson, the author of a white paper on manufacturing industry, was reported in *The West Australian* of the 27th March. He was speaking at a seminar to discuss Australian manufacturing industry. The article reads—

He told the seminar, organised by the WA Confederation of Industry, that manufacturing industry in Australia needed major re-structuring.

This was up to government, because a free competition situation had allowed the present inadequacies to develop.

That was said by a man who holds a very high place in Australian industry, a man who would be universally recognised as being one of the industrial leaders of this country. What he said contrasts in a way with the following headline which appeared in *The West Australian* of the 22nd September last year—

Government meddling is an evil, warns Premier.

He takes a view different from that of Mr Gordon Jackson. At the time the Premier was reported as saying that industry needed encouragements. These included—

A substantial cut in taxation, or changes in the way taxes were applied.

The introduction of the well-tried method of offering specific incentives for areas of desirable investment.

The abandonment of many of the useless controls imposed in recent years that currently held back projects worth billions of dollars.

A re-examination of the training of both management and union leadership.

The only item in that list of which notice should be taken is the last one referring to the need for training of management. It is an area in which a great deal more needs to be done. It is quite obvious that Australian industry is not efficient in world terms and that a lot of our lack of productivity is due to poor management.

Manufacturing industry has been feather-bedded for a long time under the protective tariffs.

It is high time that this sector was asked to examine itself and start to make a contribution to the economy in order to assist the country to get back onto an economic even keel so that the rate of inflation and low rates of productivity are reversed.

When considering the objective of an investment-led recovery, it is interesting to note the remarks of Mr J. Tomlinson, the President of the Construction Equipment Manufacturers of Australia. He is reported in *Industry News* of August, 1976, published by the Associated Chambers of Manufactures of Australia. The article reads—

Speaking after CEMA's quarterly meeting in Canberra on 9 August, Mr J. Tomlinson, said his members have little incentive to invest without having a reasonable expectation of finding a market for their products.

"Some months ago we called for an increased level of activity in Government capital works programmes such as power stations, dams, waterfront development, airports and roads, which would return to CEMA members their largest markets."

He would quite obviously disagree with the remarks of the Minister who has spoken tonight. I take some notice of those who are involved in the nitty-gritty—to use a favourite term of Mr MacKinnon—of the business world and who make the system work.

Those are several opinions of people and authorities one would expect to find supporting the Government, and people one would expect the Government to be in tune with, and yet we find this area of disagreement between them and what the Government is actually doing. All the talk about the Government trying to whip up some sort of feeling of confidence and well-being in the economy just is not working. There was a brief flutter of activity on the stock market around Budget time, but ever since the 13th December we have observed headlines such as, "Mining leaders continue to chalk up solid losses".

It is not good enough simply to urge people to invest, and to go out and spend money; that just does not happen. It has also been pointed out that contrary to the idea that because there are large sums of money in the savings institutions, there is a large amount of unspent money. It has been demonstrated that the actual amount in real terms available for people to spend is less today than it was 10 years ago. There has been an upward trend, historically, in the gross amount of savings. But when taken in relation to the inflation rate, the actual purchasing power of that money is less. The measurement is given in so many months' spending power. Whereas the figure was 16 months, five years ago, it is now down to 14 months.

Again, the speeches made by Mr Lynch give some stress to the point that savings are creating a great danger to the community because they can be brought out instantly and spent. Well, the public has not shown any tendency at all to do that. When examined closely, that is not the real situation at all.

I could carry on for some considerable time but I think most of the areas of argument have been covered. Perhaps I will make some reference to the new federalism which was supported by the Premier of this State. We know from his own words recorded in the publication, "Policy and Performance"—of which he seems to be so proud—that he and his party played a large part in the formation of that policy.

Let us look at some of the remarks made by people elsewhere. For instance, Mr Kevin Cairns was reported in the *Australian Financial Review* of the 26th September, 1975, as follows—

In the Liberal Party at present economic decision making is centralised in Victoria, with a little bit left over for Sydney.

In other words, the fate of the remote States was of very little concern to them.

It has often been said that the Whitlam Government was a Government of centralisation, but when one looks at the actual payments made to the States one observes that the States fared extremely well. In the period from 1971-72 to 1975-76—the time of the Hayden Budget—payments increased by 167 per cent. That is a fairly substantial amount. The average *per capita* payment for the whole of the country was \$572 compared with \$441 in 1972. For Western Australia, the *per capita* figure was \$528.

The net average income tax collection in 1974 was \$572, and the *per capita* Federal payment—the national average—for 1974-75 was \$441.

If we compare the figures for Western Australia we will see that this State did extremely well. The *per capita* income tax figure was \$528 and the figure I have noted as the *per capita* payment for the States was \$549, which was \$108 above the national average. It will be seen that Western Australia has done comparatively well as a result of the Hayden Budget. In fact, the Whitlam Government did not discriminate against the smaller States.

Let us look at the remarks of some of the other Liberal leaders. The previous Premier of New South Wales (Sir Eric Willis) is reported as being very enthusiastic about the new federalism. In *The Australian* of the 12th February this year Sir Gordon Chalk, who was then the Treasurer of Queensland and a member of the Liberal Party, accused Mr Fraser and Sir Eric Willis of plotting against the smaller States. That was his view of the new federalism policy. He is reported in these terms—

Sir Eric Willis said earlier he believed the 4 smaller States were receiving too large a percentage of Federal finance. Sir Eric's statement has taken the lid off the plot which I believe was being hatched all along.

Since that time Sir Gordon Chalk has retired. Perhaps he no longer felt comfortable as an active Liberal member.

It seems Victoria and New South Wales are dictating policy to the other States under the new federalism scheme, but we do not hear the Premier of this State protesting about it. In fact he claims to have had some hand in the formation of that policy.

As that policy is applied I believe we will find this State no longer has one of the lowest levels of unemployment in Australia, which I think was attributable to a significant extent to the generous grants and reimbursements this State received from the Whitlam Government and which will no longer apply. For example, the vote for sewerage works has decreased from \$12 million last year to \$9 million this year. That reduction of \$3 million will make a very big hole in the sewerage works which can be carried out in this State, and it will be measured in terms of men who will not be employed in that area of Government activity.

I support the motion moved by Mr Cooley. I believe it is quite clear that the policies being followed by the present Australian Government are wrong. They have been criticised by people one would expect to support them. Those people will be seriously affected. The policies will not stimulate employment, and perhaps they are, as another speaker said, deliberately designed to create unemployment because they do not seem to be designed to have the opposite effect.

No matter how much one tries to talk up confidence in the business community, businessmen will not commit an investment dollar unless they get a return on it. As members opposite keep telling us, profits are necessary for business. If a businessman cannot see any profit in an activity, he will not undertake it. No matter how many carrots one might hold out, if his dollar is to be committed the businessman will not be fooled by any blandishments of this Government.

I support the motion and I hope other members will join the Australian Labor Party in expressing concern about the effect on employment of the Australian Government's policies.

Debate adjourned, on motion by the Hon. V. J. Ferry.

CITY OF PERTH PARKING FACILITIES ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. G. C. MacKinnon (Minister for Education), read a first time.

COMPANIES (CO-OPERATIVE) ACT AMENDMENT BILL

Returned

Bill returned from the Assembly with amendments.

BILLS (3): RECEIPT AND FIRST READING

1. Taxi-cars (Co-ordination and Control) Act Amendment Bill (No. 2).

Bill received from the Assembly; and, on motion by the Hon. N. E. Baxter (Minister for Health), read a first time.

2. Motor Vehicle Dealers Act Amendment Bill.

3. Gold Buyers Act Repeal Bill.

Bills received from the Assembly; and, on motions by the Hon. G. C. MacKinnon (Minister for Education), read a first time.

House adjourned at 11.21 p.m.

Legislative Assembly

Wednesday, the 8th September, 1976

The SPEAKER (Mr Hutchinson) took the Chair at 4.30 p.m., and read prayers.

QUESTIONS (41): ON NOTICE

1. **TRAFFIC**

Speeding Charges: Use of Radar Gun

Mr BATEMAN, to the Minister for Traffic:

In view of the continual public criticism of the Road Traffic Authority about their use of radar guns to apprehend erring motorists, would he consider—

- (1) Abandoning the use of them for a trial period of three months?
- (2) If not, why not?

Mr O'CONNOR replied:

- (1) No.
- (2) They are a most effective device for enforcing speed limits.

2. **WEMBLEY TECHNICAL
COLLEGE**

Car Park

Mr BATEMAN, to the Minister representing the Minister for Education:

- (1) Is the Minister aware that students attending Wembley Technical College at night are not allowed to use the car park which is never more than half full of an evening?

- (2) If "Yes" what reasons are given for such instructions?
- (3) If "No" will the Minister instruct the administration of the Wembley Technical College to allow students to use the car park of an evening?

Mr GRAYDEN replied:

- (1) to (3) The limited space available within the college grounds is used for staff parking, access to teaching facilities, and limited student use.

3. **TECHNICAL EDUCATION**

Accountancy Course: Entry into Public Service

Mr T. D. EVANS, to the Minister representing the Minister for Education:

Would the Minister please investigate a complaint that the subject Accountancy I available through the Technical Education Division as part of the certificate course of Business Studies is not acceptable for entry into the Public Service of this State, and advise me?

Mr GRAYDEN replied:
Yes.

4. **EASTERN GOLDFIELDS HIGH
SCHOOL**

Guidance Officer and Social Worker

Mr T. D. EVANS, to the Minister representing the Minister for Education:

- (1) Is the Minister in receipt of a letter from the honorary secretary of the South Kalgoorlie parents and citizens' association of date 9th August, 1976, re the appointment to the Kalgoorlie area of a guidance officer and a social worker?
- (2) Will the Minister give an assurance that appointments to Eastern Goldfields Senior High School of such specialist staff will be made for the 1977 school year?

Mr GRAYDEN replied:

- (1) A number of letters have been received on this matter.
- (2) Three positions for guidance officers have been advertised for the Kalgoorlie area for 1977. However, the willingness of qualified staff to apply for these advertised positions cannot be guaranteed.

5. **SCHOOLS AND HIGH SCHOOLS**

Sex Education Course

Mr HARMAN, to the Minister representing the Minister for Education:

- (1) How many schools have opted for the sex education course?